

Annex H

## **Exempt Supply Scheme Agreement (Domestic Customers)**

## Contents

Agreement	
Annex A	Terms and conditions of Exempt Supply Agreement as between the Generator and the Customer;
Annex B	Modifications of Licensed Supply Agreement as between the Licensed Supplier and the Customer;
Annex C	Modifications of PPA, as between the Licensed Supplier and the Generator;
Annex D	Terms and conditions of the Agency and Services Agreement, as between the Licensed Supplier and the Generator;
Annex E	Details of calculations
Annex F	Form of Scheme Accession Agreement
Annex G	Form of Scheme Memorandum

Names and addresses of initial Scheme Participants

#### **Exempt Supply Scheme Agreement**

#### THIS AGREEMENT is made between:

- (1) REBEL ENERGY SUPPLY LIMITED, a company incorporated in England and Wales with registered number 10767623 and having its registered office at Bedford Heights Business Centre, Brickhill Drive, Bedford MK41 7PH (Licensed Supplier);
- (2) each person that is for the time being party to this Agreement in the capacity of Customer; and
- (3) each person that is for the time being party to this Agreement in the capacity of Generator;

(each a Party).

#### IT IS AGREED as follows:

#### 1 Interpretation

1.1 In this Agreement the words and expressions set out below have the meanings given below, unless the context otherwise requires and except where a different meaning is given in an Annex:

**Agreed Share** means the percentage share of a Scheme Participant of the Exempt Supply Benefits in respect of any period, as agreed and recorded in a Scheme Memorandum between the Licensed Supplier and that Scheme Participant;

Agreement means this Exempt Supply Scheme Agreement;

**Compatible Scheme** means another Exempt Supply Scheme of the Licensed Supplier in which the rules for determining quantities are the same as the rules in Clause 5 and Annex E;

**Customer** means an electricity customer of the Licensed Supplier that participates in the Scheme;

**Customer Metering Point** means a Metering Point nominated by a Customer for participation in the Scheme;

Excess Generation Quantity has the meaning given in Clause 5.1.4;

**Exemption Order** means the Electricity (Class Exemptions from the Requirement for a Licence) Order 2001;

Exempt Supplier means a Generator in respect of the Exempt Supply it makes to Customers;

**Exempt Supply** means supply of electricity at a Customer Metering Point which is exempt from licensing in accordance with Class A in Schedule 4 of the Exemption Order;

**Exempt Supply Agreement** means the Agreement for Exempt Supply between an Exempt Supplier and a Customer;

**Exempt Supply Benefits** means in respect of any period the amounts of the Policy Obligations which would fall on the Licensed Supplier in respect of Exempt Supply Quantities if those quantities were supplied by the Licensed Supplier;

**Exempt Supply Quantities** means quantities supplied as Exempt Supply to Customers under the Scheme;

**Exempt Supply Scheme** means the Scheme and any other scheme established by the Licensed Supplier that makes arrangements equivalent to those described in Clause 2;

**Feed-in Tariffs Order** means the Feed-in Tariffs Order 2012, and references to that Order include related conditions of electricity supply licences;

**Force Majeure Event** means an unexpected and exceptional event that allows one party to be exempted from liability in whole or in part from the consequences of failing to deliver their obligations under the Agreement, and *in extremis*, terminate the contract without being liable for damages.

**G-C Pair** means a Generator and Customer as Exempt Supplier and Customer under an Exempt Supply Agreement;

Generator means a person that generates electricity and participates in the Scheme;

Generator Information means the name and address of a Generator;

**Generator Metering Point** means a Metering Point nominated by a Generator for participation in the Scheme;

**Industry Charges** means charges and costs incurred or imposed in accordance with Industry Codes, including distribution and transmission use of system and connection charges, costs of distribution and transmission losses, imbalance charges and other trading charges;

**Industry Codes** means the Distribution Connection and Use of System Agreement, the Retail Energy Code, the Balancing and Settlement Code, and the Connection and Use of System Code (each as referred to in the standard conditions of electricity supply licence)

**Licensed Supply Agreement** means an agreement for supply of electricity by the Licensed Supplier to a Customer at a Customer Metering Point, as modified as set out in Annex B (Modifications of Licensed Supply Agreement as between the Licensed Supplier and the Customer);

Licensed Supply Quantity has the meaning given in Clause 5.1;

**Metering Point** means a metering point (identified by Meter Point Administration Number) at which a Customer is supplied with electricity or a Generator delivers electricity that it generates;

Ofgem means the Gas and Electricity Markets Authority or its office;

**Participation Conditions** means conditions of participation in the Scheme, as set out in Clause 3.2 or 3.3;

Policy Obligations means the obligations of the Licensed Supplier:

(a) under the Renewables Obligation Order 2015, to produce UK ROCs or make payment at the buy-out price;

