

Additional Supply Terms Class A Exempt Supplies

Version 1.0 | 5 May 2026

These additional terms form part of your **contract** with us for the supply of **energy**, but only if referenced in the **general supply terms** applying to your **contract** or otherwise agreed with you. Under these additional terms we are making an agreement with you on our own behalf and also as agent for the **generators**.

Expressions in bold text have specific meanings, which are set out in our **general supply terms** or clause 8 of these additional terms.

1. Agreement with generators

1.1 We have agreed these additional terms with you on our own behalf and also as agent for each **generator**. We will notify you of each **generator** which has agreed to supply your **sites**, and also if our **PPA** with that **generator** ends before the end of the **fixed term period** (in which event that **generator's** agreement to supply your **sites** will also end).

1.2 By agreeing your **contract** with us, you:

- (a) agree that you are committed to contract with each **generator** in accordance with these additional terms;
- (b) confirm that we are authorised to select **generators** of our choice;
- (c) agree not to take any step which would prejudice the **class A exempt supplies** under these additional terms; and
- (d) acknowledge that we are exclusively authorised by each **generator** to exercise and enforce its rights under these additional terms.

1.3 We do not guarantee that any (or any particular number of) **generators** will agree to supply your **sites**.

2. Exempt supply arrangements

2.1 These additional terms, together with the **PPAs**, establish an arrangement by which (as further described in this clause 2) the **generators** will supply some or all of the electricity which they generate at their **facilities** to your **sites**.

2.2 In each **settlement period** of the **effective period**:

- (a) under these additional terms, each **generator** will supply to you at your **sites** the **exempt supply volume**;
- (b) under your **contract**, we will supply to you at your **sites** the **top-up supply volume**; and
- (c) under each **PPA**, we will buy from the **generator** the **excess export volume**.

2.3 If, for a given **settlement period**, the total volume of electricity supplied to your **sites** is less than the aggregate of every **generator's eligible export volume**, then, each **generator's exempt supply volume** will be amended by allocating the supply to the **sites** between each **generator** in proportion to the relative magnitude of their respective **eligible export volumes**.

2.4 Given the requirements of the **class exemption order**, you confirm that your **sites** are not occupied by "domestic consumers" (as defined in the **class exemption order**).

3. Enabling services

3.1 It is acknowledged and agreed that:

- (a) the **generators** do not have the necessary industry rights to make physical delivery of the **class A exempt supplies** to your **sites**; and
- (b) we are therefore providing enabling services under the **PPAs**, including so as to arrange for delivery of the **class A exempt supplies** to your **sites**.

3.2 You must provide such co-operation and information as we reasonably require in connection with our performance of such services.

4. Monthly statements and invoices

4.1 Alongside or as part of our monthly statements and invoices under your **contract**, we will, in respect of each month (or part month) during the **effective period**, issue (on behalf of each **generator**) an invoice to you for the **exempt supply charges** payable by you to that **generator** for that month's **exempt supply volumes** (subject to clause 4.2).

4.2 We will manage collection of the money payable by you to each **generator** in respect of the **exempt supply charges**. You must pay the **exempt supply charges** to the same bank account as our **charges**.

4.3 For the purpose of monthly billing, we will assume zero **exempt supply savings**. We will then undertake annual reconciliations in accordance with clause 5.3.

5. Realising and sharing exempt supply savings

5.1 We will use reasonable endeavours to realise **exempt supply savings** by (as applicable):

- (a) identifying in our submissions concerning the **final consumption levies** that the **exempt supply volumes** were **class A exempt supplies** by the **generators** (not licensed supplies by us); or
- (b) instructing our **ESNA** to identify in its submissions concerning the **final consumption levies** that the **exempt supply volumes** were **class A exempt supplies** by **generators** (not licensed supplies by us).

5.2 You must provide to Ofgem, HMRC, the **ESNA** or any other body with jurisdiction in respect of the **final consumption**

- levies** any information they request in relation to the **class A exempt supplies** under these additional terms and/or in support of our submissions above.
- 5.3 If and to the extent that **exempt supply savings** are realised in respect of the **exempt supply volumes**, then you will be entitled to your **notified share** of the **exempt supply saving** (as per the definition of **exempt supply charges**) and we will produce reconciliation statements and invoices in respect of the same.
- 5.4 If, after the **exempt supply savings** have been shared, Ofgem or HMRC or any other competent authority determines that any or all of the **exempt supply savings** were not properly claimed, then you must repay your share to us.
- 5.5 We do not guarantee that any (or any particular amount of) **exempt supply savings** will be realised.
- 5.6 Any negative impact of the supplies to your **sites** being made as **class A exempt supplies** (rather than licensed supplies) will be taken into account (as a negative value) in calculating the **exempt supply savings**.

