

HEADS OF TERMS FOR THE ACQUISITION OF A FREEHOLD ELECTRICITY SUBSTATION SITE

Date :
Customer :
Company :
Property :

1. The Customer requires a connection to the Company's electricity distribution network ("Network").
2. In order for the Company to connect the Customer to the Company's Network the Company requires a transfer of the freehold of the Property on the following heads of terms which are to be read in connection with the [attached] Guidance Note for New Connections Legal Process.
3. These heads of terms are not intended to create any legally binding obligations. They are subject to contract.
4. The proposed transfer may contain such further terms as the Company requires, including additional terms on matters that are covered in this document.

AGREED TERMS

1. PURCHASE PRICE

- 1.1 The purchase price will be £1.00 (one pound only), exclusive of any VAT that may be payable on the transaction.

2. USE

- 2.1 There will be no restrictions on the use of the Property.

3. RIGHTS TO BE GRANTED TO THE COMPANY

- 3.1 The transfer will grant the following rights in respect of the Property for the benefit of the Company and its licensed undertaking over the landowner's retained land:

- (a) of way on foot or with vehicles;
- (b) to park vehicles;
- (c) to erect, inspect, maintain, repair, renew, rebuild and supplement the electricity substation site;
- (d) to lay, retain, maintain, use, adjust, repair, alter, relay, renew, supplement, inspect, examine, test and remove underground electric lines in the positions indicated on the plan to be attached to the transfer and in on or under any roads;
- (e) to enter onto and break open the surface of so much of the landowner's retained land as is reasonably necessary for the purpose of exercising the rights at paragraph 3.1(d) of these heads of terms;

- (f) of subjacent and lateral shelter and support for the substation, the underground electric lines and any electrical plant and machinery;
- (g) to unimpeded access of air;
- (h) the benefit of any exceptions and reservations in favour of the landowner or other statutory undertakers contained in any assurance of land forming part of the Property or the landowner's retained land to lay and maintain underground electric lines;
- (i) to make noise and cause vibrations.

4. COVENANTS TO BE GIVEN BY THE COMPANY

4.1 The Company will covenant with the landowner to:

- (a) enter onto the landowner's retained land and exercise the rights in accordance with applicable statutes or regulations;
- (b) comply with the landowner's reasonable health and safety and/or security requirements where the landowner has indicated the requirements by relevant and visible notices on the landowner's retained land;
- (c) exercise the rights diligently;
- (d) do as little damage as reasonably practicable and to make good any such damage or compensate the landowner in respect of the same;
- (e) to indemnify the landowner on the Company's standard terms in respect of any default or negligence on the Company's part in exercising the rights under the transfer.

5. COVENANTS TO BE GIVEN BY THE LANDOWNER

5.1 The landowner will covenant with the Company to:

- (a) not commence any action in nuisance in connection with the substation or the underground electric lines;
- (b) not interfere with the exercise of the rights or cause damage to the substation or underground electric lines and to notify the Company immediately on the landowner becoming aware of any such damage;
- (c) not within 2 metres on either side of and including the position of the underground electric lines to:
 - (i) excavate, construct, or alter the level of the ground; or
 - (ii) plant trees, hedges, bushes, coppice or wood;
- (d) indemnify the Company in respect of:

- (i) construction and adoption of infrastructure, including but not limited to roads, sewers and pipes;
 - (ii) the Company having to comply with any obligations contained in planning agreements;
 - (iii) any breach or non-performance of any notice, regulation, or order affecting the Property;
- (e) not make any alterations or additions to the landowner's retained land that may interfere with the access of air to the electricity substation site.

Signed by

For and on behalf of the Company

Signed by

For and on behalf of the Customer