(b) under the Feed-in Tariffs Order 2012 (or related conditions of electricity supply licences), to make payments into the levelisation fund;

**PPA** means an agreement for the purchase of electricity by the Licensed Supplier from a Generator at a Generator Metering Point, as modified as set out in Annex C (*Modifications of PPA, as between the Licensed Supplier and the Generator*);

**Reference Terms and Conditions** means the Supplier's standard terms and conditions for supply, as from time to time amended,

Scheme has the meaning given in Clause 2.1;

**Scheme Accession Agreement** means an agreement between the Licensed Supplier and a person acceding to this Agreement as Generator or Customer in the form in Annex F (*Details of Calculations*);

**Scheme Memorandum** means a memorandum between the Licensed Supplier and a Scheme Participant in the form in Annex G (*Form of Scheme Memorandum*);

Scheme Participant means a Customer or Generator;

- 1.2 In this Agreement:
  - (a) the provisions as to interpretation of the Reference Terms and Conditions apply on the basis set out in Clause 8.1;
  - (b) terms (not otherwise defined in or for the purposes of this Agreement) defined in the Exemption Order or either Order referred to in the definition of Policy Obligations have the meanings given therein.
- 1.3 Nothing in this Agreement establishes rights or obligations or creates any relationship
  - (a) as between any Customers, or
  - (b) as between any Generators.

## 2 Exempt Supply Scheme

- 2.1 This Agreement establishes an arrangement (the **Scheme**) between the Scheme Parties under which:
  - (a) all or part of the generated output of each Generator at each Generator Metering Point is supplied (as Exempt Supply) to Customers;
  - (b) all or part of the consumption of each Customer at each Customer Metering Point is supplied (as Exempt Supply) by Generators;
  - (c) the generated output of a Generator at a Generator Metering Point that exceeds the quantities it supplies to Customers is sold to the Licensed Supplier;
  - (d) the consumption of a Customer at a Customer Metering Point that exceeds the quantities that it is supplied by Generators is supplied by the Licensed Supplier;

- (e) the Exempt Supply Benefits associated with the Exempt Supply Quantities are shared among Customers, Generators and the Licensed Supplier.
- 2.2 The Licensed Supplier may establish more than one Exempt Supply Scheme.
- 2.3 A Customer may only participate in one Exempt Supply Scheme in respect of a particular Customer Metering Point.
- 2.4 A Generator may only participate in one Exempt Supply Scheme in respect of a particular Generator Metering Point. A Generator may participate in Compatible Schemes in respect of different Generator Metering Points.

## 3 Parties and participation

#### 3.1 Initial parties

- 3.1.1 The Parties at the date of this Agreement are
  - (a) the Licensed Supplier; and
  - (b) the initial Scheme Participants whose names and addresses are set out in Annex H (Names and addresses of initial Scheme Participants).

#### 3.2 Customer Participation Conditions

- 3.2.1 A Customer must, upon admission to the Scheme and at all times thereafter, meet the following Participation Conditions in respect of each Customer Metering Point:
  - (a) the premises at which the Customer is supplied through the Customer Metering Point are domestic premises;
  - (b) the meter at the Customer Metering Point provides half-hourly data;
  - (c) the Customer is party to a Supply Agreement with the Licensed Supplier for supply at the Customer Metering Point, the terms of which are consistent with the Reference Supply Terms and Conditions, and is in compliance with that Supply Agreement.

## 3.3 Generator Participation Conditions

- 3.3.1 A Generator must, upon admission to the Scheme and at all times thereafter, meet the following Participation Conditions:
  - (a) in respect of each Generator Metering Point:
    - the Generator operates generation facilities whose output is delivered at the Generator Metering Point through a meter that provides half-hourly data and is registered in the 'Supplier Meter Registration System';
    - (ii) the Generator is not accredited for the purposes of the Renewables Order in respect of those generation facilities;

- (iii) (unless the Licensed Supplier otherwise agrees) the supply of electricity by the Generator is or would be exempt from the main rates of CCL;
- (iv) the Generator is party to a PPA with the Licensed Supplier for delivery at the Generator Metering Point, and is in compliance with that PPA;
- (b) the Generator does not supply energy to any person or persons other than Exempt Supply under the Scheme or any other Compatible Scheme.

#### 3.4 Admission as Scheme Party

- 3.4.1 Where the Licensed Supplier is satisfied that the Participation Conditions are met in respect of a person wishing to be admitted to the Scheme the Licensed Supplier may admit a person to the Scheme as Generator or Customer in respect of the nominated Metering Point(s) by entering into a Scheme Accession Agreement with them.
- 3.4.2 Each Scheme Party irrevocably and unconditionally authorises the Licensed Supplier to admit any person to the Scheme, and enter into and execute the Scheme Accession Agreement on behalf of the Scheme Party.

