

Mr Bob Ogilvie  
AECOM  
Aldgate Tower  
2 Leman Street  
London E1 8FA

Date: 24 June 2020

Our Ref: 8600017703 / QID 3600005255

Customer Ref: Royal Docks Regeneration

Dear Mr Ogilvie

## Royal Docks Infrastructure Project E6 7AB 88MVA Connection

Thank you for your recent enquiry regarding the above site. I am pleased to be able to provide you with a Quote to carry out the work requested. I am writing to you on behalf of London Power Networks plc the licensed distributor of electricity for the above address trading as and referred to in this Quote as "UK Power Networks".

The Works will enable the provision of an import capacity of 88000 kVA and a maximum export capacity of 0 kVA.

As requested, in this offer UK Power Networks has considered the option to 'cost share' the connection works and take the opportunity to invest in assets, which meet our regulatory commitments. The cost share has been calculated using the Cost Apportionment Factor (CAF) as detailed in UK Power Networks Common Customer Connection Methodology Statement.

Please note that the construction of the new main-substation building will be your responsibility to provide based on UK Power Networks design specification and on the understanding that the new main-substation building is handed over to UK Power Networks in sufficient time to allow completion of installation, with UK Power Networks contributing towards the cost of the building based on Cost Apportionment Factor, see page 7.

Please note that **due to the impact of the ongoing Coronavirus situation, scheduling of all non-essential works is postponed until further notice**. If we receive the required payment and your acceptance whilst the Quote is valid, standard delivery lead-times will not commence until restrictions have been lifted.

As a result, a programme will need to be discussed and agreed between us as the application for supply stipulated energisation May 2022. UK Power Networks have assumed a more realistic energisation date is the end of 2025, but this can be discussed in more detail following the initial stage payment. Also a load profile will need to be provided showing build-up of load bearing in mind works that need to be completed prior to energisation of the new proposed Royal Docks main-substation (see "Special Conditions" page 2).

### How much is it going to cost?

		Price excluding VAT	Price including VAT
<b>A</b>	UK Power Networks carries out all of the requested 'contestable' and 'non-contestable' works required for your connection	<b>£11,423,470.21</b>	<b>£13,708,164.26</b>
<b>B</b>	UK Power Networks carries out all the 'non-contestable' work and the 'contestable closing joint'. The ICP carries out all other requested 'contestable' work	<b>Not Applicable</b>	<b>Not Applicable</b>
<b>C</b>	UK Power Networks carries out the 'non-contestable' works only. The ICP carries out all of the works classified as 'contestable'	<b>Not Applicable</b>	<b>Not Applicable</b>

UK Power Networks provide customers with a choice of options where the requested work includes some Contestable Works, which can be carried out by an Independent Connection Provider (ICP). However, in this instance, your Quote does not include any Contestable Works, so we cannot offer you this choice. Consequently, Options B and C are not applicable.

Cost apportionment factors which form part of the costs:

Item	CAF (customer)
Install 3 x 2.1km 132kV cable route East Ham Tee-point to customer site	55%
Main-substation building	55%
Install 3 x 66MVA 132/11/11kV transformers	55%
11kV incomers	55%
11kV bus-sections and bus-couplers	55%
11kV customer 12 x 11kV switchgear panels	100%
11kV UKPN 33 x 11kV switchgear panels	0%

### Provisional Price

I would like to draw to your attention the provisional nature of the Quote. At the date of issue, either the detailed design and / or the procurement have not been completed, or the proposed design is dependent on securing consents with third parties that have not yet been obtained. We will notify you in writing if the location of the Electric Lines, the electrical plant, the design, the completion date or the Price needs to be adjusted once the detailed design and the procurement process is complete.

### Terms and Conditions

The Quote is subject to Version 7 (September 2016) of our **Terms and Conditions For Connection and Diversionary Works** (the "Terms and Conditions") which you can view [here](#). These create legally binding obligations so it is important that you take the time to read and understand them. They also contain definitions of terms used in this document and in the linked pages on our website that you may find helpful.

### Special Conditions

This offer is subject to the following:

- UK Power Networks network reinforcement works must have been completed before energisation of the new main-substation:
  - 132kV overhead line rebuild Barking to East Ham
- UK Power Networks refurbishment works must have been completed before energisation of the new main-substation:
  - 132kV East Ham Tee-point
- UK Power Networks switchgear replacement works must have been completed before energisation of the new main-substation:
  - 132kV switchboard replacement at Barking C 132kV
- The Offer has been prepared based on an assessment of the cable route following a desktop study and a detailed design of the route needs to be carried out following acceptance of this Quote
- That the land for the main-substation including required cable and access rights (and any other requirements i.e. services, ventilation etc) is to be provided by the GLA, freehold, for the construction of the building at a nominal price

- UK Power Networks payment of a contribution towards the design and construction cost of the new main substation will be conditional on UK Power Networks assessing and agreeing the detailed cost estimate for the construction of the main-substation. The parties shall agree a mechanism for the payment of UK Power Networks contribution, design review process and procedures for managing the cost of construction and variations. These issues will be addressed in a separate agreement to be put in place between the parties post acceptance of this Quote.

