

## **Kensa Utilities: Standard Contracts**

The set of legal documents are designed to ensure you receive all of the services required to ensure a performant, affordable and reliable shared ground array feeding your properties, whilst ensuring our assets are protected and we're able to recover our investment over the length of the agreement.

The bulk of the agreements are standard terms & conditions seen across district heating, with the upfront few schedules highlighting the key terms & site specific conditions. The summary of what's in the documents below:

**Connection Agreement:** Ensuring Kensa Utilities delivers a shared ground array on schedule, and is compensated for developer delay/abandonment pre-commissioning. *Parties: KUL and customer*

- Obligation on Kensa Utilities to ensure installation of the shared ground array to required standards, and in line with the site program
- Obligation for client to start paying the standing charge from the agreed date if the client delays the program (outside of Kensa Utilities' control). This agreed date is within 12 months from the deployment of the first array.
- Appropriate compensation to Kensa Utilities if client abandons the site during build (refund at Kensa Utilities funding amount)
- Appropriate compensation to customer if Kensa Utilities isn't able to complete build (temporary heating provision)
- Requirement to enter into the lease and customer supply agreement(s) upon connection
- Protection if either Kensa Utilities or the client goes into administration during installation

**Ground Array Lease:** 99-year lease on the shared ground array, ensuring Kensa Utilities can access & repair the equipment. *Parties: KUL and initial freeholder (customer)*

- Rights for Kensa Utilities' retained ownership of the shared ground array upon the freeholders' land
- Right for Kensa Utilities & identifiable sub-contractors to access the shared ground array for inspection and maintenance through easements
- Kensa Utilities funder rights to step into the lease
- *Length of the document reflects many 'Lease' terms required by the Land Registry*

**Customer Supply Agreement:** Where a management company, social landlord, non-domestic customer or other party is landlord to its end-users and supplies services to them (including ambient heat) – details outputs, response times, liabilities etc on Kensa Utilities in delivering the services. *Parties: KUL and management company/social landlord/non-domestic customer*

- Outputs: Heat delivery requirements at the appropriate temperature and required to run the heat pumps effectively, and done in a safe manner
- Response time: To rectify issues when they occur with Kensa Utilities' equipment, typically along two priority levels: [1] emergency (within 24 hour response times); [2] other (24-48 hour response times)
- Liability for damage Kensa Utilities causes: as a result of our actions to you/your end-users site
- Liability for damage to Kensa Utilities equipment: by the customer or those acting on behalf of the customer
- Compensation for termination: either voluntarily (disconnection) or due to breaches of contract

**Residential Supply Agreement:** Where supplies are made directly to individual end-users who have heat pumps installed, simplified & similar terms to a service agreement. *Parties: KUL and tenants*

- Simplified terms from the service agreement, alongside granting of access for commissioning and repairing the equipment where on their land
- Additional services for vulnerable customers