#### 3.5 Scheme Memorandum

- 3.5.1 At the time at which a Scheme Participant is admitted to the Scheme, the Licensed Supplier and the Scheme Participant will agree a Scheme Memorandum in the form in Annex G (Form of Scheme Memorandum) which will record:
  - (a) whether the Scheme Participant is a Customer or a Generator;
  - (b) the Meter Point(s) nominated by the Scheme Participant for participation in the Scheme;
  - (c) the date with effect from which the participation of those Meter Point(s) starts; and
  - (d) the Agreed Share of the Scheme Participant.
- 3.5.2 The Licensed Supplier and the Scheme Participant will amend the Scheme Memorandum if:
  - (a) the Scheme Participant nominates any additional Meter Point to participate in the Scheme, and the Licensed Supplier accepts the nomination;
  - (b) the participation in the Scheme of a Metering Point is ended under Clause 3.7.
- 3.5.3 The date with effect from which a Meter Point participates in the Scheme must not be less than 7 days from the date on which the Scheme Memorandum is signed or amended.
- 3.5.4 The Licensed Supplier, as agent for each Generator as Exempt Supplier, shall:
  - (a) when a Customer is admitted to the Scheme, provide to the Customer the Generator Information in respect of each Generator that is then a Scheme Participant;
  - (b) when a Generator is admitted to the Scheme, provide to each Customer the Generator Information in respect of the Generator.

3.5.5 This Agreement and the information provided under Clause 3.5.4 operates as notice by Exempt Generators to Customers for the purposes of Article 4(6)(b) of the Exemption Order.

#### 3.6 Contractual arrangements under participation

- 3.6.1 Each Generator (as Exempt Supplier) and each Customer are parties to an Exempt Supply Agreement, as set out in Annex A (*Terms and conditions of Exempt Supply Agreement as between the Generator and the Customer*), in respect of each Customer Metering Point of the Customer.
- 3.6.2 The supply agreement between the Licensed Supplier and each Customer is modified as set out in Annex B (Modifications of Licensed Supply Agreement as between the Licensed Supplier and the Customer).
- 3.6.3 The PPA between each Generator and the Purchase Supplier is modified as set out in Annex C (Modifications of PPA, as between the Licensed Supplier and the Generator).
- 3.6.4 The Licensed Supplier provides Exempt Supply Services and Agency Services to each Generator (as Exempt Supplier) on the terms and conditions set out in Annex D (*Terms and conditions of the Agency and Services Agreement, as between the Licensed Supplier and the Generator*).

#### 3.7 Withdrawal from participation

- 3.7.1 A Scheme Participant may end the participation of a Metering Point in the Scheme by giving notice to the Licensed Supplier specifying the Metering Point and the date of ending which must be not less than 30 days after the notice is given.
- 3.7.2 A Generator's participation in the Scheme in respect of a Metering Point is automatically ended if the PPA is ended.
- 3.7.3 A Customer's participation in the Scheme in respect of a Metering Point is automatically ended if the relevant Licensed Supply Agreement is ended or if it becomes an out-of-contract or deemed contract.
- 3.7.4 The Licensed Supplier may end the participation of a Scheme Participant in the Scheme in respect of a Metering Point if the Participation Conditions cease to be met by giving notice to the Scheme Participant specifying the Metering Point and the date of ending.
- 3.7.5 If the participation of a Scheme Participant in the Scheme is ended in respect of all Metering Points, the Licensed Supplier may give notice of termination to the Scheme Participant, and upon such notice being given the Scheme Participant ceases to be a Party.

#### 3.8 Amendment or cancellation of the Scheme

- 3.8.1 If a direction is given by Ofgem for the purposes of Article 4(6)(a) of the Exemption Order, the Licensed Supplier may, after consulting with Scheme Participants, with effect from the effective date of the direction, by notice to all Scheme Participants either:
  - (a) modify this Agreement so as to be consistent with the direction; or
  - (b) end this Agreement.

3.8.2 If the Licensed Supplier gives notice to modify this Agreement under Clause 3.8.1, a Generator may, within 30 days after such notice was given, end its participation in the Scheme by notice to the Licensed Supplier.

## 4 Supply and purchase under the Scheme

#### 4.1 In each Half Hour:

- each Generator (as Exempt Supplier) supplies to each Customer at the Customer
   Metering Point the G-C Exempt Supply Quantity of electricity, and the Customer takes
   that supply, under the Exempt Supply Agreement;
- (b) the Licensed Supplier supplies to each Customer at the Customer Metering Point the Licensed Supply Quantity (if any), under the Licensed Supply Agreement;
- (c) the Licensed Supplier purchases from each Generator at the Generator Metering Point the Excess Generation Quantity (if any), under the PPA.