### When can you expect your electricity connection?

Once you have accepted this Quote we will call you to discuss a programme of Works. Subject to the Terms and Conditions the Works referred to in this Quote will be completed by the end of 2025. We will endeavour to meet your requested dates wherever possible but the completion date will be dependent on:

- The date that the Quote is accepted;
- How much of the work you wish UK Power Networks to complete;
- Any further discussions we may have with you regarding the programming of the works;
- The completion of work required to be carried out by you, by other people or companies or National Grid that must be done before we can complete our work;
- The contents of this letter and Terms and Conditions of this Quote;
- Obtaining full access to the site;
- Obtaining all necessary legal consents and planning approvals; and
- Any delay to the works due to: unplanned outages (i.e. breakdown or failure of electric power); or availability of planned outages (i.e. temporary suspension or withdrawal of electric power) to carry out certain works on UK Power Networks' distribution system.

### Interactivity

We have not received a request from any other customer for connections to the same part of our Distribution System, but to find out what happens if they do, please [click here](#).

### Post quote call

I will contact you within the next few days to discuss your quote, to ensure you understand the work we will do for the quoted price, your responsibilities, any dependencies and the likely timescales for the work. UK Power Networks are always looking to improve our service offering and as such, the post quote call may be recorded for training purposes. We will not share the recorded call with anyone outside of our connections business and it will be deleted as soon as we have completed the training review. However, if you do not want us to record the call please let me know at the beginning of the call.

### What you need to do next

Before you decide to proceed it is really important that you take note of our **Terms and Conditions**, any **Special Conditions** detailed above and the details in **Your Information Pack** which includes information contained within the hyperlinked text, all of which constitute your **Quote**.

If you would like to accept this Quote you will need to ensure that the requested payment is in our bank account in full and cleared funds and that we have received your signed Acceptance Form from Section 5 below by 5pm on 31 July 2020.

If you have any questions about this Quote or need more information, please do not hesitate to contact me.

Yours sincerely



Gary Tribe  
Senior Project Manager  
Major Connections  
UK Power Networks

Telephone: 020 7055 4196  
Mobile: 07875 116268  
Email: [gary.tribe@ukpowernetworks.co.uk](mailto:gary.tribe@ukpowernetworks.co.uk)

Please support our safety campaign and join the growing number of companies signing up to our [Pledge](#)



To download your free safety leaflets and resources visit  
[UK Power Networks - Safety Page](#)

## Your Information Pack

The following pack provides all of the information you should need to successfully complete your electrical connection for the work you have been quoted. Please pay particular attention to the information that is specific to your project.

Do not hesitate to contact me should you require any further support.

- Section** **1** The Scope of Works
- Section** **2** Cost Breakdown
- Section** **3** Your Responsibilities
- Section** **4** Information To Help You As You Plan For Your Work
- Section** **5** Acceptance Form To Proceed With The Works

## Section 1 Scope of Works

A	<p><b>Proposed works at Royal Docks new MSS:</b></p> <ul style="list-style-type: none"><li>• UK Power Networks propose to excavate, lay, and reinstate 3 x 2100 metre lengths of 132kV EHV cables from East Ham 132kV Tee-point to the site.</li><li>• Supply and install 3 x 66MVA 132kV/11kV transformers with auxiliaries and install 58-panel 11kV switchboard of which 12 x 11kV panels will provide the requested 88000kVA.</li></ul> <p><b>Proposed works at East Ham 132kV Tee-point:</b></p> <ul style="list-style-type: none"><li>• Re-build the existing 132kV overhead line between Barking 132kV and East Ham 132kV.</li><li>• Re-build East Ham 132kV Tee-point.</li></ul> <p>UK Power Networks carries out all the Contestable and Non-Contestable Works.</p>
B	Not applicable as the Final Closing Joint is Non-Contestable.
C	Not applicable as this Quote only includes Non-Contestable Works.

### Phases of work

This Quote covers one phase(s) of work which may be subject to our performance standards, as detailed in our 'Our Connections Standards of Performance' leaflet which can be found [here](#).