6. Amendments to your contract

- 6.1 Your **contract** is amended so that, for the **effective period**:
- (a) only the **top-up supply volume** is supplied by us; and
- (b) the **charges** payable to us are only payable by reference to the **top-up supply volume**.

8. Definitions

When any of the following expressions are used in these additional terms in bold text, they have the specific meanings given to them below.

Act	the Electricity Act 1989.
BSC	the industry code known as the Balancing and Settlement Code.
class A exempt supplies	supplies of electricity in reliance on the “class A” exemption in Schedule 4 to the class exemption order .
class A exemption limit	the megawatt (MW) limit applying to class A exempt supplies under the class exemption order (calculated in aggregate across each generator and the other entities with which the generator is “associated”, as defined in the class exemption order), being 5 MW.
class exemption order	the Electricity (Class Exemptions from the Requirement for a Licence) Order 2001.
effective period	the part of the supply period which coincides with the export period under one or more PPAs .
ESNA	the Exempt Supply Notification Agent, as further defined in the BSC.
eligible export volume	for each generator and a settlement period , the lower of: (a) the electricity exported from the facility in the settlement period ; or (b) 2.5 MWh (being the class A exemption limit multiplied by 0.5 hours).
excess export volume	for each generator and a settlement period , the amount (if any) by which the volume of electricity exported from the generator's facility in the given settlement period exceeds the generator's exempt supply volume .
exempt supply charges	for any period, the amount payable by you to each generator for the exempt supply volumes during that period, being an amount equal to: (a) the same amount as would have been payable to us under your contract had the supplies been made by us; minus (b) your notified share of the exempt supply savings for those supplies.
exempt supply savings	in respect of electricity supplies to your sites during any period, the amount of the final consumption levies for which we (as a licensed supplier) would have been liable if those supplies had been made by us, but which no longer apply by virtue of the supply having been made as a class A exempt supply by a generator .
exempt supply volume	for each generator and a settlement period , the lower of: (a) the generator's eligible export volume ; or (b) the total electricity supplied to your sites in the given settlement period (subject to clause 2.3).
facilities	for each generator , the electricity-generating facility or facilities under their PPA .
final consumption levies	the amount of the levies, duties and taxes which licensed suppliers are required to pay or otherwise account for in respect of the electricity supplies they make, including: (a) the buy-out price under the Renewables Obligation (Scotland) Order 2009 and the Renewables Obligation Order 2015; (b) market share FIT contributions under the Feed-in Tariffs Order 2012; (c) CFD

6.2 Notwithstanding clause 6.1, you are still liable to pay the **exempt supply charges** for the **exempt supply volumes**, and (as per the definition of **exempt supply charges**) these are the same as the **charges** (including those relating to **final consumption levies**), save only that you will benefit from a reduction equal to your **notified share** of any **exempt supply savings**.

6.3 Notwithstanding any other provision of your **contract**, in the event that an act or omission of the **ESNA** causes a loss, our liability will be no greater than the amount of compensation (if any) which we can recover from the **ESNA**.

7. Changes in law affecting the exempt supplies

7.1 If there is a change in law (or official guidance regarding interpretation) which affects a **generator's** ability to make **class A exempt supplies** as envisaged by these additional terms, and/or affects our ability to facilitate the **class A exempt supplies** as envisaged by these additional terms, then, we will be entitled to end the application of these additional terms by giving notice to you.

7.2 If the application of these additional terms ends early, this will not affect any rights, obligations or liabilities that arose before the end of the application of these additional terms, and will not affect the rest of your **contract** (which will continue without the amendments made by these additional terms).

period contributions under the Contracts for Difference (Electricity Supplier Obligations) Regulations 2014; (d) capacity market supplier charges under the Electricity Capacity (Supplier Payment etc.) Regulations 2014; (e) supplier levy payments under the Energy-Intensive Industry Electricity Support Payments and Levy Regulations 2024; (f) supplier payments under the Nuclear Regulated Asset Base Model (Revenue Collection) Regulations 2023; (g) the climate change levy under schedule 6 of the Finance Act 2000; and (h) mutualisation payments in respect of the foregoing.

general supply terms	our standard terms and conditions for the supply of energy to you, in which these additional terms are referenced.
generator	each of the generators which we notify to you from time to time as having agreed to provide class A exempt supplies to your sites .
notified share	in respect of the exempt supply savings in any period, your share of those savings, as we notify to you in writing.
PPA	for each generator , our power purchase agreement with that generator .
settlement period	has the meaning given to it in the BSC .
supply period	the fixed term period (or, if these additional terms are entered into part way through the fixed term period , the remaining term of the fixed term period).
top-up supply volume	for a settlement period , the amount (if any) by which the total volume of electricity supplied to your sites in the given settlement period exceeds the total exempt supply volume .
total exempt supply volume	is the aggregate of each and every generator's exempt supply volumes .



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