## 5 Half Hourly Quantities

#### 5.1 Determination of quantities

- 5.1.1 In each Half Hour the **Eligible Output** of a Generator is the total generated output of the Generator at Generator Metering Points, up to but not exceeding 1.255Wh (2.5MW \* half hour).
- 5.1.2 The amount of the Exempt Supply by each Generator in respect of each Generator Metering Point to each Customer at the Customer Metering Point in a Half Hour (the **G-C Exempt Supply Quantity**) is determined so that:
  - (a) no Generator supplies more than its Eligible Output;
  - (b) if the total consumption of all Customers is less than the total Eligible Output of all Generators, each Customer's consumption is allocated to the Generators pro rata their respective Eligible Output;
  - (c) if the total consumption of all Customers is not less than the total Eligible Output of all Generators, each Generator's Eligible Output is allocated to the Customers pro rata their respective consumption.
- 5.1.3 The amount of the licensed supply to a Customer in a Half Hour (**Licensed Supply Quantity**) is the Customer's consumption less the total G-C Exempt Supply Quantities supplied to that Customer.
- 5.1.4 The amount of a Generator's output that is sold under the PPA in a Half Hour (Excess Generation Quantity) is the Generator's output less the total G-C Exempt Supply Quantities supplied by that Generator.
- 5.1.5 Annex E (*Details of calculations*) sets out the basis for calculating the quantities referred to in this Clause.

## 5.2 Calculation of quantities

- 5.2.1 The Licensed Supplier will calculate G-C Exempt Supply Quantities, Licensed Supply Quantities and Excess Generation Quantities.
- 5.2.2 Each Scheme Participant authorises the Licensed Supplier:
  - to use metered volume and other data relating to the Scheme Participant and Metering Points for the purposes of calculating the quantities referred to in Clause 5.2.1; and
  - (b) to provide such data to any third party that the Licensed Supplier engages to provide services in connection with such calculation, and to licence the use of such data by that third party for such purposes.

## 6 Sharing of Exempt Supply Benefits

#### 6.1 Claiming exemption

- 6.1.1 The Licensed Supplier will claim exemption from the Policy Obligations in respect of the Exempt Supply Quantities (**Exempt Supply Claim**) by submitting to Ofgem, for the purpose of determining the Licensed Supplier's liability for Policy Obligations, supply volumes which exclude G-C Exempt Supply Quantities; and providing such evidence of the Exempt Supply of those volumes.
- 6.1.2 Each Generator and each Customer must provide to Ofgem such further information as Ofgem or the Licensed Supplier may request in support of the Exempt Supply Claim.
- 6.1.3 For the purposes of this Agreement, Exempt Supply Benefits are realised if and to the extent that, when Ofgem publishes or otherwise notifies to the Licensed Supplier its final obligations in respect of Policy Obligations, those obligations do not include amounts in respect of G-C Exempt Supply Quantities.
- 6.1.4 No Party represents to any other Party that Ofgem will accept any Exempt Supply Claim. Each Party accepts the risk that Ofgem may (in whole or in part) reject an Exempt Supply Claim. No Party has any liability to another Party if Ofgem rejects an Exempt Supply Claim (but without prejudice to Clause 6.2.6(a).

## 6.2 Sharing Exempt Supply Benefits

- 6.2.1 It is agreed and acknowledged that the supply price under the Exempt Supply Agreement includes an amount in respect of Policy Obligations (and the right of a Customer to a rebate of such amount pursuant to the Scheme is limited to its Agreed Share, in accordance with Clause 6.2.2).
- 6.2.2 If and to the extent that, and (in accordance with Clause 7) following the time at which, Exempt Supply Benefits are realised, the Licensed Supplier will pay:
  - (a) to each Generator, the Agreed Share of those Exempt Supply Benefits;
  - (b) to each Customer, the Agreed Share of those Exempt Supply Benefits.
- 6.2.3 The Licensed Supplier will retain for itself the balance of the Exempt Supply Benefits.

- 6.2.4 The amount payable to a Generator or Customer in respect of Exempt Supply Benefits in a period is calculated as the Agreed Share of the amount calculated as the total G-C Exempt Supply Quantities supplied by or to it in all Half Hours in that period, multiplied by the applicable rates of the benefits.
- 6.2.5 The rates of the benefits are the unit rates in p/kWh of the costs of complying with the Policy Obligations that are avoided by the Licensed Supplier, as published by Ofgem.
- 6.2.6 If and to the extent that an Exempt Supply Claim is not accepted by Ofgem:
  - except as provided in paragraph (b), for the purposes of Clause 6.2.4, the G-C Exempt Supply Quantity(ies) for the relevant Scheme Participants in respect of which the claim was not accepted are reduced (including to zero) to reflect the non-acceptance;
  - (b) if and to the extent that such non-acceptance does not relate to a particular Scheme Participant or Metering Point, the reduction in Exempt Supply Benefits resulting from such non-acceptance is allocated to all Parties in proportion to the amounts of Exempt Supply Benefits they would otherwise have received under the Scheme.

#### 6.3 CCL

6.3.1 The amount of CCL billed to a Customer in respect of Exempt Supply in any period by a Generator that exceeds what is chargeable in respect of that supply will be rebated to the Customer by the Licensed Supplier (as agent for the Generator) at the same time as payment for the relevant period is made under Clause 6.2.2.

### 6.4 Consequences of participation ending

- 6.4.1 If the participation of a Scheme Participant's Metering Point in the Scheme is ended as a result of a breach or default by the Scheme Participant under this Agreement or a Licensed Supply Agreement or PPA, the Scheme Participant is not entitled to receive its Agreed Share of Exempt Supply Benefits in respect of any period for which payment of such Agreed Share has not (when such participation ends) already been made by the Licensed Supplier.
- 6.4.2 Except as provided in Clause 6.4.1, upon the ending of the participation of a Scheme Participant's Metering Point in the Scheme, or ending of this Agreement under Clause 3.8.1(a), the Scheme Participant continues to be entitled (subject to and in accordance with this Clause 6) to receive its Agreed Share of Exempt Supply Benefits calculated by reference to G-C Exempt Supply Quantities up to the date of ending of such participation.

## 7 Reporting

- 7.1 Rebel Energy Supply Limited shall report to each Customer and/or Generator:
  - (a) A monthly bill detailing their energy use, tariff and charges
  - (b) (Where applicable) A quarterly statement for their payments generated though their SEG tariff.

## 8 Further provisions

- 8.1 The provisions of the Reference Terms and Conditions specified in Clause 8.2 are incorporated into this Agreement and apply on the following basis:
  - (a) a reference (in the Reference Terms and Conditions) to a party is to any of the Licensed Supplier, any Generator and any Customer, as appropriate; and
  - (b) a reference (in those Reference Terms and Conditions) to 'this agreement' (or any similar reference) is to this Exempt Supply Scheme Agreement;
- 8.2 The relevant provisions are:
- 8.2.1 All data owned by and shared between the parties that is protected by General Data Protection Regulations (GDPR) will be processed in accordance with Rebel Energy Supply Limited's Privacy Policy, as the same may be amended from time to time, and in strict compliance with GDPR requirements.
- 8.2.2 In the case of failure to perform this Agreement due to any **Force Majeure Event**, neither party shall be liable for such failure, and this Agreement shall be terminated automatically. In the case of failure to perform a part of this Agreement due to any **Force Majeure Event**, the party suffering from such **Force Majeure Event** may be exempted from corresponding liability to the extent of the impact of such **Force Majeure Event**. However, such party shall continue to perform other obligations under this Agreement which have not been affected by such **Force Majeure Event**. If such **Force Majeure Event** occurs after such party delays to perform this Agreement, it shall not be exempted from its corresponding liabilities.

## 9 Governing law and jurisdiction

- 9.1 This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.
- 9.2 Each party irrevocably agrees that, subject to clause 9.1, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

This agreement has been entered into on the date stated at the beginning of it.

Signed by	Signed by
Signature	Signature
Director/Duly Authorised Signatory	Director/Duly Authorised Signatory
for and on behalf of REBEL ENERGY SUPPLY	for and on behalf of [INITIAL GENERATOR/PROSUMER]
LIMITED	

# Annex A – Exempt Supply Agreement

1.	Parties	Each Generator as Exempt Supplier
		Each Customer
2.	Term	The Exempt Supply starts (and the Exempt Supply Agreement is treated as being entered into) on the later of the dates on which the Customer Metering Point and the Generator Meter Point starts participating in the Scheme.
		The Exempt Supply ends on the earliest to occur of any of the following:
		(a) the participation of the Customer Metering Point in the Scheme is ended;
		(b) the participation of the Generator Metering Point in the Scheme is ended;
		(c) the Licensed Supply is ended;
		(d) the PPA is ended.
3.	Agreement to supply	The Exempt Supplier agrees to supply electricity to the Customer, and the Customer agrees to take the supply from the Generator at the Customer Metering Point.
		The quantity of electricity to be supplied in each Half-Hour is the G-C Exempt Supply Quantity.
4.	Terms of supply	The Reference Terms and Conditions are incorporated into the Exempt Supply Agreement, subject to the exclusions and modifications set out below, and on the basis that references to the supplier are to the Exempt Supplier.
5.	Role of Licensed Supplier	It is agreed and acknowledged that the Exempt Supply is made on the basis that the Licensed Supplier is, and the Exempt Supplier is not, responsible for the following industry related matters ( <b>Exempt Excluded Matters</b> ):
		(a) connection of the Customer's premises to the electricity distribution network;
		(b) the provision, operation and reading of meters at the Customer Metering Point;
		(c) the registration of the meter(s) at the Customer Metering Point;
		(d) being party to and complying with the Industry Codes;
		(e) appointing the relevant Party Agents under an Industry Code;
	1	

		(f) paying Industry Charges;
		(i) paying industry Onaigos,
		(g) accounting for energy in the wholesale energy system in accordance with Industry Codes;
		(h) access to the Customer's premises and any disconnection of the Customer's supply.
6.	Excluded terms	Provisions of the Reference Terms and Conditions that relate:
		(a) to the Exempt Excluded Matters, or obligations of the supplier or Customer in connection with the Exempt Excluded Matters
		(b) to the provision of any service other than the supply of electricity
		do not apply to the Exempt Supply and are excluded from being incorporated in the Exempt Supply Agreement.
7.	Existence of	Provisions of the Reference Terms and Conditions which relate to
	contract	commencement, termination, extension, renewal, switching, suspension
		and assignment are construed on the basis that the Exempt Supply
		Agreement is not in force except when the Licensed Supply Agreement is in force.
8.	Supplier	The basis of the Exempt Supply must be the same as that of the Licensed
0.	discretions and decisions	Supply for certain purposes. Any decision or action taken, or notice given, by the Licensed Supplier under the Licensed Supply Agreement (other than under a term which is excluded from the Exempt Supply Agreement by Section 6) is taken or given by the Licensed Supplier as agent for the Exempt Supplier (see Agency below) and is treated as taken by the Exempt Supplier.
		Without limitation, this applies in respect of decision and actions relating to:
		(a) the suspension of service;
		(b) the right to make changes to the terms of supply;
		(c) the right to increase the charges for supply;
		(d) the termination of the agreement;
		(e) the enforcement of any provision of the agreement.
9.	Supplied quantity	Provisions of the Reference Terms and Conditions that relate to or apply
		by reference to the volume of electricity supplied apply in relation to the G-C Exempt Supply Quantity in each Half Hour.
10.	Supply price and payment	The price of electricity supplied under the Exempt Supply is the price for the time being applicable under the Licensed Supply Agreement.

		For the purposes of invoicing Value Added Tax, the Licensed Supplier acts as undisclosed agent of the Exempt Supplier, and will submit a single invoice or statement.
		It is acknowledged that invoices to the Customer (under the agency provided for below) will include amounts in respect of CCL in relation to the G-C Exempt Supply Quantity. So far as those amounts are not chargeable on respect of those quantities supplied by the Exempt Supplier, those amounts will be rebated to the Customer in accordance with Clause 6.3.
11.	Credit support	The Licensed Supplier holds the benefit of all forms of credit support or payment assurance for itself and the Exempt Supplier.
12.	Agency	The Exempt Supplier has appointed the Licensed Supplier as its agent for the following matters ( <b>Agency Matters</b> ). The Exempt Supplier authorises the Customer to deal with the Licensed Supplier in respect of the Agency Matters. Any notice given by the Customer or the Licensed Supplier to the other in connection with an Agency Matter is treated as given by or to the Exempt Supplier for purposes of the Exempt Supply Agreement.  The Agency Matters are:  (a) invoicing and collection of charges for the Exempt Supply (including rebate in respect of CCL);
		<ul><li>(b) the supplier discretions and decisions in Section 8;</li><li>(c) the handling of any dispute between the Exempt Supplier and Customer.</li></ul>
13.	Schedule 2ZB of the Electricity Act 1989. In this Section 13, paragraph references are to paragraphs of this Schedule.	An objection by the Licensed Supplier to a change of supplier by the Customer is also made as agent for the Exempt Supplier for the purposes of paragraph 2(2).  Where the Licensed Supplier provides to the Customer under the Licensed Supply Agreement information in respect of any of the matters specified in paragraphs 4, 5 (subject as follows) and 7, that information is also provided as agent for the Exempt Supplier.  The Generator Information provided under Clause 3.5.4 forms part of the Exempt Supply Agreement for the purposes of paragraph 4.  Information to be provided under paragraph 5 to the Customer in respect of the amount and cost of electricity supplied by the Exempt Supplier is provided (by the Licensed Supplier as agent for the Exempt Supplier) by reporting under Clause 7 of the Agreement.  Information to be provided under paragraph 6 is provided by the generation source report under Clause 7 of the Agreement.
		Solidiation source report under oldase / or the Agreement.

		Note: Licensed Supplier to verify that in complying with its customer care requirements it achieves a standard no less onerous that what is required here, and in the Consumer Protection Act 2006 and the Consumer Protection from Unfair Trading Regulations 2008.
14.	Miscellaneous	The Customer is permitted to take the Licensed Supply, notwithstanding any exclusivity provided in the Reference Terms and Conditions  The Customer and the Exempt Supplier are permitted to disclose to the Licensed Supplier any information required to be provided under the Scheme Agreement, notwithstanding the restrictions on disclosure and other confidentiality provisions of the Reference Terms and Conditions.  Any limit on liability of the Customer or Exempt Supplier under the Exempt Supply Agreement which is expressed by reference to the charges payable by the Customer applies on the basis of the charges specified in Section 10.

# Annex B - Modifications of the Licensed Supply Agreement

1.	Parties	Licensed Supplier
		Customer
2.	Term	These modifications of the Licensed Supply Agreement apply for so long as any Exempt Supply Agreement is in force.
		The modifications of the Licensed Supply Agreement, in respect of each Exempt Supply Agreement, are coterminous with that Exempt Supply Agreement.
		If an Exempt Supply Agreement ends for any reason before the Licensed Supply Agreement, them the Licensed Supply Agreement continues in force, including as to the supply that was the Exempt Supply under that Exempt Supply Agreement, without these modifications.
3.	Quantities	The quantity of electricity supplied by the Licensed Supplier in each Half Hour is the Licensed Supply Quantity.
4.	Variable Charges	The Customer is liable for charges (so far as charged in respect of the quantity supplied) only in respect of the Licensed Supply Quantity in each Half Hour.
5.	Miscellaneous	The Customer is permitted to take the Exempt Supply under each Exempt Supply Agreement, notwithstanding any exclusivity provided in the Licensed Supply Agreement.
		The Customer and the Licensed Supplier are permitted to disclose to Exempt Suppliers any information required to be provided under the Scheme Agreement, notwithstanding the restrictions on disclosure and other confidentiality provisions of the Reference Terms and Conditions.
		The Licensed Supplier is permitted to disclose to any third party service provider (as referred to in Clause 6.2.2(b) and to Ofgem any information which is required or is reasonably necessary to provide in connection with the Scheme or its operation or an Exempt Supply Claim, notwithstanding the restrictions on disclosure and other confidentiality provisions of the Reference Terms and Conditions.
		Any limit on liability of the Customer or Licensed Supplier under the Licensed Supply Agreement which is expressed by reference to the charges payable by the Customer applies after taking account of Section 4.

## Annex C - Modifications of the PPA

1.	Parties	Generator
		Purchaser (Licensed Supplier)
2.	Term	These modifications of the PPA apply for so long as any Exempt Supply Agreement is in force.
		The modifications of the PPA, in respect of each Exempt Supply Agreement, are coterminous with that Exempt Supply Agreement.
		If an Exempt Supply Agreement ends for any reason before the PPA, then the PPA continues in force, including as to the purchase of generated output that was the Exempt Supply under that Exempt Supply Agreement, without these modifications.
3.	Meter registration and delivery	The Purchaser remains the registrant of the metering system at the Generator Metering Point. Provisions of the PPA in respect of the delivery of electricity at the Generator Metering Point apply without modification and on the basis of the entire generated output.
4.	Quantities	The quantity of electricity sold by the Generator to the Purchaser in each Half Hour is the Excess Generation Quantity.
5.	Charge for sale of electricity	The Purchaser is liable to pay the electricity price under the PPA (so far as payable in respect of the quantity generated) only for the Excess Generation Quantity in each Half Hour.
6.	Other Charges	All provisions of the PPA relating to other charges apply without modification, and where applicable by reference to the entire generated output.
		Those other charges include:
		(a) Industry Charges which the Purchaser incurs as a result of being registrant of the metering system at the Generator Metering Point;
		(b) charges in respect of benefits (see Section 7)
7.	Benefits	Any requirement under the PPA that output of the generator is supplied as licensed supply for the purposes of qualifying for a benefit, applies only in respect of the Excess Generation Quantity.
		Subject to that, all provisions of the PPA relating to benefits (including entitlement to, sale of, transfer of, or sharing of benefits) apply without modification, and where applicable by reference to the entire generator output.
		For this purpose benefits are:

		(a) renewable benefits attributed to or associated with the generator output, and
		(b) where applicable, Industry Charges saved, avoided or earned as a result of being distribution-connected.
		This Section 7 is without prejudice to Clause 3.3.1(a)(ii) .
8.	Capacity and forecasts	Provisions of the PPA that relate to the generation capacity of the Generator's facility apply without modification and on the basis of the entire capacity of the Generator's facility.
		Those provisions include provisions (other than for the sale of the capacity) for maintaining and operating the facility at a contracted level of capacity, forecasting the capacity or output of the facility from time to time, and provisions as to planned and unplanned outages of the facility.
9.	Reporting	Reports, statements or invoices provided by either party to the other under the PPA:
		(a) are to reflect the amount for which the Purchaser is liable at the electricity price, as provided above
		(b) otherwise are to be on the basis of the PPA without modification, and where applicable to reflect the entire generated output.
10.	Miscellaneous	The Generator is permitted to sell the G-C Exempt Supply Quantities to Customers under Exempt Supply Agreements, notwithstanding any exclusivity provided in the PPA
		The Generator and the Purchaser are permitted to disclose to the Licensed Supplier and to Customers any information required to be provided under the Exempt Supply Scheme Agreement, notwithstanding the restrictions on disclosure and other confidentiality provisions of the PPA.
		The Purchaser is permitted to disclose, or (where applicable) to authorise the Licensed Supplier to disclose, to its service provider and to Ofgem any information which is required or is reasonably necessary to provide in connection with the Scheme or its operation or an Exempt Supply Claim, notwithstanding the restrictions on disclosure and other confidentiality provisions of the PPA.

# Annex D – Exempt Supply and Agency Arrangements

1.	Parties	Licensed Supplier
		Generator
2.	Term	Coterminous with each Exempt Supply Agreement
3.	Exempt Supply Services	The Licensed Supplier agrees to provide the following industry related services ( <b>Exempt Supply Services</b> ) to the Generator as Exempt Supplier in respect of each Customer:
		acting as party to the Industry Codes;
		registering the Customer's metering system(s) at the Customer     Metering Points and acting as meter registrant;
		registering those metering systems in a Supplier BM Unit;
		appointing Supplier Agents;
		paying Industry Charges;
		accounting for energy in the wholesale system in accordance with Industry Codes;
		to perform any other obligations under the Licensed Supply     Agreement which are not obligations of the Exempt Supplier under     the Exempt Supply Agreement but are necessary to enable the     Exempt Supplier to perform it.
		Exempt Supply Services are not performed as agent of the Exempt Supplier
4.	Agency Services	The Exempt Supplier appoints the Licensed Supplier, and the Licensed Supplier agrees, to act as agent and exercise the rights and discretions and perform the obligations of the Exempt Supplier under each Exempt Supply Agreement in respect of Agency Matters (as specified in Section 12 of Annex A ( <i>Terms and conditions of Exempt Supply Agreement as between the Generator and the Customer</i> )). The agency services provided by the Licensed Supplier are <b>Agency Services</b> .
5.	Accounting and remuneration	The Licensed Supplier will invoice and collect on behalf of the Generator the charges payable by Customers to the Generator in respect of the Exempt Supply (Exempt Supply Charges).
		The Licensed Supplier will act as undisclosed agent of the Generator for Value Added Tax purposes in the invoicing of those charges.

		The Licensed Supplier will rebate to Customers the amounts invoiced to them but not chargeable in respect of CCL in accordance with Clause 6.3.
		The Licensed Supplier will pay over to the Generator a part of the Exempt Supply Charges calculated as the Exempt Supply Quantity for each Half Hour multiplied by the applicable PPA Price.
		The Licensed Supplier is entitled to retain, as its sole remuneration for the provision of Exempt Supply Services and Agency Services, the amount of the Exempt Supply Charges in excess of what is paid over to the Generator under the above provision.
6.	Liability	The Licensed Supplier is not liable to the Generator in respect of failure to provide or perform the Exempt Supply Services or Agency Services except in the case of gross negligence or wilful misconduct.

## Annex E - Quantity calculations

## 1 Defined terms

- 1.1 These defined terms are used in this Annex:
  - (a) Generator Output (GO) is the metered output of a Generator's facility at a Generator Metering Point;
  - (b) Available Eligible Quantity (AEQ) for a Generator at a Generator Metering Point is the lesser of:
    - (i) Generator Output, and
    - (ii) 1.25 MWh \* GO / AGO;
  - (c) Aggregate Generator Output (AGO) is the aggregate Generator Output for all Generator Metering Points of a Generator that participate in the Scheme or Compatible Schemes;
  - (d) Aggregate AEQ (AAEQ) is the aggregate of the Available Eligible Quantities for all participating Generators;
  - (e) Customer Consumption (CC) for a Customer is the metered consumption at a Customer Metering Point;
  - (f) Aggregate Customer Consumption (ACC) is the aggregate of the Customer Consumption for all participating Customers.

## 2 Calculations

- 2.1 For each Half Hour:
  - (a) each Generator is allocated as Generator Exempt Supply Quantity (GESQ) the lesser of
    - (i) AEQ
    - (ii) ACC \* AEQ / AAEQ
  - (b) each Customer is allocated as Customer Exempt Supply Quantity (CESQ) the lesser of
    - (i) CC
    - (ii) AAEQ \* CC / ACC.
- 2.2 The quantity supplied by each Generator to each Customer as Exempt Supply in a Half Hour (the G-C Exempt Supply Quantity for the G-C Pair) is

where ACESQ is the aggregate of the CESQs for all participating Customers.

2.3 For each Half Hour:

(a) the Excess Generation Quantity for a Generator is

GO-GESQ

(b) the Licensed Supply Quantity for a Customer is

CC - CESQ

# Annex F - Scheme Accession Agreement

## Annex G - Scheme Memorandum

# **Anex H - Initial Scheme Participants**