## Section 2 Cost Breakdown

Option	A	B	C
Net Price (Excluding VAT)	£11,423,470.21	Not Applicable	Not Applicable

### Breakdown of Costs

Description of CONTESTABLE WORK that is included in option – not applicable	A	only
Work involved		Net price (£)
TOTAL		£0.00

Description of CONTESTABLE FINAL CLOSING JOINT WORK that is included in option – not applicable	A	and in option	B
Work involved			Net price (£)
TOTAL			£0.00

Description of NON-CONTESTABLE WORK that is included in option	A	and in option	B	and in option	C
Work involved					Net price (£)
HV and EHV Plant and Switchgear					
<ul style="list-style-type: none"> <li>58 number 11kV switch panels of which 12 number panels will be for customer use only at new MSS site.</li> <li>Feasibility studies, trial holes etc.</li> <li>Design of new proposed MSS.</li> <li>Legal costs associated with installation.</li> <li>Site manager, supervisor for cabling, civil works.</li> <li>Senior Authorised Persons, 132kV network outage.</li> <li>Site establishment, installation &amp; Principle Contractor duties at new MSS.</li> <li>Cable route civil works (excavation and reinstatement).</li> <li>Supply of ducts (50mm, 125mm, 200mm) and stock boards.</li> <li>132kV XLPE, pilot, telecom, fibre, auxiliary cables (material).</li> <li>Pulling 132kV XLPE, pilot, telecom, fibre, auxiliary cables.</li> <li>132kV XLPE jointing bays.</li> <li>132kV XLPE jointing.</li> <li>132kV XLPE intermediate jointing.</li> <li>Pilot, telecom, fibre, auxiliary cables (jointing).</li> <li>Supply and install grid link boxes.</li> <li>Testing of 132kV XLPE, pilot, telecom, fibre, auxiliary cables.</li> <li>Procurement of 3 x 66 MVA transformers (material only).</li> <li>Installation, testing and commissioning of 66MVA transformers.</li> <li>11kV incomers, bus couplers, section switches and feeder panels.</li> <li>Protection panels, auxiliaries, batteries, fire protection, SCADA, at new MSS site.</li> <li>Earthing connection at new MSS.</li> <li>Removal, civil works and other miscellaneous works to accept the new connections at East Ham Tee-point.</li> <li>Modifications to earthing, protection, SCADA, at Barking MSS.</li> </ul>					£11,413,350.21

<b>Transactional Charges</b>	
• Assessment & Design Charges.	£10,120.00
<b>Other charges</b>	
<b>TOTAL</b>	<b>£11,423,470.21</b>

### Cost Apportionment Factor

The Quote includes reinforcement work that is subject to the application of a Cost Apportionment Factor. This is calculated as your Required Capacity or Fault Level Contribution as a proportion of the New Network Capacity or Fault Level Capacity, as applicable, in accordance with our Statement of Methodology and Charges for Connection to the Electricity Distribution System. Based on these calculations, you have been charged the following:

Cost apportionment factors which form part of the costs:

Item	CAF (customer)
Install 3 x 2.1km 132kV cable route East Ham Tee-point to customer site	55%
Main-substation building	55%
Install 3 x 66MVA 132/11/11kV transformers	55%
11kV incomers	55%
11kV bus-sections and bus-couplers	55%
11kV customer 12 x 11kV switchgear panels	100%
11kV UKPN 33 x 11kV switchgear panels	0%

#### NOTE:

**UK Power Networks will contribute towards the cost of the 132/11kV main-substation building based on CAF on the understanding that it is built to UK Power Networks design specification.**

## Section 3 Your Responsibilities

This section provides information about the work that you are responsible for should you accept this Quote.

Provide us with suitable substation enclosure on site for 3 x 66MVA transformers and a 58-panel 11kV switchboard (which includes M&E works such as fire suppression, fire detection, security, drainage and water as part of the connection works).

In addition, it is the customers responsibility to engage the services of a planning advisor and architect to design and deliver the new substation building and undertake all of the associated surveys such as UXO, Archaeology, environment etc.

We have made all of our general information about your responsibilities available in our Knowledge Centre on our internet site at [www.ukpowernetworks.co.uk](http://www.ukpowernetworks.co.uk). Links to each of the relevant articles are in the table below.

Please let me know if you think we can improve the information we have provided.



## Job Specific Responsibilities

Subject	Link to our Knowledge Library
Land rights required from You in connection with land within Your occupation, ownership or control (time to complete the legal work between Your solicitors and UK Power Networks solicitors associated with acquiring substation sites and easements).	Section 3.19 <a href="#">Click here</a>
Land rights required from You in connection with land within Your occupation, ownership or control (the freehold/leasehold of the substation site).	Section 3.20 <a href="#">Click here</a>

## Generic Responsibilities Applicable to all Quotes

Subject	Link to our Knowledge Library
Construction (Design & Management) Regulations 2015 (CDM).	Section 3.25 <a href="#">Click here</a>
Appointing an electricity supplier (when connections are requested).	Section 3.26 <a href="#">Click here</a>

# Section 4 Information to Help You Plan For Your Work

## Drawing Schedule

The table below shows a summary of the standard drawings that may be useful for this Quote, along with hyperlinks to the drawings that are currently applicable. Our drawings are revised periodically so the links in the table below may not work in the future if the drawings are superseded. However the latest versions of all of our standard drawings can be found [here](#). If you have not used our G81 web pages before you will be asked to register your credentials for future logins and updates.

Drawing Number	Drawing Description
Main-substation drawing	This will be provided separately at a later date (after the Quote is accepted)

## Job Specific Information

Subject	Link to our Knowledge Library
Interactive process	Section 4.10 <a href="#">Click here</a>

## Generic Information Applicable to all Quotes

Subject	Link to our Knowledge Library
Information common to all Quotes	Section 4.1 <a href="#">Click here</a>

If you are unhappy with our service please follow our Complaints Procedure Specific to Commercial and Industrial Projects which can be found [here](#). This document details your right to contact Ofgem for a formal determination if we have been unable to resolve the matter to your satisfaction.

## Section 5 Acceptance Form

Job Reference: 8600017703 / 3600005255

Site Address: Royal Docks Infrastructure Project E6 7AB - 88MVA Connection

Please return your completed form by post or email:

CC Proj.  
UK Power Networks  
Metropolitan House  
Darkes Lane  
Potters Bar, Herts, EN6 1AG

Email: [billingteam-networks@ukpowernetworks.co.uk](mailto:billingteam-networks@ukpowernetworks.co.uk)

Please indicate which option you accept:

	Please tick one only	Price excluding VAT	Price including VAT
<b>A</b> UK Power Networks carries out all of the requested 'contestable' and 'non-contestable' works required for your connection	<input type="radio"/>	£11,423,470.21	£13,708,164.26
<b>B</b> UK Power Networks carries out all the 'non-contestable' work and the 'contestable closing joint'. The ICP carries out all other requested 'contestable' work	<input type="radio"/>	Not Applicable	Not Applicable
<b>C</b> UK Power Networks carries out the 'non-contestable' works only. The ICP carries out all of the works classified as 'contestable'	<input type="radio"/>	Not Applicable	Not Applicable

Payment Profile

Please indicate your method of payment:



Cheque

Please make cheques payable to **UK Power Networks** and **put our reference number on the back.**



Debit/Credit Card

Please call **0203 282 0610** and have your card to hand. We are sorry we cannot accept American Express/Diners Club.



BACS/CHAPS

**Account:** HSBC Bank Plc **Sort Code:** 40 05 30 **Account Number:** 02302934  
**UK Power Networks Ref. Number** 3600005255  
(You **MUST** include this reference so we know which job is being paid):

The Invoice Address	Your Site Contact
Name / Company name:	Name / Company name:
Contact name:	Contact name:
Address:	Address:
Telephone:	Telephone:
Email:	Email:

### Your Acceptance

I accept your quotation for carrying out the DNO Works in accordance with the Quote for the option I have chosen overleaf.

To accept this Quote, the signed Acceptance Form and payment in cleared funds must reach UK Power Networks by 5pm on 31 July 2020. Acceptance Forms and payments received after this date may be returned and you will need to request a new Quote.

### Staged Payments

The table below shows the staged payment schedule as referred to in the Heads of Terms.

Payment #	To be made	NET amount (before VAT is added)		
		A	B	C
1	On acceptance of the revised Quote	£150,000.00		
2	52 weeks after acceptance of the Quote	£2,250,000.00		
3	104 weeks after acceptance of the Quote	£4,000,000.00		
4	166 weeks after acceptance of the Quote	£4,000,000.00		
5	215 weeks after acceptance of the Quote	£1,023,470.21		
	Total	£11,423,470.21		

Signed:	Date:
Print name:	
Agent acting on behalf of:	
Telephone:	
Email:	

Job Reference: 8600017703 / 3600005255

## Acceptance Form Part 2

### Land Rights

If you are appointing a Solicitor to complete any legal work associated with acquiring substation sites and easements work, please provide UK Power Networks with their details by completing the table below.

Please also provide us with the name and address of the owner of any affected land.

#### Solicitors Information

Name / Company name:

Contact name:

Address:

Telephone:

Email:

#### Land Owners Information

Name / Company name:

Contact name:

Address:

Telephone:

Email: