

DCUSA drafting for Market-wide Half Hourly Settlements (MHHS)

Introduction

This document includes the legal text amendments to cater for the transition to MHHS. It includes the two workstreams, the DCUSA housekeeping changes and the DCUSA consequential changes associated with the MHHS Programme.

The version of DCUSA used to produce this document is based on:

DCUSA v15.4 issued on the 2nd of November 2023; and

includes the changes if impacted by this document that are approved awaiting implementation and occur before M8¹ (code implementation date) – March 2025). These are:

- DCP395 – “Allocation of Smart Meter Communication Licence costs within LDNO Tariffs” (due to be implemented in April 2024); and
- DCP414 – “Transitional Protection for NHH CT Customers affected by regulatory change” (due to be implemented in April 2024).

It has been produced post the MHHS transition consultation with all the initial consultation comments removed and new comments added to the changes made post consultation based on the comments received.

¹ Click on the link to see the latest approved level 1 milestones - [Planning - MHHS Programme](#)

MHHS Transition

1. DEFINITIONS AND INTERPRETATION

Definitions

1.1 In this Agreement, except where the context otherwise requires, the expressions in the left hand column below shall have the meanings given to them in the right hand column below:

Accession Agreement means the agreement by which DCUSA Ltd and each Party agreed to be bound by this Agreement.

Act means the Electricity Act 1989.

Advanced Data Service Agent has the meaning given to that term in the Balancing and Settlement Code

Affected Party has the meaning given to that term in Clause 55.1.

Affiliate means, in relation to any person, any holding company of that person, any subsidiary of that person or any subsidiary of a holding company of that person, in each case within the meaning of Section 1159 of the Companies Act 2006.

Agency for the Cooperation of Energy Regulators means the agency of that name established under Regulation 2009/713/EC of the European Parliament and of the Council of 13 July 2009 as construed as reference to and read in accordance with the correlation table in Annex II of Regulation 2019/942/EU establishing a European Union Agency for the Cooperation of Energy Regulators (recast), and as it had effect immediately before IP Completion Day.

Agreement	means this Distribution Connection and Use of System Agreement (including its Schedules and Annexes), and is to be construed as including the Accession Agreements.
Alternate	means an individual selected in accordance with Clause 6 to act as a Panel Member in certain circumstances (as further described in Clause 6).
Annual Iteration Process	has the meaning given to that term in the charge restriction conditions in the Distribution Licences.
Annual Review Pack or ARP	has the meaning given to that term in Paragraph 1.1 of Schedule 20.
Applicant	has the meaning given to that term in Clause 4.1.
Application Form	has the meaning given to that term in Clause 4.3.
Approved Budget	has the meaning given to that term in Clause 8.5.
Approved Contractor	has the meaning given to that term in Schedule 5.
Assessment Process	has the meaning given to that term in Clause 11.1.

Authority Change Proposal

means modifications proposed to this Agreement:

- (a) where the Authority reasonably considers the modifications are necessary to comply with or implement the EU Internal Market Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators; and/or
- (b) in respect of a Significant Code Review (including where the Authority has issued a statement in accordance with Condition 22.9E(bb) of the Distribution Licences and/or a "back-stop" direction in accordance with Condition 22.9ED of the Distribution Licences).

Authority-Led Change Proposal

means an Authority Change Proposal in respect of which the Authority considers that there has been sufficient consultation outside of the processes set out in this Agreement such that it is unnecessary to submit the proposal to the Definition Procedure.

Authority

means the Gas and Electricity Markets Authority as established under Section 1 of the Utilities Act 2000.

Balancing and Settlement Code or BSC

means the Balancing and Settlement Code, including all Code Subsidiary Documents (as therein defined), established pursuant to the National Electricity Transmission System Operator Licence.

Basic Vote

has the meaning given to that term in Clause 12.10.

Bespoke Connection Terms	means any terms imposed or agreed by the DNO/IDNO Party in respect of the connection of a Connected Installation to the Distribution System which differ from the terms set out in Schedule 2B (National Terms of Connection).
Bilateral Connection Agreement	means an agreement entered into pursuant to Clause 38.1 which, unless agreed otherwise by the Company and the User, is substantially in the form set out in Schedule 13, and which together with this Agreement shall: <ul style="list-style-type: none"> (a) govern the terms under which a User's System shall be entitled to be Connected and remain Connected to the Company's Distribution System at each relevant Connection Point; and (b) detail the ownership, operational and maintenance responsibilities and procedures in respect of the Connection Equipment at each relevant Connection Point.
Breaching Party	has the meaning given to that term in Clause 54.1.
BSC Party	means a Party that has acceded to the BSC (and is therefore bound by the terms of the BSC);
BSC Party Agent	has the meaning given to the term 'Party Agent' in the BSC.
BSCCo	has the meaning given to that term in the BSC.
Category A Situation	means a situation in which the Company's Electric Lines or Electrical Plant does (or is likely to) pose a danger, including danger of death of or injury to persons and/or danger of damage to or destruction of property.

Category B Situation	means a situation in which the condition of the Company's Electric Lines or Electrical Plant prevents metering work from being carried out or prevents a meter from being exchanged but where the situation is not a Category A Situation.
Category C Situation	means an issue with the Company's Electric Lines or Electrical Plant that is neither a Category A Situation nor a Category B Situation.
CCCM	means the common connection charging methodology set out in Schedule 22 (Common Connection Charging Methodology). As described in that Schedule, the CCCM only comprises part of the connection charging methodology that each DNO Party is obliged to have in force under its Distribution Licence.
CDCM	means the common distribution charging methodology for determining certain of the Use of System Charges of the DNO Parties that are to be recovered pursuant to Section 2A, Section 2B, and the Relevant Charging Statements, as set out in Schedule 16 (Common Distribution Charging Methodology).
CDCA	means the Central Data Collection Agent as defined in the Balancing and Settlement Code.
Central Switching Service or CSS	has the meaning given to that term in the REC.
Change Proposal	has the meaning given to that term in Clause 10.1.
Change Register	has the meaning given to that term in Clause 11.25.
Change Report	has the meaning given to that term in Clause 11.19.

Charges	means, in respect of Section 2A, the Use of System Charges and the Other Charges, and, in respect of Section 2B, those charges referred to in Clause 43.2 (which in the case of Clause 43.2, for the avoidance of doubt, includes both Use of System Charges and Transactional Charges).
Charging Methodologies	means each of the CDCM, the EDCM and the CCCM.
Charging Objectives	has the meaning given to that term in Clause 3.2.
Citizens Advice	means the National Association of Citizens Advice Bureaux (a company incorporated in England and Wales with company number 1436945).
Citizens Advice Scotland	means the Scottish Association of Citizens Advice Bureaux (a company incorporated in Scotland with company number SC089892).
CMRS	means the Central Meter Registration Service as defined in the Balancing and Settlement Code.
Code Administration Code of Practice	means the code of that name approved by the Authority as amended and/or re-published with the Authority's approval from time to time.

Company

has;

- (a) in respect of Section 2A, the meaning given to that term in Clause 15.1;
- (b) in respect of Section 2B, the meaning given to that term in Clause 36.1;
- (c) in respect of Section 2C, the meaning given to that term in Clause 52A.1; and
- (d) in respect of Section 2D, the meaning given to that term in Clause 52G.4.
- (e) in respect of Section 2E, the meaning given to that term in Clause 52M.1;
- (f) in respect of Section 2F, the meaning given to that term in Clause 52Q.4;
- (g) in respect of Section 2G, the meaning given to that term in Clause 52V.1; and
- (h) in respect of Section 2H, the meaning given to that term in Clause 52Y.1.

Competent Authority

means the Secretary of State, the Authority, and any local or national agency, authority, department, inspectorate, minister, ministry, official or public or statutory person (whether autonomous or not) of the government of the United Kingdom or of the European Union insofar as it is acting within the limits of its proper authority.

Competent Person

has the meaning given to that term in Schedule 5.

Connect	means, in respect of Section 2B, to provide Connection Assets in such a way that, subject to Energisation and the terms of this Agreement and the relevant Bilateral Connection Agreement, electricity may flow between the Distribution System of the Company and the System of the User across the Connection Point, or series of related Connection Points (such related Connection Points to be identified in the relevant Bilateral Connection Agreement), and cognate expressions shall be construed accordingly.
Connection and Use of System Code or CUSC	means the Connection and Use of System Code (and the CUSC Framework Agreement) established pursuant to the National Electricity Transmission System Operator Licence.
Connectee	means, in respect of: <ul style="list-style-type: none"> (a) Section 2A 2C 2D 2E or 2F and a Customer Installation, the relevant Customer; (b) Section 2A and a Generation Installation, the relevant Generator; (c) Section 2A and a User Installation, the User; and (d) Section 2B, a person whose premises are connected to the Company's Distribution System or a person whose premises are connected to the User's System (as determined in accordance with Clause 36.4).
Connected Installation	means a Customer Installation, a Generator Installation or a User Installation (as the case may be).

Connection Agreement	means an agreement between a Company and a Connectee which provides that that Connectee has the right for its Connected Installation to be and remain directly or indirectly connected to that Company's Distribution System.
Connection Assets	means those assets, including the Company's Connection Equipment, that are operated and maintained by the Company, and which are provided for the sole use of Connecting the User's System to the Company's Distribution System.
Connection Equipment	means any Electrical Plant and/or Electric Line which is provided and installed at the Connection Point for the purposes of providing a connection between the Company's Distribution System and the User's System, as specified in the relevant Bilateral Connection Agreement and (where appropriate) illustrated on the diagram annexed thereto.
Connection Point	means a point at which the Distribution System of the Company Connects to the System of the User via the Connection Equipment, such point being specified in the relevant Bilateral Connection Agreement.
Consequential Change	means either (as the context requires) a Change Proposal under this Agreement or a variation to another Energy Code, which (in either case) the Cross Code Steering Group has designated as such, and which the Cross Code Steering Group considers would be necessary to give full and timely effect to a variation under a different Energy Code (if that variation was approved).

Consolidated Theft Processes	means the processes and procedures governed by this Agreement that are, on Energy Theft Consolidation, to become subject to the Retail Energy Code, as set out in the Theft Arrangements Schedule to the Retail Energy Code.
Consumer Body	means (as the context requires) either or both of Citizens Advice and/or Citizens Advice Scotland
Contract	means a Supply Contract or a Power Purchase Contract.
Contract Manager	has the meaning given to that term in Clause 60.5.
Cost Contribution	has the meaning given to that term in Clause 8.9.
Cover	has the meaning given to that term in Schedule 1.
CRA	means the Central Registration Agent as defined in the Balancing and Settlement Code.
Cross Code Steering Group	means the group of that name described in the Change Management Schedule to the Retail Energy Code.
Crowded Meter Room Coordinator	means Alt HAN Company Limited (a company incorporated in England and Wales with company number 10002859).

Crowded Meter Room Works	<p>means works which are reasonably required to maximise the available space within a meter room or meter cupboard, in order to enable the installation of Relevant Alt HAN Equipment and/or Smart Metering Systems, including:</p> <ul style="list-style-type: none"> (a) De-energising an Entry/Exit Point; (b) repositioning meters, cabling, local points of isolation and customer isolation switches; (c) removing and disposing of inhibitive trunking and cable trays; (d) removing and disposing of redundant equipment; and/or (e) Re-energising an Entry/Exit Point that was previously De-energised by or on behalf of the Crowded Meter Room Coordinator.
CSS Provider	has the meaning given to that term in the REC.
CT	indicates metering which uses current transformers to induce a reference current which then passes through the meter (as compared to non-CT or whole current metering, where the full electrical current passes through the meter).
CUSC Framework Agreement	means the agreement of that name, in the form approved by the Secretary of State, by which the CUSC is made contractually binding between the parties to it.

Customer

means:

- (a) in respect of Section 2A, a person to whom a User proposes to supply, or for the time being supplies, electricity through an Exit Point, or from whom a User, or any Relevant Exempt Supplier, is entitled to recover charges, compensation or an account of profits in respect of electricity supplied through an Exit Point;
- (b) in respect of Section 2B, any owner or occupier of premises in Great Britain who is supplied or requires to be supplied with electricity, and includes an electricity supplier when acting on behalf of such a person; and
- (c) in respect of Section 2C, 2D, 2E, 2F, or 2H any owner or occupier of premises in Great Britain who is supplied or requires to be supplied with electricity.

Customer Installation

means any structures, equipment, lines, appliances or devices used or to be used by a Customer and connected or to be connected directly or indirectly to the Distribution System.

CVA Metering System

has the meaning given to that term in the BSC.

CVA Registrant

means a Party that:

- (a) is a BSC Party;
- (b) is registered in respect of a CVA Metering System that is connected directly to a Distribution System; and
- (c) does not hold a Distribution Licence,

and, for the avoidance of doubt, a Party may be both a CVA Registrant and a Supplier Party.

Daily Statement

means a statement for each Settlement date and Settlement Code by Distributor ID, GSP Group ID and Supplier ID, based on the Supercustomer DUoS Report and providing the data items set out in the D0242 data flow / market message for non-MHHS Metering Points and the REP-901 data flow / market message for MHHS Metering Points (as, in either case, amended from time to time in accordance with the provisions of the Energy Market Data Specification).

Daily Tariff Number of MSIDs

has the meaning given to that term in the REP-901 data flow / market message (as amended from time to time in accordance with the provisions of the Energy Market Data Specification).

Daily Uncorrected Volume for Charge Band

has the meaning given to that term in the REP-901 data flow / market message (as amended from time to time in accordance with the provisions of the Energy Market Data Specification).

Data Aggregator

has the meaning given to that term in the Balancing and Settlement Code.

Data Collector has the meaning given to that term in the Balancing and Settlement Code.

Data Integration Platform (DIP) has the meaning given to that term in the Balancing and Settlement Code

Commented [JL1]: To be reviewed as part of Issue 101 'Ongoing Governance, Funding and Operation of the DIP'

Data Item means the most granular level of data defining a specific attribute in respect of a data type, the permissible values for which are defined and controlled in the Energy Market Data Specification.

Data Protection Legislation means the Data Protection Act 1998; the EU Regulation 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, which is known as the General Data Protection Regulation, and any other applicable legislation governing the processing of personal data as adopted by the UK Government.

Data Service Agent means either an Advanced Data Service Agent, a Smart Data Service Agent, or an Unmetered Data Service Agent.

Data Services has the meaning given to that term in the Distribution Licences.

Data Transfer Network means the electronic network provided as part of the Data Transfer Service.

Data Transfer Service has the meaning given to that term in the Distribution Licences.

Data Transfer Service Agreement means the agreement for the provision of the Data Transfer Service dated 30 July 1997.

DCMDG Issue Form	means a form, established by the Panel and published on the Website, to be used by any person wishing to submit an issue relating to the operation of the Use of System Charging Methodologies to the DCMDG.
DCUSA Issue Form or DIF	means a form, established by the Panel and published on the Website, to be used by any person identified in Clause 10.2 wishing to submit an issue relating to the operation of this Agreement to the DCUSA Standing Issues Group.
DCUSA Late Payment Notice	has the meaning given to that term in Clause 8.11A.
DCUSA Ltd	means DCUSA Limited, a company incorporated in England and Wales with registered number 5812381.
DCUSA Objectives	means, in respect of the Charging Methodologies only, the Charging Objectives and, in all other cases, the General Objectives.
DCUSA Payment Default	has the meaning given to that term in Clause 8.11B.
DCUSA Standing Issues Group or SIG	means a Working Group representing a cross-section of industry participants brought together to consider solutions to operational issues (including those submitted by way of DCUSA Issue Forms).

De-energise

means:

- (a) in respect of Section 2A, 2C 2D 2E, 2F, 2G or 2H, deliberately to prevent the flow of electricity until Re-energised or Disconnected:
 - (i) in the case of an Exit Point, from the Distribution System through the relevant Exit Point (or, in the case of an Unmetered Supply, any one or more of the relevant Exit Points) to; and/or
 - (ii) in the case of an Entry Point, via the Distribution System through the relevant Entry Point (or, in the case of an Unmetered Supply, any one or more of the relevant Entry Points) from, a Connected Installation, for any purpose other than a System Outage on the Company's Distribution System (and cognate expressions shall be construed accordingly); and
- (b) in respect of Section 2B, deliberately to prevent the flow of electricity through a Connection Point for any purpose other than a System Outage on the Company's Distribution System until Re-energised or Disconnected (and cognate expressions shall be construed accordingly).

De-energisation Works

means:

- (a) the movement of any switch,
- (b) the removal of any fuse or meter; or
- (c) the taking of any other physical works,

to De-energise a Connection Point, Metering Point or Metering System.

Definition Procedure	has the meaning given to that term in Clause 11.14.
Default Interest Rate	means 8% above the base lending rate of Barclays Bank plc.
<u>DIP ID</u>	<u>has the meaning given to that term in the Balancing and Settlement Code</u>
Directive	includes any present or future directive, requirement, instruction, direction or rule of any Competent Authority (but only, if not having the force of law, if compliance with the Directive is in accordance with the general practice of persons to whom the Directive is addressed) and includes any modification, extension or replacement thereof then in force.
Disconnect	means to permanently disconnect a Connection Point, Metering Point or Metering System in accordance with Section 17 of the Act (and cognate expressions shall be construed accordingly).
Distribution Business	has, in respect of each DNO Party or IDNO Party, the meaning given to that term in that Party's Distribution Licence.
Distribution Charging Methodologies Development Group or DCMDG	means a Working Group representing a cross-section of industry participants brought together to consider solutions to issues arising out of the Use of System Charging Methodologies (including those submitted by way of DCMDG Issue Forms).
Distribution Code	has, in respect of each DNO Party or IDNO Party, the meaning given to that term in that Party's Distribution Licence.

Commented [JL2]: To be reviewed as part of Issue 101 'Ongoing Governance, Funding and Operation of the DIP'

Distribution Licence	means a licence granted, or treated as granted, pursuant to Section 6(1)(c) of the Act.
Distribution Network	means, collectively, the Distribution Systems of the DNO Parties and the IDNO Parties.
Distribution Services Area	means, in respect of each DNO Party, the area specified in respect of that Party pursuant to its Distribution Licence.
Distribution System	has the meaning given to that term in the Distribution Licences, and means: <ul style="list-style-type: none"> (a) in respect of each DNO Party or IDNO Party, that Party's Distribution System; and (b) in Section 2A (unless the context otherwise requires), the Company's Distribution System.
Distributor Meter Moves During Service Alterations Scope Document	means the document of that name as from time to time published on the Website, which is to be established and from time to time updated by the Panel, as further described in Schedule 25 (Distributor Meter Moves During Service Alterations).
Domestic Premises	means premises at which a supply of electricity is taken wholly or mainly for domestic purposes.
Draft Budget	has the meaning given to that term in Clause 8.2.
DNO Party	means a Party that holds a Distribution Licence in which Section B of the standard distribution licence conditions has effect, whether or not that Party is also engaged in the supply or generation of electricity.

DNO/IDNO Party means a DNO Party or an IDNO Party (and DNO/IDNO Parties shall mean the DNO Parties and the IDNO Parties collectively).

DNO/IDNO/OTSO Party means a DNO Party, an IDNO Party or the OTSO Party (and DNO/IDNO/OTSO Parties shall mean the DNO Parties, the IDNO Parties and the OTSO Party collectively).

DSR Contract means, for each DNO/IDNO Party, a contract for the provision of a commercial service whereby the amount or pattern of electricity imported from the Distribution System is altered in response to the DNO/IDNO Party's instructions.

DUoS Tariff ID has the meaning given to that term in Industry Standing Data

EDCM means the EHV distribution charging methodology for determining certain of the Use of System Charges of the DNO Parties that are to be recovered pursuant to Section 2A, Section 2B, and the Relevant Charging Statements, as set out:

- (a) in Schedule 17 (EHV Distribution Charging Methodology A) in respect of those DNO Parties that are named in that Schedule; and
- (b) in Schedule 18 (EHV Distribution Charging Methodology B) in respect of those DNO Parties that are named in that Schedule.

ED1 Price Control Financial Handbook has the meaning given to that term in the charge restriction conditions in the Distribution Licences.

EDNO	means, in respect of the Company where it is a DNO Party, any IDNO Party (or DNO Party acting outside of that DNO Party's Distribution Services Area) which has a Distribution System embedded within one of the Company's GSP Groups (as defined in the BSC).
EDNO UMS Charges	has the meaning given to that expression in Clause 46A.
EHV	means extra-high voltage, being a nominal voltage of more than 22,000 volts.
Electric Line	means any line which is used for carrying electricity to or from a Connection Point, Entry Point or Exit Point and includes, unless the context otherwise requires: <ul style="list-style-type: none"> (a) any support for such line, that is to say, any structure, pole or other thing in, on, by or from which any such line is or may be supported, carried or suspended; (b) any apparatus connected to such line for the purpose of carrying electricity; and (c) any wire, cable, tube, pipe or other similar thing (including its casing or coating) which surrounds or supports, or is surrounded or supported by, or is installed in close proximity to, or is supported, carried or suspended in association with, any such line.
Electrical Plant	means any plant, equipment, apparatus or appliance used for or for purposes connected with the distribution of electricity (including any metering equipment) other than an Electric Line.
Electricity Retail Data Service	has the meaning given to that term in the REC.

Electricity Supplier

- (a) in respect of Section 2C and any Smart Metering Comms Hub Device, means the Supplier Party that is Registered from time to time for the Metering Point associated with the Premises to which that Smart Metering Comms Hub Device relates;
- (b) in respect of Section 2D, has the meaning given to that expression in Clause 52G.1;
- (c) in respect of Section 2F, has the meaning given to that expression in Clause 52Q.1;
- (d) in respect of Section 2G, has the meaning given to that expression in Clause 52V.1; or
- (e) in respect of Section 2H, has the meaning given to that expression in Clause 52Y.1.

Embedded Capacity Register

means, for each DNO/IDNO Party, a register of site-specific data items for certain sites, as described in Clause 35C (Provision of an Embedded Capacity Register).

Enabling Agreement

means an agreement for the provision of Exempt Supply Services.

Energise

means:

- (a) in respect of Section 2A, deliberately to allow the flow of electricity:
 - (i) in the case of an Exit Point, from the Distribution System through the relevant Exit Point (or, in the case of an Unmetered Supply, any one or more of the relevant Exit Points) to; and/or
 - (ii) in the case of an Entry Point, via the Distribution System through the relevant Entry Point (or, in the case of an Unmetered Supply, one or more of the relevant Entry Points) from, a Connected Installation, where such a flow of electricity has never previously existed (and cognate expressions shall be construed accordingly);
- (b) in respect of Section 2B, deliberately to allow the flow of electricity through a Connection Point where such a flow of electricity has never previously existed (and cognate expressions shall be construed accordingly).

Energisation Works

means the movement of any switch or the addition of any fuse or meter to Energise a Connection Point, Metering Point or Metering System.

Energy Codes

means a code or agreement maintained pursuant to one or more licences granted under the Electricity Act 1989 or the Gas Act 1986.

Energy Market Data Specification	means the Data Specification which forms part of the REC.
Energy Theft Consolidation	has the meaning given in the Retail Energy Code.
Energy Theft Tip-Off Service	means a service by which members of the public can report instances (or potential instances) of energy theft (including Theft of Electricity), which service is, from Energy Theft Consolidation, being moved from this Agreement to the Retail Energy Code.
Entry Point	has the meaning given to that term in the Distribution Licences.
Equivalent Meter	means an equivalent half-hourly meter as defined by the Unmetered Supplies Procedure.
ESPR	means the Electricity (Standards of Performance) Regulations 2015 (SI 2015/699).
EU Internal Market Regulation	means Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP Completion Day as read with the modifications set out in the SI 2020/1006.
Event of Default	has the meaning given to that term in Clause 54.1.
Exempt Supplier	means a person who is authorised to supply electricity by an exemption granted under Section 5 of the Act.

Exempt Supply Services	means services, provided by a Supplier Party to an Exempt Supplier, pursuant to which the Supplier Party becomes Registered in respect of one or more Metering Points and Metering Systems that relate to premises supplied, or required to be supplied, by the Exempt Supplier.
Exit Point	has the meaning given to that term in the Distribution Licences.
Extra-Settlement Determination	has the meaning given to that term in the Balancing and Settlement Code.
Final Demand Site	means: (a) Domestic Premises; or (b) a Single Site (as defined in Schedule 32) at which there is Final Demand, as determined in accordance with Paragraphs 1.10 and 5 of Schedule 32.
Financial Year	means the financial year adopted by DCUSA Ltd from time to time and established, at the date of this Agreement, as 1 April to 31 March.

Force Majeure

means, in respect of any person, any event or circumstance which is beyond the reasonable control of that person and which results in or causes the failure of that person to perform any of its obligations under this Agreement, including act of God, strike, lockout or other industrial disturbance, act of the public enemy, war declared or undeclared, threat of war, terrorist act, blockade, revolution, riot, insurrection, civil commotion, public demonstration, sabotage, act of vandalism, lightning, fire, storm, flood, earthquake, accumulation of snow or ice, explosion, fault or failure of plant or machinery which (in each case) could not have been prevented by Good Industry Practice; and any governmental restraint, Act of Parliament, other legislation, bylaw and Directive (not being any order, regulation or direction under Section 32, 34 or 35 of the Act), or (in the case of each Company) the failure of any generator or other person to deliver electricity to that Company or any deficiency in such delivery to the extent that such failure or deficiency or the consequences thereof could not have been prevented by Good Industry Practice by the Company: provided that lack of funds shall not be interpreted as a cause beyond a person's reasonable control.

Gas Meter Asset Manager

has the meaning given to the expression 'Meter Asset Manager' in condition 1 of the standard conditions applicable to Gas Supply Licences.

Gas Supplier	has: <ul style="list-style-type: none"> (a) in respect of Section 2C, the meaning given to that term in Clause 52A.2; and (b) in respect of Section 2D, the meaning given to that term in Clause 52G.2.
Gas Supplier Party	means a Party that holds a Gas Supply Licence (whether or not that Party is also a Supplier Party and/or a CVA Registrant).
Gas Supply Licence	means a licence to supply gas granted pursuant to Section 7A of the Gas Act 1986.
Gateway	has the meaning given to that term in the Data Transfer Service Agreement.
Generation Licence	means a licence granted, or treated as granted, pursuant to Section 6(1)(a) of the Act.
Generator	means a person from whom a User purchases, or proposes to purchase, electricity, at an Entry Point (who may from time to time be supplied with electricity as a Customer of that User (or another electricity supplier) through an Exit Point).
Generator Installation	means any structure, equipment, lines, appliances or devices used or to be used by a Generator and connected or to be connected directly or indirectly to a Distribution System.
General Objectives	has the meaning given to that term in Clause 3.1.

Good Industry Practice	means the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances.
Green Deal Premises	has the meaning given to that term in the Distribution Licences.
Green Deal Provider	means a person who is authorised to act as a green deal provider under the Green Deal Framework (Disclosure, Acknowledgement, Redress etc.) Regulations 2012.
Grid Code	has the meaning given to that term in the National Electricity Transmission System Operator Licence.
Group	means, in respect of each Party Category and subject to Clause 12.3, each Party that is a member of that Party Category collectively with that Party's Affiliates (if any) who are also members of that Party Category.
IDNO Party	means a Party that holds a Distribution Licence in which Section B of the standard distribution licence conditions does not have effect, whether or not that Party is also engaged in the supply or generation of electricity.
IDNO/OTSO Party	means an IDNO Party or the OTSO Party (and IDNO/OTSO Parties shall mean the IDNO Parties and the OTSO Party collectively).
Implementation	has the meaning given to that term in Clause 14.1.
<u>Industry Standing Data</u>	<u>has the meaning given to that term in the Balancing and Settlement Code.</u>
Initial Account	has the meaning given to that term in Clause 20.3.

Initial Settlement Run has the meaning given to that term in the Balancing and Settlement Code.

Intellectual Property means patents, registered design rights, unregistered design rights, domain names, copyrights, rights in trade marks whether registered or not, goodwill and rights in confidential information and know-how, and any associated or similar rights (including, in all cases, applications and rights to apply therefor).

Interconnection means, in respect of each relevant Bilateral Connection Agreement, to connect (or permit the connection of) the User's System (or any Electric Lines connected thereto) to:

- (a) the Company's Distribution System, at Connection Points other than those that are the subject of the Bilateral Connection Agreement; or
- (b) a Distribution System of any person other than the Company, or to an Offshore Transmission System, where (in either case) that system is connected (directly or indirectly) to a source of energy (other than via the Connection Points that are subject to the Bilateral Connection Agreement),

in each case so that (subject to energisation) electricity may flow to or from the User's System.

Interested Industry Participant has the meaning given to that term in Schedule 14

Interim Information Settlement Run has the meaning given to that term in the Balancing and Settlement Code.

Invoice Date	means, in respect of each account (including an Initial Account or Reconciliation Account), the date on which that account is produced by a Company pursuant to this Agreement.
IP Completion Day	has the same meaning as that given in section 39(1) of the European Union (Withdrawal Agreement) Act 2020.
kVA	means kilovoltamperes.
Late Payment Notice	has, in respect of Section 2A, the meaning given to that term in Clause 23.2, and, in respect of Section 2B, has the meaning given to that term in Clause 46.2.
Lead Code	means the Energy Code which the Cross Code Steering Group has designated as such for the purpose of progressing a variation that has an impact on more than one Energy Code.
Legacy Meter Asset Provision	means the provision of Legacy Metering Equipment (as such term is defined in the Distribution Licences).
Licence	means a licence granted, or treated as granted, pursuant to Section 6 of the Act.
<u>Market-wide Data Service</u>	<u>has the meaning given to that term in the BSC</u>
Market Domain Data	has the meaning given to that term in the BSC.
Market Domain I.D.	has the meaning given to that term in the Data Transfer Service Agreement.
Market Message	means a message containing Data Items intended to be sent under or in connection with an Energy Code.
<u>Market Participant ID</u>	<u>has the meaning given to that term in Industry Standing Data</u>

**Maximum Export
Capacity**

means:

- (a) in respect of Section 2A and any Entry Point, the maximum amount of electricity, as agreed with the Company and expressed in kilowatts or kilovoltamperes, which may be exported onto the Distribution System via that Entry Point; and
- (b) in respect of Section 2B and any Bilateral Connection Agreement, the maximum amount of electricity, as set out in that Bilateral Connection Agreement and expressed in kilowatts or kilovoltamperes, which may be exported onto the Company's Distribution System via the Connection Point or defined group of Connection Points to which that Bilateral Connection Agreement relates.

**Maximum Import
Capacity**

means:

- (a) in respect of Section 2A and any Exit Point, the maximum amount of electricity, as agreed with the Company and expressed in kilowatts or kilovoltamperes, which may be imported from the Distribution System via that Exit Point; and
- (b) in respect of Section 2B and any Bilateral Connection Agreement, the maximum amount of electricity, as set out in that Bilateral Connection Agreement and expressed in kilowatts or kilovoltamperes, which may be imported from the Company's Distribution System via the Connection Point or defined group of Connection Points to which that Bilateral Connection Agreement relates.

Meta Data Owner	means the Energy Code responsible for the control of the meta data associated with the Data Item or Market Message, as identified in the Energy Market Data Specification. Changes to the meta data are administered via the change management or modification process under the relevant Energy Code, in conjunction with the REC Code Manager's administration of the Energy Market Data Specification, as described in the REC Change Management Schedule.
Meter Administrator	has the meaning given to that term in the Balancing and Settlement Code.
Meter Asset Provider	means, in respect of any metering equipment, the person who provides that metering equipment (whether or not that person owns the metering equipment).
Meter Operation Services Agreement	means an agreement between the Meter Operator Agent and the User (or, where applicable, the Connectee) for the provision of meter operation services to be provided by the Meter Operator Agent.
Meter Operator Agent	has the meaning given to that term in the Balancing and Settlement Code.
Meter Operation Code of Practice	has the meaning given to that term in the Retail Energy Code
Meter Serial Number	means the unique identifier for an individual Metering Point device.
Meter Technical Details	has the meaning given to that term in the BSC.

Metering Data means, in respect of a Metering Point or Metering System:

- (a) any Meter Technical Details associated with that Metering Point or Metering System; and/or
- (b) data concerning the quantities of active energy and reactive energy (exported or imported) measured, collected or otherwise determined as having been conveyed across that Metering Point or Metering System.

Metering Point means the point at which a supply to (export) or from (import) a Distribution System:

- (a) is or is intended to be measured; or
- (b) where metering equipment has been removed, was or was intended to be measured; or
- (c) in the case of an Unmetered Supply under the Unmetered Supplies Procedure, is deemed to be measured,

where in each case such measurement is for the purposes of ascertaining a Supplier/CVA Registrant's liabilities under the Balancing and Settlement Code.

Metering System means a metering system registered in CMRS in accordance with the provisions of the BSC, and relating to an Entry Point or an Exit Point.

MHHS means market-wide half-hourly settlement, to be implemented via MHHS Implementation (under and as defined in the BSC).

Modification	<p>means any actual or proposed replacement, renovation, modification, alteration or construction:</p> <p>(a) by or on behalf of the Company to the Company’s Electrical Plant or Electric Lines (or the manner of their operation); or</p> <p>(b) by or on behalf of the User (or, in the case of the OTSO Party, the Offshore Transmission Owner) to the User’s (or that owner’s) Electrical Plant or Electric Lines (or the manner of their operation),</p> <p>which in either case has, or may have, a material effect on the User (or the User’s System) or on the Company (or the Company’s Distribution System) respectively.</p>
Modification Application	means an application for a Modification in the form set out in the relevant Bilateral Connection Agreement.
Modification Offer	means an offer made pursuant to Clause 52 and in the form set out in the relevant Bilateral Connection Agreement setting out the terms for a Modification.
MPAS	has the meaning given to that term in the Distribution Licence, and which includes the Electricity Retail Data Service under the REC and the Supplier Meter Registration Service under the BSC.
MPAS Provider	means a DNO Party or IDNO Party in its capacity as the person who provides the services described in Condition 18 of the Distribution Licences.
MPAN	means the core meter point administration number, a 13-digit reference used in MPAS to identify a Metering Point.

National Electricity Transmission System Operator	means the holder, from time to time, of the National Electricity Transmission System Operator Licence.
National Electricity Transmission System Operator Licence	means a transmission licence granted, or treated as granted, pursuant to Section 6(1)(b) of the Act and in which section C of the standard transmission licence conditions applies.
National Terms of Connection	has the meaning given to that term in Clause 17.1.
Nominated Calculation Agent	means the independent person notified as such to the IDNO Parties from time to time, such person to be agreed between the DNO Parties (or, in the absence of unanimous agreement, the majority of the DNO Parties) and appointed by the DNO Parties for the purposes of Clauses 42.12 and 42.13 and Schedule 29.
Offshore Transmission Owner	means, in respect of an Offshore Transmission System, the owner of that Offshore Transmission System.
Offshore Transmission System	has the meaning given to that term in the Grid Code.
Operational Metering Equipment	means metering equipment suitable to provide a Company with such data as it requires for use of system or operational purposes.
Other Charges	has the meaning given to that term in Clause 19.2.
OTSO Party	means the National Electricity Transmission System Operator in its capacity as the operator of Offshore Transmission Systems.

Panel	means the body established as such in accordance with Clause 5.
Panel Member	has the meaning given to that term in Clause 5.5.
Panel Objectives	has the meaning given to that term in Clause 5.2.
Panel Chair	means the person appointed as such in accordance with Clause 7.1.
Panel Secretary	means the person appointed as such in accordance with Clause 7.5.
Part 1 Matter	has the meaning given to that term in Clause 9.4.
Part 2 Matter	has the meaning given to that term in Clause 9.5.
Party	means a party to this Agreement from time to time, but excluding (except in the case of Clauses 53, 54.1.1, 58 and 60) DCUSA Ltd.

Party Category	<p>means, as the context requires, one of the following categories:</p> <ul style="list-style-type: none"> (a) the DNO Parties collectively; (b) the IDNO/OTSO Parties; (c) the Supplier Parties collectively; (d) the CVA Registrants collectively; (e) the Gas Supplier Parties collectively, (f) the SIP Parties collectively, <p>save that, in determining which Party Categories are eligible to vote on a particular Change Proposal, the IDNO Parties and the OTSO Party may be considered separately, so that the IDNO Parties may be eligible to vote on a Change Proposal and the OTSO Party not (or vice versa). For clarity, the Crowded Meter Room Coordinator does not comprise a Party Category.</p>
Party Details	<p>means, in respect of each Party, the information relating to that Party and corresponding to the heads of information set out in Schedule 11.</p>
Party Liable	<p>has the meaning given to that term in Clause 53.1.</p>
Password Controlled Pages	<p>has the meaning given to that term in Schedule 14.</p>
Payee	<p>means, in respect of any Charges payable pursuant to Section 2A, the Party to which those Charges are payable (ordinarily being the Company, but being the User in the case of negative Use of System Charges, as referred to in Clause 19.1C).</p>

Payment Default	has, in respect of Section 2A, the meaning given to that term in Clause 23.1, and, in respect of Section 2B, the meaning given to that term in Clause 46.1.
Payor	means, in respect of any Charges payable pursuant to Section 2A, the Party obliged to pay those Charges (ordinarily being the User, but being the Company in the case of negative Use of System Charges, as referred to in Clause 19.1C).
Permission	has the meaning given to that term in Schedule 5.

**Permitted Third Party
Metering Works**

means, in respect of a Metering Point, works by (or on behalf of) a Third Party Electricity Supplier or a Gas Supplier in respect of that Metering Point (being the Third Party Metering Point for the Third Party Electricity Supplier or Gas Supplier) where and to the extent that such works are reasonably necessary in relation to statutory or licence duties concerning (as applicable) (i) a Metering Point for which the Third Party Electricity Supplier is Registered or (ii) a Premises for which the Gas Supplier is the Responsible Gas Supplier; provided that those works shall be limited to one or more of the following:

- (a) minimal repositioning of the metering equipment relating to the Third Party Metering Point within a communal metering equipment space;
- (b) work on looped neutral(s) on the metering equipment relating to the Third Party Metering Point;
- (c) work on a shared supply used by the metering equipment relating to the Third Party Metering Point;
- (d) Revenue Protection Activity relating to the Third Party Metering Point;
- (e) installation of an isolator in respect of the metering equipment relating to the Third Party Metering Point;
- (f) installing, operating inspecting, maintaining, repairing, renewing, repositioning, replacing and/or removing a Smart Metering Comms Hub Device; and or
- (g) installing, operating, inspecting, maintaining, repairing, renewing, repositioning, replacing and/or removing Relevant Alt HAN Equipment

(including so that the Relevant Alt HAN Equipment may draw power from the Distribution System; provided that the Relevant Alt HAN Equipment must be installed in such a way as to minimise the risk of illegal abstraction of electricity).

Point to Point Alt HAN Equipment has the meaning given to that term in standard condition 55 of the Supply Licences.

Post-Final Settlement Run has the meaning given to that term in the Balancing and Settlement Code.

Power Purchase Contract means a contract between a Supplier Party and a Generator for the purchase by the Supplier Party of electricity generated by such Generator and (if agreed in such contract) the sale of electricity to the Generator by the Supplier Party.

Prescribed Period means:

- (a) in respect of each of relevant activities described in Clause 30.5A or 30.5B, the period for performance of that activity set out in Part 1 of Schedule 24; or
- (b) in respect of Clause 33.5 or 33.6, 'prescribed period' as defined in regulation 3 of the ESPR.

Premises has the meaning given to that term in the Act.

Prescribed Sum has the meaning given to that term in regulation 3 of the ESPR.

Proposer has the meaning given to that term in Clause 10.3.

Proximate Metering Equipment	means metering equipment relating to a Metering Point which is located in close proximity to metering equipment relating to one or more other Metering Points.
Public Pages	has the meaning given to that term in Schedule 14.
Qualification	has the meaning given to that term in the Balancing and Settlement Code, and Qualified shall be construed accordingly.
Quarter	means the period of three months commencing on 1 January, 1 April, 1 July and 1 October respectively in each year.
Radio Teleswitch Agreement	means the agreement of that name dated 1 April 2001, which details the rights and obligations of its signatories in relation to the use of radio teleswitches.
REC Code Manager	means the code manager for the REC.
Reconciliation Account	has the meaning given to that term in Clause 20.4.
Reconciliation Run	has the meaning given to the term “Reconciliation Settlement Run” in the Balancing and Settlement Code.
Recoverable Costs	has the meaning given to that term in Clause 8.1.

Re-energise

means:

- (a) in respect of Section 2A, 2C, 2D, 2E, 2F, 2G or 2H, deliberately to allow the flow of electricity:
 - (i) in the case of an Exit Point, from the Distribution System through the relevant Exit Point (or, in the case of an Unmetered Supply, any one or more of the relevant Exit Points) to; and/or
 - (ii) in the case of an Entry Point, to the Distribution System through the relevant Entry Point (or, in the case of an Unmetered Supply, any one or more of the relevant Entry Points) from, a Connected Installation, where such flow of electricity was previously prevented by De-energisation Works (and cognate expressions shall be construed accordingly); and
- (b) in respect of Section 2B, deliberately to allow the flow of electricity through a Connection Point, where such flow was previously prevented by De-energisation Works (and cognate expressions shall be construed accordingly).

Re-energisation Works

Means:

- (a) the movement of any switch,
- (b) the replacement of any fuse or meter; or
- (c) the undertaking of any other physical works,

to Re-energise a Connection Point, Metering Point or Metering System.

Registered	means, in respect of a Supplier/CVA Registrant and: <ul style="list-style-type: none"> (a) a Metering Point, that that Party is registered in respect of that Metering Point under and in accordance with the Retail Energy Code; and (b) a Metering System, that that Party is registered in respect of that Metering System under and in accordance with the BSC.
Registered Capacity	has the meaning given to that expression in the Distribution Code.
Registration De-Activation Request	has the meaning given to that term in the REC.
Regulations	means the Electricity Safety, Quality and Continuity Regulations 2002 (S1 2002/2665).
Regulatory Alliance	has the meaning given to that term in the REC.
Related Person	means, in relation to an individual, any member of that individual's immediate family; any partner with whom that individual is in partnership; that individual's employer; any Affiliate of such employer; any person by whom that individual was employed in the previous 12 months; and any company (or Affiliate of a company) in respect of which that individual (individually or collectively with any member of that individual's immediate family) controls more than 20% of the voting rights in respect of the shares in that company.
Related Undertaking	means, in respect of any person, any undertaking in which that person has a participating interest as defined in regulations made under Part 15 of the Companies Act 2006.

**Relevant Alt HAN
Equipment**

means Point to Point Alt HAN Equipment which is of a type that, in respect of any Premises, needs to be situated in close proximity to the electricity meter forming part of the Smart Metering System at that Premises.

**Relevant Charging
Statement**

means, as the case may require, any of the following:

- (a) the statement prepared by a Company in relation to charges for use of system for the time being in force pursuant to Condition 14 of its Distribution Licence;
- (b) the statement prepared by a Company in relation to charges for the provision of MPAS for the time being in force pursuant to Condition 18 of its Distribution Licence;
- (c) the statement prepared by a Company in relation to charges for Legacy Meter Asset Provision and Data Services for the time being in force pursuant to Condition 36 of its Distribution Licence;
- (d) the statement prepared by a Company and for the time being in force pursuant to Condition 38 of its Distribution Licence in relation to Last Resort Supply Payments (as described in that Condition); and
- (e) any statement prepared by a Company and for the time being in force in relation to charges for any other services offered by the Company.

Relevant Exempt Supplier

means, in respect of a User, an Exempt Supplier which has entered into an Enabling Agreement with that User in respect of supplies of electricity to Customers of that Exempt Supplier.

Relevant Instruments

means:

- (a) the Act and all subordinate legislation made under it as amended from time to time;
- (b) the Data Protection Legislation and all subordinate legislation made under it as amended from time to time;
- (c) the Distribution Licence and the Supply Licence, and any determination, direction, consent or notice made or issued by the Authority pursuant to the terms thereof;
- (d) the Data Transfer Service Agreement;
- (e) the Retail Energy Code;
- (f) the Connection and Use of System Code;
- (g) the Balancing and Settlement Code;
- (h) the Smart Energy Code,

and, whether under any of the foregoing or otherwise, all authorisations, approvals, licences, exemptions, filings, registrations, notarisations, consents and other matters which are required, or which a Company acting in accordance with Good Industry Practice would obtain, in connection with the provision of the services under this Agreement, of or from any Competent Authority.

Report Phase

has the meaning given to that term in Clause 11.19.

Responsible Gas Supplier

means, in respect of any Premises, the Gas Supplier Party that is registered under the Supply Point Administration Agreement (as defined in condition 1 of the standard conditions applicable to Gas Supply Licences) as responsible for a gas supply point at that Premises.

Retail Code Consolidation	has the meaning given in the Retail Energy Code.
Retail Energy Code or REC	means the code of that name designated and maintained under the Supply Licences.
Retail Energy Code Company or RECCo	means RECCo, as defined in the Retail Energy Code.
Revenue Protection Activity	means an activity relating to actual or suspected Theft of Electricity, including the identification, prevention, investigation and/or resolution of cases of Theft of Electricity, and any other activity within the subject matter of the Revenue Protection Code of Practice.
Revenue Protection Agent	has the meaning given to that term in the Revenue Protection Code of Practice.
Revenue Protection Code of Practice	means (a) until Retail Code Consolidation, the code of practice set out in Schedule 23; or (b) from Retail Code Consolidation, the Theft Code of Practice Schedule which forms part of the Retail Energy Code.
Revenue Protection Service	means any service provided by a person to another person in respect of one or more Revenue Protection Activities.
Safe	means a situation in which the Company's Electric Lines or Electrical Plant does not pose a danger, including danger of death of or injury to persons and/or danger of damage to or destruction of property.
Safe Isolation Provider	has, in respect of Section 2H, the meaning given to that expression in Clause 52Y.1.

Safe Isolation Works	<p>means, in respect of an Entry/Exit Point, works by a SIP Party to:</p> <ul style="list-style-type: none"> (a) De-energise that Entry/Exit Point; (b) (if reasonably necessary) adjust the terminals of the meter and associated equipment and re-make the connection to them to make safe and remedy any disturbance of the connection that may have occurred; (c) if required, terminate/replace the customer tails on the Electricity Supplier's meter (provided that such tails must have been provided and tested by the SIP Party or the customer's electrical engineer); and (d) Re-energise that Entry/Exit Point.
Sandbox Applicant	<p>means the applicant who has made a Sandbox Application and whose identity is set out in the relevant Sandbox Application.</p>
Sandbox Application	<p>means a written request for a derogation, made by the Sandbox Applicant to the Authority pursuant to the Authority's regulatory sandbox procedures, and which the Authority has passed to the Secretariat for review (such regulatory sandbox procedures being the Authority's procedures from time to time whereby prospective energy innovators can seek temporary relief from certain industry rules).</p>
Sandbox Application Assessment Form	<p>has the meaning given to that term in Clause 56.11.</p>

Sandbox Pre-Approval	means a written notification from the Authority detailing whether it believes a Sandbox Application, for which it has received a Sandbox Application Assessment Form, should be approved.
Sandbox Register	means a register for the purposes of assisting the Panel in the operation and recording of Sandbox Applications from initial requests made by a Sandbox Applicant through to completion of successful Sandbox Applications.
SECCo	means the company established to facilitate the operation of the SEC panel, as defined in the Smart Energy Code.
Secretariat	has the meaning given to that term in Clause 7.36.
Secretary of State	has the meaning given to that term in the Interpretation Act 1978.
Security and Safety of Supplies Statement	means, in respect of each DNO Party or IDNO Party, the statement prepared by that Party in relation to security and safety of supplies for the time being in force pursuant to Condition 8 of its Distribution Licence.
Service Level	means the Company performing its obligations under Clause 30.5A.2, 30.5A.4 and 30.5B.2 in accordance with the requirements of those Clauses.
Settlement	has the meaning given to that term in the Balancing and Settlement Code.
Settlement Class	has the meaning given to that term in the Balancing and Settlement Code.

Settlement Class MSiD Count	has the meaning given to that term in the data flow / market message (as amended from time to time in accordance with the provisions of the Retail Energy Code)
Settlement Class Unit Count	has the meaning given to that term in the data flow / market message (as amended from time to time in accordance with the provisions of the Retail Energy Code)
Settlement Code	has the meaning given to that term in the Market Domain Data.
Settlement Day	has the meaning given to that term in the Balancing and Settlement Code.
Settlement Run	means, as appropriate, an Initial Settlement Run, Reconciliation Run, or Interim Information Settlement Run.
Significant Code Review	<p>means a review of one or more matters which the Authority considers likely to:</p> <ul style="list-style-type: none"> (a) relate to this Agreement (either on its own or in conjunction with one or more other industry codes); and (b) be of particular significance in relation to its principal objective and/or general duties (under section 3A of the Act), statutory functions and/or relevant obligations arising under EU law, <p>and concerning which the Authority has issued a notice to the Parties (among others, as appropriate) stating: (i) that the review will constitute a significant code review; (ii) the start date of the review; and (iii) the matters that</p>

will fall within the scope of the review.

Significant Code Review Phase

means the period commencing on the start date of a Significant Code Review as stated by the Authority (or recommencing on the date of a "back-stop" direction under Condition 22.9ED of the Distribution Licences), and ending in accordance with Condition 22.9E of the Distribution Licences.

SIP Party

means a Party that operates as a Meter Operator Agent.

Small Participant

means:

- (a) a generator, supplier, distributor, or new entrant to the electricity market in Great Britain that can demonstrate to the Secretariat that it is resource-constrained and, therefore, in particular need of assistance;
- (b) any other Party or class of Parties that the Secretariat considers to be in particular need of assistance; or
- (c) a Party or class of Parties that the Authority has identified to the Secretariat as being in particular need of assistance.

Small Scale Generator

means any generator that is installed in accordance with, and complies with the requirements of, Regulation 22 (2) sub-paragraphs (a) to (c) of the Regulations.

Smart Data Service Agent has the meaning given to that term in the Balancing and Settlement Code

Commented [JL3]: CD4-079 and CD4-163 consultation responses. A 't' added to the end of 'Agen' to read 'Agent'

Smart Energy Code or SEC	means the smart energy code designated for the purposes of the smart meter communication licences granted pursuant to the Act and the Gas Act 1986.
Smart Meter Installation Forecast	means, for any Quarter, the forecast of smart meter installations provided by a Supplier Party pursuant to part 4 of Schedule 24 during the fifth Quarter preceding that Quarter.
Smart Metering Comms Hub Device	means a device installed at a Premises that enables data to be communicated to the Gas Supplier (or its appointed data communications company) from a gas smart meter within the Premises (and vice versa), and shall include any equipment associated with that device (including its power supply unit).
Smart Metering System	has the meaning given to that expression in the Supply Licences.
Standard Settlement Configuration	has the meaning given to that term in the Balancing and Settlement Code.
STC	has the meaning given to that term in the CUSC.
Supercustomer DUoS Report	means a report of profiled data by Settlement Class providing the data items set out in the D0030 data flow / market message <u>for non-MHHS Metering Points and the REP-002B data flow / market message for MHHS Metering Points</u> (as, <u>in either case</u> , amended from time to time in accordance with the provisions of the <u>Energy Market Data Specification</u>).
Supplier/CVA Registrant	means a Supplier Party or CVA Registrant (and Supplier/CVA Registrant shall mean the Supplier Parties and the CVA Registrants collectively).

Commented [JL4]: Updated from REP-002 to REP-002B since there are different versions based on recipient

Commented [JL5]: CD4-164 amend the definition from 'Energy Data Market Specification' to 'Energy Market Data Specification'

Supplier Meter Registration Service	has the meaning given to that term in the BSC.
Supplier Party	means a Party that holds a Supply Licence and that does not hold a Distribution Licence, and, for the avoidance of doubt, a Party may be both a Supplier Party and a CVA Registrant.
Supplier Volume Allocation Agent or SVAA	has the meaning given to “Supplier Volume Allocation Agent” in the Balancing and Settlement Code.
Supply Business	means, in respect of a Supplier Party, that Party’s business of supplying electricity (as authorised pursuant to the Act).
Supply Contract	means a contract (whether oral, in writing or deemed) between a Supplier Party, or any Relevant Exempt Supplier, and a Customer for a supply of electricity to such Customer through an Exit Point.
Supply Licence	means a licence granted, or treated as granted, pursuant to Section 6(1)(d) of the Act.
Supply Number	has the meaning given to that term in the Retail Energy Code.
Surplus Vote	has the meaning given to that term in Clause 12.13.
Surplus Vote Adjustment	has the meaning given to that term in Clause 12.10.

System	means, in respect of: <ul style="list-style-type: none"> (a) a DNO/IDNO Party, that Party's Distribution System; and (b) the OTSO Party, the Offshore Transmission System relating to the relevant Connection Point (and references to the User's System shall be construed accordingly, notwithstanding that the OTSO Party may not own that Offshore Transmission System).
Systems Connection Point	has the meaning given to that term in the BSC.
System Outage	means, in relation to a DNO Party or IDNO Party, a planned or unplanned interruption to the flow of electricity through the whole or part of that Party's Distribution System implemented by or on behalf of that Party for safety or system security reasons or to enable that Party to inspect or effect alterations, maintenance, repairs or additions to any part of that Distribution System.
Theft In Conveyance	means the abstraction of electricity (regardless of where such abstraction takes place) for use otherwise than at a Premises for which there is a Metering Point or Metering System that is Registered by a User.
Theft of Electricity	includes (but is not limited to) Theft In Conveyance, the circumstances described in paragraph 4 of schedule 6 to the Act, and the circumstances described in paragraph 11 of schedule 7 to the Act.

Theft Risk Assessment Service Arrangements	means the arrangements for a theft risk assessment service and other related measures that the Supplier Parties are obliged to maintain pursuant to the Supplier Licences (but excluding the Energy Theft Tip-Off Service), which service is, from Energy Theft Consolidation, being moved from this Agreement to the Retail Energy Code.
Third Party Electricity Supplier	means, in relation to a Metering Point, the Supplier Party Registered for a second Metering Point where the two Metering Points have Proximate Metering Equipment (as further described in Clause 52M.2 or 52Q.2, as applicable).
Third Party Metering Point	means: <ul style="list-style-type: none"> (a) in respect of a Supplier Party, a Metering Point for which that Supplier Party is not the Registered Supplier, where that Metering Point has Proximate Metering Equipment with a Metering Point for which that Supplier Party is Registered; or (b) in respect of a Gas Supplier Party, either (i) a Metering Point for a Premises for which that Gas Supplier Party is the Responsible Gas Supplier; or (ii) a different Metering Point which has Proximate Metering Equipment with the Metering Point referred to in limb (i).
Transactional Charges	has, in respect of Section 2A, the meaning given to that term in Clause 22.1, and, in respect of Section 2B, the meaning given to that term in Clause 45.1.

UMSO	means an Unmetered Supplies Operator (as defined in the BSC), including where a DNO Party has been appointed to such role by an EDNO pursuant to Clause 42.14.
Unit	means a kilowatt hour.
Unit Rate	means a charge in pence and/or pounds applied to a Unit.
<u>Unmetered Supplies Data</u>	<u>has the meaning given to that term in the BSC.</u>
<u>Service Agent</u>	
Unmetered Supply Certificate	means a certificate issued by a Company or by its UMSO (in each case at its sole discretion) to a Customer in accordance with the Unmetered Supplies Procedure which states (amongst other things) the Supply Numbers of the Metering Points by reference to which the Company has authorised the Customer to receive Unmetered Supplies.
Unmetered Supplies Procedure	means Section S of the Balancing and Settlement Code and BSC Procedure BSCP 520 established under the Balancing and Settlement Code and any replacement or substitute BSC Procedure from time to time in force <u>or for MHHS means Section S of the Balancing and Settlement Code, and BSCP 700 and BSCP 704.</u>
Unmetered Supply or UMS	means a supply of electricity the quantity of which the Company, through the issue of a relevant Unmetered Supplies Certificate, has authorised not to be measured by physical metering equipment.
Urgent Change Proposal	has the meaning given to that term in Clause 10.12.

Use of Distribution System	means, in respect of a Company or User, the use by that User of that Company's Distribution System for the passing of electricity into a Distribution System and for the conveyance of such electricity by that Company through its Distribution System: <ul style="list-style-type: none"> (a) in the case of Section 2A, to Exit Points or from Entry Points; or (b) in the case of Section 2B, to or from Connection Points.
Use of System Charges	has, in respect of Section 2A, the meaning given to that term in Clause 19.1C, and, in respect of Section 2B, the meaning given to that term in Clause 43.2.1.
Use of System Charging Methodologies	means the CDCM and the EDCM.
User	has, in respect of Section 2A, the meaning given to that term in Clause 15.2, and, in respect of Section 2B, has the meaning given to that term in Clause 36.2.
User Installation	means any structures, equipment, lines, appliances or devices used or to be used by a User and connected or to be connected directly or indirectly to the Distribution System at any Exit Point or Entry Point in relation to which that User is Registered.
Value Added Tax or VAT	means VAT as defined in the Value Added Tax Act 1994 and any tax of a similar nature which may be substituted for or levied in addition to it.
Voting Procedure	has the meaning given to that term in Clause 12.1.
Web Account	has the meaning given to that term in Schedule 14.

Website	means a dedicated website established at the direction of the Panel for the purposes of this Agreement.
Weighted Vote	has the meaning given to that term in Clause 12.8.
WG Chair	has the meaning given to that term in Clause 7.28.
Working Day	has the meaning given to that term in Section 64 of the Act.
Working Group	means a sub-committee established by the Panel in accordance with Clause 7.24.
Working Hours	has the meaning given to that term in the ESPR.
Works	has the meaning given to that term in Schedule 5.

Interpretation

- 1.2 In this Agreement, unless the context otherwise requires, any reference to:
- 1.2.1 a “person” includes a reference to an individual, a body corporate, an association or a partnership;
 - 1.2.2 the singular includes the plural, and vice versa;
 - 1.2.3 a gender includes every gender;
 - 1.2.4 a numbered Clause, Section or Schedule is a reference (respectively) to a clause, part or section of, or a schedule to, this Agreement which bears that number;
 - 1.2.5 a numbered Paragraph or Annex is a reference (respectively) to a paragraph of, or an annex to, the Schedule in which such reference occurs;
 - 1.2.6 a numbered Condition (with or without a letter) is a reference to the standard condition bearing that number (and, where relevant, letter) in the licence indicated;
 - 1.2.7 writing includes all methods of reproducing words in a legible and non-transitory form;
 - 1.2.8 “include”, “including” and “in particular” are to be construed without limitation to the generality of the preceding words;
 - 1.2.9 any statute or statutory provision includes any subordinate legislation made under it, any provision which it has modified or re-enacted, and any provision which subsequently supersedes or re-enacts it (with or without modification);
 - 1.2.10 an agreement, code, licence or other document is to such agreement, code, licence or other document as amended, supplemented, novated or replaced from time to time;
 - 1.2.11 a term that is stated to have the meaning given to it in the BSC is, where the BSC contains more than one definition of that term, a reference to that term as defined in annex 1 of section X of the BSC; and

1.2.12 a term that is stated to have the meaning given to it in the Distribution Licences or the Supply Licences is a reference to that term as defined in the standard conditions of the Distribution Licences or of the Supply Licences (as applicable).

1.3 The headings in this Agreement are for ease of reference only and shall not affect its interpretation.

8. COSTS OF THE DCUSA

Recovery of Costs

8.1 The Panel shall be entitled to recover, in accordance with the procedures set out in this Clause 8, all the **reasonable costs** and expenses properly incurred by:

8.1.1 the Panel;

8.1.2 the Panel Secretary;

8.1.3 any Working Group;

8.1.4 the Secretariat; and

8.1.5 DCUSA Ltd,

in performing their respective duties, powers and functions under this Agreement (the Recoverable Costs), which may include their general administration costs and expenses, any costs and expenses they incur in holding, or travelling to, meetings, any costs and expenses of any professional advisers properly retained by them, and any tax payable by DCUSA Ltd. Recoverable Costs shall not include any payment to Panel Members, to directors of DCUSA Ltd or to those who serve on Working Groups in respect of their time.

Preparation of Draft Budgets

8.2 In respect of:

8.2.1 the Financial Year ending on 31 March 2007, the Panel shall, as soon as reasonably practicable following the date on which this Agreement becomes effective; and

8.2.2 each subsequent Financial Year, the Panel shall (not earlier than 60, nor later than 30, Working Days before the commencement of that Financial Year),

prepare, circulate to all the Parties, and invite comments on, a draft budget for that Financial Year (a Draft Budget).

8.3 Each Draft Budget shall be accompanied by a detailed work plan showing the activities and projects to which the relevant costs and expenses relate, and shall set out the Panel's good-faith estimate of the Recoverable Costs that it anticipates will either be:

8.3.1 incurred in the Financial Year to which the Draft Budget relates; or

8.3.2 committed to in the Financial Year to which the Draft Budget relates, even though the Recoverable Costs are not expected to be incurred until a subsequent Financial Year.

8.3A The Draft Budget shall separately identify the Panel's good-faith estimate of the Recoverable Costs that it anticipates will be invoiced in each Quarter of the Financial Year to which the Draft Budget relates, split between each Party Category.

8.3B The Draft Budget for a Financial Year shall be accompanied by the Panel's latest estimate of the likely outcome of the annual review for the previous Financial Year, which will be carried out pursuant to Clause 8.12.

8.3C The Draft Budget for a Financial Year shall be accompanied by the Panel's best estimate of the dates on which it will raise invoices for each Quarter of the Financial Year.

Approval of Budgets

- 8.4 The Draft Budget for the Financial Year ending on 31 March 2007 shall, on its preparation, automatically become the Approved Budget for that Financial Year. The Panel shall, nevertheless, consider any comments received from the Parties in the 20 Working Days following its circulation, and the Panel shall, where it considers it appropriate to do so, amend such Approved Budget in the light of those comments.
- 8.5 In respect of the Draft Budget for each subsequent Financial Year, the Panel shall:
- 8.5.1 arrange for publication on the Website of all of the comments received from the Parties regarding the Draft Budget and/or the accompanying work plan in the 20 Working Days following their circulation;
 - 8.5.2 consider, and (where it considers it appropriate to do so) respond to, those comments;
 - 8.5.3 to the extent that it considers it appropriate to do so, amend the Draft Budget and/or the accompanying work plan in the light of those comments; and
 - 8.5.4 no less than 20 Working Days following such circulation, approve the Draft Budget (as so amended) as the **Approved Budget** for the relevant Financial Year.

Amendments to Budgets

8.6 The Approved Budget relating to each Financial Year may be amended by the Panel from time to time, provided that the Panel has first:

8.6.1 circulated and invited comments on the proposed amendments in accordance with Clause 8.2 as if it were a Draft Budget; and

8.6.2 published and considered any comments received on the proposed amendments within 20 Working Days of such circulation on the same basis as is referred to in Clause 8.5.

Payment of Costs Incurred

8.7 Where the Panel, the Panel Secretary, any Working Group, the Secretariat or DCUSA Ltd wishes to recover any cost or expense under this Clause 8, details of the cost or expense in question shall be submitted to the Panel (or a named person approved by the Panel) for approval. Such cost or expense shall only be approved to the extent that it falls within a category of Recoverable Cost provided for in an Approved Budget, and only if such cost or expense:

8.7.1 will not (in aggregate with those costs and expenses previously approved for the Financial Year, and those likely to be approved for the remainder of the Financial Year) cause the total Approved Budget to be exceeded to a material extent; and

8.7.2 is submitted in a timely manner (and in any event on or before the 20th Working Day following the end of the relevant Financial Year).

Once approved, details of the cost or expense shall be submitted to the Secretariat or DCUSA Ltd (as directed by the Panel or such named person) for payment.

8.8 Upon receipt of an invoice or other statement relating to costs or expenses that have been approved in accordance with Clause 8.7, the Secretariat or DCUSA Ltd (as applicable) shall pay the amount stated in such invoice or other statement (together with VAT thereon, if applicable) to the person named in such invoice or other statement.

Share of Costs

8.9 The amount (a **Cost Contribution**) that each Party shall be obliged to bear as its share of the Recoverable Costs, in respect of each Quarter:

8.9.1 in the case of each CVA Registrant (in its capacity as such), the OTSO Party, each Gas Supplier Party (in its capacity as such), the Crowded Meter Room Coordinator and each SIP Party (in its capacity as such), shall be zero; and

8.9.2 in the case of each other Party, shall be calculated as follows:

$$CC = 50\% \times \frac{N}{TN} \times RC$$

where:

CC is the relevant Party's Cost Contribution in respect of that Quarter;

N is, in respect of a DNO Party or an IDNO Party, the aggregate number of Metering Points which each such Party has on its network, as recorded in the Supplier Meter Registration Service; and, in respect of a Supplier Party, the aggregate number of Metering Points against which that Party is registered across all of the Supplier Meter Registration Service (based, in each case, on the average figure for the three months comprising that Quarter and provided to DCUSA Ltd under **BSCP501 and for MHHS under BSCP706NNN** of the BSC);

TN is, in respect of each Party and that Quarter, the aggregate number of Metering Points across all of the Supplier Meter Registration Service (based on the average aggregate figure for the three months comprising that Quarter and provided to DCUSA Ltd under **BSCP501 and for MHHS under BSCP706NNN** of the BSC); and

RC is the total amount of the Recoverable Costs incurred, or otherwise accounted for, in that Quarter.

Commented [JL6]: Query raised against BSCP706 since this report no longer features in the new procedure. The new location to be provided during the MOP up tranche

Commented [JL7]: Query raised against BSCP706 since this report no longer features in the new procedure. The new location to be provided during the MOP up tranche

Recovery of Budgeted Costs

8.10 The Panel shall, in respect of each Party and within 7 days after the start of each Quarter:

8.10.1 calculate the Panel's best estimate (by reference to the Approved Budget) of that Party's Cost Contribution (together with VAT thereon, if applicable) in respect of that Quarter; and

8.10.2 arrange for an invoice or other statement, on such terms as the Panel may from time to time prescribe, for an amount equal to such estimate to be sent to that Party. Such invoices shall be sent by post, by email, or by post and email, as specified by the receiving Party from time to time (or, where no preference has been specified, by post only). Such invoices shall ordinarily be payable within 30 days.

8.11 Each Party shall, on receipt of an invoice or other statement submitted under Clause 8.10, pay the amount requested of it in accordance with (and within the time period prescribed by) the terms referred to in Clause 8.10.

8.11A Failure by a Party to pay (in cleared funds) an amount in accordance with Clause 8.11 shall be a "**DCUSA Payment Default**".

8.11B Where a Party commits a DCUSA Payment Default, the Panel shall send a notice (a "**DCUSA Late Payment Notice**") to the Party:

8.11B.1 setting out the amount owed by the Party;

8.11B.2 stating to whom payment should be made;

8.11B.3 specifying that the payment must be made by a method of same day payment, such as CHAPS; and

8.11B.4 stating that failure to pay may lead to an Event of Default under this Agreement.

8.11C Failure by a Party to remedy a DCUSA Payment Default may give rise to an Event of Default under and in accordance with Clause 54.1, and may lead to the Panel suspending a Supplier Party's rights in accordance with Clause 54.2.

Annual Reconciliation of Costs

8.12 Within 40 Working Days following the end of each Financial Year, the Panel shall calculate each Party's actual Cost Contribution in respect of each Quarter of that Financial Year, and shall reconcile the actual amounts against the amounts paid (or payable) by that Party in accordance with Clause 8.11.

8.13 Where, in respect of a Financial Year and any Party, the aggregate amount paid in accordance with Clause 8.11:

8.13.1 is greater than the aggregate amount calculated in accordance with Clause 8.12, the Panel shall arrange for that Party to be reimbursed with the difference by means of either (at the Panel's discretion but so that each Party to be reimbursed in respect of a Financial Year is reimbursed by the same means):

(A) a cheque payment prior to the next invoice to be raised pursuant to Clause 8.10; or

(B) a credit against the next invoice to be raised pursuant to Clause 8.10;
or

8.13.2 is less than the aggregate amount calculated in accordance with Clause 8.12, the Panel shall arrange for the difference to be added to the next invoice raised pursuant to Clause 8.10.

Interest

8.14 The Panel shall be entitled, without prejudice to any other right or remedy, to charge (and where charged, a Party shall pay) interest on any payment not duly made in accordance with Clause 8.11, calculated from day to day at a rate per annum equal to the Default Interest Rate from the day after the date on which payment was due up to and including the date of payment, together with an administration charge as notified by the Panel to the Parties from time to time.

Audit

- 8.15 The Panel shall arrange for the costs and expenses recovered under this Clause 8 to be audited by a firm of chartered accountants on an annual basis in order to verify that all such costs and expenses were Recoverable Costs provided for in an Approved Budget.
- 8.16 The Panel shall copy the auditor's report to all Parties within 15 Working Days of receipt.

12. VOTING

- 12.1 The purpose of this Clause 12 is to make provision for the Parties to vote as to whether any Change Proposal should be accepted or rejected (the **Voting Procedure**).
- 12.2 Each Change Proposal shall be put to a vote of the Parties in accordance with the Voting Procedure. For clarity, however, the Crowded Meter Room Coordinator does not form a Party Category, and is not entitled to participate in the Voting Procedure.

Groups – DNO Parties

- 12.3 The IDNO/OTSO Parties, the Supplier Parties, the CVA Registrants, the Gas Supplier Parties and the SIP Parties shall cast their votes on a corporate group basis, so that all of the Parties in each such Party Category that fall within a single Group shall collectively have only one vote. The DNO Parties shall cast their votes individually, so that each such Party has one vote. References in this Clause 12 and in Clause 13 to a “Group” shall, therefore, in the case of DNO Parties only, be taken as references to a “Party”.

The Voting Procedure

- 12.4 The Panel shall procure the design, establishment and maintenance of a system by which:
- 12.4.1 the Change Report on each Change Proposal is sent to all Parties, specifying the time period within which votes must be cast;
- 12.4.2 each Group within each Party Category that is eligible to vote may cast one (and not more than one) vote on each of the questions comprising each vote (whether to accept or reject the proposed variation and whether to accept or reject the proposed implementation date);
- 12.4.3 each Group that votes is given the opportunity (but is not obliged) to comment on the reasons for its vote;
- 12.4.4 the vote of each Group is cast by means of a standard form;

12.4.5 the vote of each Group is cast in such a way as to permit its authentication as the valid and properly authorised vote of that Group;

12.4.6 the vote of each Group may be transmitted in such a manner as (so far as is reasonably practicable) ensures that it is secure and will not be interfered with; and

12.4.7 the votes of all of the Groups are received and collated for the purposes of Clause 13.

12.5 The Panel shall ensure that all Parties are informed of the means by which they may have access to and use the system established under Clause 12.4 for the purposes of the Voting Procedure, and of any changes made to that system from time to time which are likely to affect the way in which it may be accessed and used.

The Vote

12.6 In respect of each Change Proposal and the Change Report relating to that proposal, the Groups within the Party Categories specified in that Change Report as eligible to vote shall be entitled to cast a vote to accept or to reject either or both of:

12.6.1 the proposed variation set out in that proposal; and

12.6.2 the proposed implementation date set out in that proposal,

by means of the system established under Clause 12.4.

12.7 Each Group which casts a vote on whether to accept or reject the proposed variation in respect of a Change Proposal shall:

12.7.1 vote on the basis of its judgment, made by it in good faith, as to whether or not, if the proposed variation were made, this Agreement would better facilitate the achievement of the DCUSA Objectives than if that variation were not made; and

12.7.2 where it wishes to do so, provide a statement in accordance with the system established under Clause 12.4 of the reasons, by reference to the DCUSA Objectives, for its vote.

Weighted Votes

12.8 The vote of each Group shall be allocated a weighting expressed as a percentage of the votes of all of the Groups within the same Party Category who voted (the **Weighted Vote**), which weighting shall be calculated in accordance with the provisions of Clauses 12.9 to 12.16.

12.9 In the case of:

12.9.1 the Party Category comprising the IDNO/OTSO Parties;

12.9.2 the Party Category comprising the Gas Supplier Parties;

12.9.3 the Party Category comprising SIP Parties; or

12.9.4 any other Party Category where five or fewer Groups in that Party Category cast their vote,

each Group in the Party Category shall have an equal Weighted Vote, calculated by dividing 100% by the number of Groups within that Party Category who cast their vote.

12.10 Except where Clause 12.9 applies, the Weighted Vote of each Group shall be calculated as follows:

$$WV = V + SVA$$

where:

WV is the Weighted Vote;

V is an initial allocation of a weighting to the vote of that Group (the Basic Vote), calculated in accordance with Clause 12.11; and

SVA is an adjustment factor (expressed as a percentage), designed to re-allocate between the Parties in a Party Category the Basic Vote of any Party in that category that is greater than 20% (the Surplus Vote Adjustment), and calculated in accordance with Clause 12.13.

Basic Vote

12.11 For the purposes of Clause 12.10, the Basic Vote (V) shall be calculated as follows:

$$V = \frac{N}{TN} \times 100\%$$

where:

N is (subject to Clause 12.12):

(a) in respect of a Group comprised of DNO Parties, the aggregate number of Metering Points which each such DNO Party has on its network, as recorded in the Supplier Meter Registration Service;

(b) in respect of a Group comprised of Supplier Parties, the aggregate number of Metering Points against which those Suppliers are registered across all of the Supplier Meter Registration Service; and

(c) in respect of a Group comprised of CVA Registrants, the sum of the Maximum Export Capacities or Maximum Import Capacities (whichever is the greater on a site-by-site basis) of all of the Entry Points relating to Metering Systems for which those CVA Registrants are Registered; and

TN is, in respect of any Group, the sum of the values of N for all the Groups within the same Party Category as that Group which cast a vote.

12.12 In undertaking the calculations provided for in Clause 12.11, the Secretariat shall rely upon:

12.12.1 in the case of Clauses 12.11(a) and (b) the information regarding registrations last provided to DCUSA Ltd under ~~BSCP501~~ and for MHHS under ~~BSCP706~~ ~~NNN~~ of the BSC and made available to the Secretariat prior to the vote in question; and

12.12.2 in the case of Clause 12.11(c), the Party Details as set out in Schedule 11 on the date of the vote in question.

Commented [JL8]: Query raised against BSCP706 since this report no longer features in the new procedure. The new location to be provided during the MOP up tranche

Surplus Vote Adjustment

12.13 For the purposes of Clause 12.10, the Surplus Vote Adjustment (**SV**A) shall:

12.13.1 in respect of a Party Category within which the Basic Vote of any Group is greater than 20%:

- (A) for that Group, have a negative value equal to the sum by which its Basic Vote is greater than 20% (the Surplus Vote); and
- (B) for each other Group within the same Party Category who casts a vote, be calculated in accordance with Clause 12.14; and

12.13.2 in respect of each Group in any other Party Category, have the value of zero.

12.14 In respect of each Group to which Clause 12.13.1(B) refers, the Surplus Vote Adjustment (**SV**A) shall have a positive value calculated as follows:

$$SVA = SV \times \frac{N}{XN}$$

where:

SV is the sum of the values of the Surplus Votes of any Groups in the same Party Category as that Group;

N has the same meaning for that Group as it does in Clause 12.11; and

XN is the sum of the values of N for all the Groups in the same Party Category as that Party which cast a vote, excepting those with a Surplus Vote.

Further Adjustment

12.15 Where, on applying the formula at Clause 12.14 in respect of any Group, the Weighted Vote of that Group is greater than 20%:

12.15.1 the Weighted Vote of that Group shall be 20%;

12.15.2 the amount by which the Weighted Vote of that Group would otherwise have exceeded 20% shall be allocated between the other Groups within the same Party Category which cast a vote and which have Weighted Votes of less than 20%;

12.15.3 that amount shall be allocated between those other Groups on the same basis as a Surplus Vote allocated in accordance with Clause 12.14; and

12.15.4 the Weighted Votes of those other Groups shall be increased accordingly.

12.16 Where the effect of any adjustment in accordance with Clause 12.15 is to increase the Weighted Vote of any Group so that it is greater than 20%, a process of adjustment equivalent to that set out in Clause 12.15 shall be repeated until no Group's Weighted Vote is greater than 20%.

If no Group in a Party Category Votes

12.17 Where, in respect of a Change Proposal and a Party Category that is specified in the relevant Change Report as being eligible to vote, no Group in that Party Category casts a vote, such Party Category shall, for the purposes of Clause 13, be treated as if it were not eligible to vote.

15. INTERPRETATION OF SECTION 2A

Party Obligations

- 15.1 In this Section 2A, in the Schedules when applied pursuant to this Section 2A, and in the terms defined in Clause 1 when used in this Section 2A or those Schedules, a reference to a **Company** is a reference to each Party that is either a DNO Party or an IDNO Party separately and individually and, where an obligation is imposed on, or a right granted to, a Company, that obligation is imposed on, and that right is granted to, each such Party separately and independently.
- 15.2 In this Section 2A, in the Schedules when applied pursuant to this Section 2A, and in the terms defined in Clause 1 when used in this Section 2A or those Schedules, a reference to a **User** is:
- 15.2.1 a reference to each Party that is either, or both of, a Supplier Party or a CVA Registrant separately and individually and, where an obligation is imposed on, or a right is granted to, a User, that obligation is imposed on, and that right is granted to, each such Party separately and independently; and
- 15.2.2 when made in relation to a Company and any period of time, a reference to each User (separately, individually and to the relevant extent) who is (or was), during that period, Registered in respect of a Metering Point or Metering System relating to an Entry Point or an Exit Point on that Company's Distribution System (provided that, in the case of Clauses 15, 16, 17 and 24, it shall include those Users who are taking steps to be so Registered, and that, in the case of Clauses 15, 24, 34 and 35, it shall include those Users who were once so Registered).
- 15.3 This Section 2A, and the Schedules when applied pursuant to it, shall:
- 15.3.1 only create rights and obligations between DNO/IDNO Parties (on the one hand) and Supplier Parties/CVA Registrants (on the other), and shall not create rights or obligations between DNO/IDNO Parties and other DNO/IDNO Parties or between Supplier/CVA Registrants and other Supplier/CVA Registrants;
- 15.3.2 not apply to the OTSO Party;

15.3.3 only create obligations between a Company and a User to the extent that, and in relation to those periods for which, that User is (or was) or is seeking to be Registered in respect of a Metering Point or Metering System relating to an Entry Point or an Exit Point on that Company's Distribution System; and

15.3.4 not impose any obligations between a Company and a User in relation to periods for which that User is (or was) not, and is not seeking to be, Registered in respect of any Metering Points or Metering Systems relating to Entry Points or Exit Points on that Company's Distribution System.

References in Relation to Companies and Users

15.4 In this Section 2A, in the Schedules when applied pursuant to this Section 2A, and in the terms defined in Clause 1 when used in this Section 2A or those Schedules, references to:

15.4.1 a Metering Point or Metering System are, when made in relation to a User and any period of time, references to a Metering Point or Metering System Registered to that User during that period;

15.4.2 an Entry Point or Exit Point are, when made in relation to a Company, references to an Entry Point or Exit Point on that Company's Distribution System;

15.4.3 an Entry Point or Exit Point are, when made in relation to a User and any period of time, references to an Entry Point or Exit Point relating to a Metering Point or Metering System Registered to that User during that period;

15.4.4 a Connectee, Connected Installation, Connection Agreement, Contract, Metering Point, Metering System or Charge are, when made in relation to a Company, references to a Connectee, Connected Installation, Connection Agreement, Contract, Metering Point, Metering System or Charge relating to an Entry Point or Exit Point on such Company's Distribution System; and

15.4.5 a Connectee, Connected Installation, Connection Agreement, Contract or Charge are, when made in relation to a User and any period of time, references to a Connectee, Connected Installation, Connection Agreement, Contract or

Charge relating to an Entry Point or Exit Point relating to a Metering Point or Metering System Registered to that User during that period.

Use of the Same Market Domain I.D.

15.5 Where, in relation to any period of time, more than one User is using the same Market Domain I.D. or for MHHS the same Market Participant ID and where it is not reasonably practicable for a Company to identify which of those Users is Registered in respect of a particular Metering Point or Metering System, the Users shall be deemed, as against that Company, to be jointly and severally liable in respect of that Metering Point or Metering System.

Additional Interpretation

15.6 In this Section 2A, in the Schedules when applied pursuant to this Section 2A, and in the terms defined in Clause 1 when used in this Section 2A or those Schedules, any reference to a “charging period” is, subject to any contrary indication, a reference to the period specified in the Relevant Charging Statement (or, if no period is specified therein, a calendar month).

Distribution Code, Distribution Licence and Distribution Business

15.7 In this Section 2A, in the Schedules when applied pursuant to this Section 2A, and in the terms defined in Clause 1 when used in this Section 2A or those Schedules, any reference to “Distribution Code”, “Distribution Licence” and “Distribution Business” are references to the Company’s Distribution Code, the Company’s Distribution Licence and the Company’s Distribution Business.

18. USE OF SYSTEM

Provision of Use of System

- 18.1 Subject to the other provisions of this Agreement, the Company shall convey electricity through its Distribution System, for the User, to each Exit Point and from each Entry Point relating to a Metering Point or Metering System Registered to that User, subject to (in respect of each such Entry Point and Exit Point):
- 18.1.1 any arrangements made between the respective Connectee and the Company and the requirements (if any) of the respective Connectee agreed between such Connectee and the Company;
- 18.1.2 the Maximum Import Capacity (if any) or the Maximum Export Capacity (if any); and
- 18.1.3 such variations (if any) as may be permitted by the Regulations.

Prior Requirements: General

- 18.2 The obligation of the Company to convey electricity to a particular Exit Point or from a particular Entry Point pursuant to Clause 18.1 is, in each case, subject to:
- 18.2.1 there being a Connection Agreement in full force and effect relating to the connection of the relevant Connected Installation (whether such Connection Agreement was entered into in accordance with Clause 17 or otherwise);
- 18.2.2 the Company receiving confirmation that a Qualified Meter Operator Agent, Qualified Data Collector and Qualified Data Aggregator, or for MHHS a Qualified Meter Operator Agent and a Qualified Data Service Agent have been appointed in relation to that Exit Point or Entry Point (except that no Meter Operator Agent is required to be appointed in relation to an Unmetered Supply);
- 18.2.3 subject to Clause 29.10, the Company receiving confirmation that metering equipment has been installed in accordance with Clause 29;
- 18.2.4 where applicable, the Company receiving confirmation that the User has given notice of that Exit Point or Entry Point (as the case may be) to the National

Electricity Transmission System Operator pursuant to the Connection and Use of System Code and the Grid Code (where appropriate); and

18.2.5 the Company not being entitled under Schedule 6 of the Act to De-energise an Exit Point or Entry Point.

Prior Requirements: Exit Points

18.3 In addition to the conditions set out in Clause 18.2, the obligation of the Company to convey electricity to an Exit Point is also subject to:

18.3.1 the User being validly Registered in respect of each Metering Point or Metering System relating to that Exit Point;

18.3.2 the User being authorised by its Supply Licence to supply electricity to each of the premises to be supplied with electricity through such Exit Point (or, where the Exit Point relates to a User Installation that comprises a generating station, the User being authorised by its Generation Licence to generate electricity at that generating station);

18.3.3 where the User intends to provide any Unmetered Supply to a Customer, there being in full force and effect, in relation to that Exit Point, an Unmetered Supply Certificate and an Unmetered Demand Connection Agreement;

18.3.4 where the User intends to provide an Unmetered Supply to a Customer which is to be submitted to Settlement on the basis of half-hourly data generated by an Equivalent Meter, a Qualified Meter Administrator, or for MHHS a Qualified Unmetered Supplies Data Service Agent having been and remaining appointed by the User in relation to that Exit Point; and

18.3.5 the User being party to an agreement with the Company or a third party for provision of the services of meter asset provision in relation to that Exit Point. In the event that the User is not a party to such an agreement, the Company shall be entitled to provide such services, and to pass on to and recover from the User the costs of so doing (as Transactional Charges in accordance with Clause 22).

18.3A Where the Company provides the User with meter asset provision services pursuant to Clause 18.3.5 (and subject to any contrary agreement between the Company and the

User to the contrary), the Company hereby authorises the User to permit third parties to work on and otherwise interfere with such meters provided that such persons do so in accordance with the requirements of this Agreement in respect of such work and other interference and provided that the User shall be liable to the Company for the acts or omissions of such persons as if they were the User's own.

Prior Requirements: Entry Points

18.4 In addition to the conditions set out in Clause 18.2, the obligation of the Company to convey electricity from an Entry Point is also subject to:

18.4.1 the User being validly Registered in respect of each Metering Point or Metering System relating to that Entry Point; and

18.4.2 where the Entry Point is also an Exit Point, the User or another user being validly Registered for the supply of electricity at such Exit Point.

19. CHARGES

Charges

19.1 The User shall pay to the Company in respect of services provided under this Agreement (and under the agreements referred to in Clause 19.2) the Charges set out in the Relevant Charging Statement (save where the Company is the Payor, in which case the Company shall pay such charges to the User).

Use of System Charges

19.1A The Company may vary the Use of System Charges at any time by giving the requisite period of written notice to the User. The requisite period of notice is (subject to Clause 19.1B):

19.1.1 where the Company is a DNO Party acting within that DNO Party's Distribution Services Area:

(A) in the case of the charges to apply from 1 April 2016 only, 3 months; or

(B) in the case of the charges to apply on or after 1 April-2017, 15 months; or

19.1.2 where the Company is an IDNO Party or a DNO Party acting outside of that DNO Party's Distribution Services Area:

(A) in the case of the charges to apply from 1 April 2016 only, 2 months;

(B) in the case of the charges to apply on or after 1 April -2017, 14 months.

19.1B The periods of notice described in Clause 19.1A shall apply unless the Authority directs the Company that those periods of notice need not apply. Where the Authority directs the Company that those periods of notice need not apply, the notice period shall be 40 days (without prejudice to any longer notice requirements prescribed by the Distribution Licence).

19.1C The "Use of System Charges" shall be the charges contained or referred to in the

Company's Relevant Charging Statement for the time being in force pursuant to Condition 14 of its Distribution Licence, which Use of System Charges may either be stated in the Relevant Charging Statement as:

19.1C.1 a positive value, in which case they shall be payable by the User to the Company; or

19.1C.2 a negative value, in which case they shall be payable by the Company to the User.

Other Charges

19.1D The Company may vary the Other Charges at any time by giving the requisite period of written notice to the User (where the requisite period of notice is the period specified in the Company's Relevant Charging Statement or, where no such period is specified, 40 days). Notwithstanding that the Company may vary such charges at any time the Company shall use reasonable endeavours to: (1) vary such charges no more than two times per year: and (2) vary such charges with effect from 1st April or 1st October. Such charges and any variations are and will be calculated in accordance with the provisions of the Relevant Charging Statement.

19.2 The "Other **Charges**" shall be:

19.2.1 the charges for (i) the provision of MPAS, and (ii) (where applicable) the provision of Legacy Meter Asset Provision and of Data Services (all pursuant to the Company's obligations under, respectively, -Condition 18 and Condition 36 of its Distribution Licence);

19.2.2 (to the extent not captured within Clause 19.1C) the charges for certain services ancillary to those for which Use of System Charges are levied and which are provided by the Company to the User pursuant to any of:

(A) the BSC and the CUSC; or

(B) the Retail Energy Code; and

19.2.3 the charges for any other services provided by the Company to the User pursuant to:

- (A) a provision of this Section 2A; or
- (B) any other agreement between the Company and the User for the provision of such services which provides for payment pursuant to this Agreement.

Adjustment of Charges

19.3 On any occasion upon which the Charges payable by or to the User under Clause 19.1 have not been calculated strictly in accordance with the provisions of the Relevant Charging Statement, an appropriate adjustment shall be made by the Company and submitted to the User.

19.4 Where an adjustment in accordance with Clause 19.3:

19.4.1 discloses an overcharge, the Payee shall repay to the Payor the amount by which the Payor has been overcharged together with interest thereon from the due date of the invoice containing the overcharge until the date of repayment; or

19.4.2 discloses an undercharge, the Payor shall pay to the Payee the amount by which the Payor has been undercharged together with interest thereon from the due date of the invoice which should have included the amount of the undercharge until the date of payment,

and (in either case) such interest shall accrue from day to day at the base lending rate during such period of Barclays Bank plc, compounded annually. Where the User disputes the adjustment, the User and the Company shall attempt to resolve the dispute in good faith. Where the dispute remains unresolved after 20 Working Days, either of them may refer the dispute to arbitration in accordance with Clause 58 and the User or the Company (as applicable) shall pay the amount payable or repayable (if any) as so determined.

Invoicing of Charges

19.4A Notwithstanding Clauses 15.2.2, 15.3.2 and 15.4, where the Company is a UMSO for an EDNO, the provisions of this Clause 19 and of Clauses 20 and 21 shall be interpreted as follows:

19.4A.1 references to a User and a period of time shall include a Supplier Party Registered during that period in respect of the Metering Points on the EDNO's Distribution System covered by the inventory for which the Company is the UMSO;

19.4A.2 references to Entry Points and/or Exit Points on the Company's Distribution System shall include references to Entry Points and/or Exit Points on the EDNO's Distribution System associated with the Metering Points covered by the inventory for which the Company is the UMSO; and

19.4A.3 references to Use of System Charges shall include the Use of System Charges relating to the Metering Points covered by the inventory for which the Company is the UMSO, which charges shall be calculated on the basis of the Company's relevant all-the-way tariff(s) (as determined in accordance with the CDCM) and payable by the User to the Company.

19.4B As a result of Clause 19.4A, where the Company is an EDNO which has appointed a DNO Party as the Company's UMSO, the provisions of this Clause 19 and of Clauses 20 and 21 shall be interpreted such that no Use of System Charges shall be payable by the User to the Company in respect of the Metering Points covered by the inventory for which the DNO Party is the UMSO (on the basis that those charges are instead payable to the DNO Party as the UMSO).

19.5 Subject to Clauses 19.4A and 19.4B, the Company shall invoice Use of System Charges (but excluding any Transactional Charges) payable by or to the User by reference to Settlement Class or DUoS Tariff ID using aggregated data obtained from the Supercustomer DUoS Report, except in relation to Metering Points or Metering Systems where:

19.5.1 the electricity imported via an Exit Point or exported via an Entry Point is not reported in the Supercustomer DUoS Report; and/or

19.5.2 the Use of System Charge is not comprised solely of one or more standing charges and/or one or more Unit Rates; and/or

19.5.3 the Use of System Charge is specified in the Relevant Charging Statement as not being billed on an aggregated basis ~~by Settlement Class~~; and/or

19.5.4 Use of System Charges are to be determined as a result of an Extra-Settlement Determination.

19.6 All charges payable by or to the User pursuant to this Clause 19 and Clauses 20, 21 or 22:

19.6.1 are exclusive of Value Added Tax and the Company shall include with such Charges (and the Payor shall, subject to a valid invoice having been issued, pay) Value Added Tax (if any) at the rate applicable thereto from time to time, and any such Value Added Tax shall be payable at the same time and in the same manner as the amounts to which it relates;

19.6.2 shall be without prejudice to any claims or rights which the Payor may have against the Payee and except as expressly permitted by Clause 19.6.3 or Schedule 4 shall be made without any set-off or deduction in respect of any claims or disputes or otherwise; and

19.6.3 shall, only where the Company submits on the same day one or more accounts for which the User is Payor and one or more accounts for which the User is Payee, be set-off against one another so that the User or the Company (as applicable) shall make a payment of the net value of those accounts.

19.7 The Company may calculate the Use of System Charges by reference to electricity discovered or reasonably and properly assessed to have been exported onto, or imported from, the Distribution System at an Entry Point or Exit Point relating to a Metering Point or a Metering System for which the User is Registered but not recorded at the time of such export or import (for whatever reason) by the metering equipment installed pursuant to Clause 29.1. At any time when the Company calculates the Use of System Charges under this Clause 19.7, it shall explain to the User the calculation of those charges and the basis of that calculation.

Revision of Charges

19.8 Without prejudice to Clause 19.1, where the Company is intending to revise any of its Use of System Charges, it shall serve a copy of any notice it sends to the Authority pursuant to Part F of Condition 14 of its Distribution Licence on the User as soon as is reasonably practicable after such notice is sent to the Authority.

Other Matters

19.9 Notwithstanding Clause 15.3, the Company may charge the User Use of System Charges calculated by reference to electricity assessed to have been supplied to a Customer while a customer of the User during a period in which the User was supplying electricity to that Customer in accordance with a last resort supply direction issued by the Authority in accordance with Condition 8 of the User's Supply Licence from the time that the direction takes effect. This right subsists from the date on which the last resort supply direction takes effect, and continues regardless of whether the Metering Point applying to the Customer is registered to the User in accordance with the Retail Energy Code, until such time as the relevant Metering Point is registered to another supplier in accordance with the terms of the Retail Energy Code.

19.10 For the avoidance of doubt, nothing in this Clause 19 precludes the Company and the User, at the request of either of them, from negotiating Use of System Charges arising from or pursuant to an Extra-Settlement Determination.

19.11 Where any dispute arises under Clause 19.10, either of the Company or the User shall be entitled to refer the matter to the Authority as if it were a dispute falling within Condition 7 of the Company's Distribution Licence.

Transitional Protection for Customers affected by BSC Modification P432 or MHHS

19.12 Part 4 of the CDCM contains transitional protection for Customers who may be affected by the implementation of BSC modification P432 or any other CT Metering Points catered for by MHHS. All DNO/IDNO Parties shall comply with Part 4 of the CDCM, including a DNO Party operating outside of its Distribution Services Area.

19.13 The User shall initiate the transition for all Customers covered under Clause 19.12. The Company shall conclude the transition for each Customer by allocating them to the correct site-specific tariff under the CDCM such that a Maximum Import Capacity is

required (except for those domestic Customers who opt for an aggregated tariff under paragraph 132D of the CDCM).

19.14 The Company shall provide contact details to the User relating to agreeing the Maximum Import Capacity. The User shall confirm to the Company the contact details of all the Customers impacted by P432, or any other CT Metering Points catered for by MHHS, used in providing the information to the Customer under Clause 19.15.

19.15 Prior to each Customer's transition, the User shall (as a minimum) provide the Customer with the following information:

19.15.1 site address information, including MPAN and Meter Serial Number(s);

19.15.2 reason for the correspondence;

19.15.3 expected migration date;

19.15.4 the Company's contact details (as provided by the Company under Clause 19.14); and

19.15.5 explanation of the process, including the Company's assessment which may require the Customer to agree a Maximum Import Capacity.

19.16 When the assessment under Part 4 of the CDCM has been completed, the Company shall inform the Customer, using the contact details provided under Clause 19.14 of the rights the Customer has under the National Terms of Connection.

21. SITE-SPECIFIC BILLING AND PAYMENT

21.1 This Clause 21 applies in respect of those Charges that relate to Metering Points or Metering Systems that fall within Clauses 19.5.1 to 19.5.3 (inclusive).

Submission of Account

21.2 As soon as is reasonably practicable after the end of each charging period, the Company shall submit to the User an account specifying the Use of System Charges payable by or to the User for the whole or any part of that charging period. Such account shall be based on:

21.2.1 data from metering equipment or any Equivalent Meter provided by the User in accordance with Clause 29.3 (which data shall not be rounded by the Company in any way); or, where actual data are not available, estimated data prepared in accordance with methods of estimation established under the Balancing and Settlement Code by the relevant Data Collector or for MHHS by the relevant Data Service Agent or the Market-wide Data Service; and

21.2.2 other data as specified in the Relevant Charging Statement and/or the relevant Connection Agreement,

provided that the Company may use estimated data prepared by the Company where the User fails to provide the data under Clause 21.2.1 and 21.2.2, and, where an account is based on estimated data, the account shall be subject to any adjustment which may be necessary following the receipt of actual data from the User.

21.2A The Company shall use reasonable endeavours to ensure that the accounts created pursuant to this Clause 21 are submitted to the User at no greater frequency than:

(a) once in the first 7 days of any calendar month; and

(b) once in the second 7 days of any calendar month.

21.2B For MHHS Metering Points the Company shall submit, and the User agrees to receive, accounts by sending an electronic invoice using the REP-900 for all the User's accounts (including revised accounts and credit-notes). For non MHHS Metering Points where ~~Where~~ the Company submits, and the User agrees to receive, accounts by sending an electronic invoice it shall use an electronic invoice for all of that User's accounts

(including revised accounts and credit-notes). For the avoidance of doubt, where this Clause 21.2B applies, Clause 59.4 shall apply to the sending of accounts during any period in which the Data Transfer Network or for MHHS the DIP is unavailable.

21.2C Where an adjustment is required to any account for whatever reason (including where replacement data is received from the User), the Company shall issue a credit-note in respect of the original account and shall raise a new account for the new value.

Obligation to Pay

21.3 Within 14 days of the date of an account submitted in accordance with this Clause 21, the Payor shall (subject to Clause 19.6) pay to the Payee all sums due in respect of such account by electronic transfer of cleared funds to such bank account (located in the United Kingdom) as is specified in the account (or, where the Company is the Payor, such bank account as is notified to the Company by the User from time to time), quoting the account number against which payment is made and/or such other details as the Payee may reasonably require.

Disputes

21.4 Where any sum included in an account submitted in accordance with this Clause 21 is disputed by the User, the provisions of Schedule 4 shall apply.

21.5 For the purposes of this Clause 21, the following terms shall have the following meanings:

“electronic invoice” means an account providing the data items set out in the REP-900 sent using the DIP, save that for non-MHHS Metering Points invoiced pursuant to Clause 20.2B it shall mean data flow D2021 (as amended from time to time) sent using the Data Transfer Network.

Unmetered Supplies

21.6 This Clause 21 is to be interpreted in accordance with Clauses 19.4A and 19.4B.

25. ENERGISATION, DE-ENERGISATION AND RE-ENERGISATION

Requirements for Those Undertaking Works

25.1 Energisation Works, De-energisation Works and Re-energisation Works carried out by or on behalf of the User pursuant to this Clause 25 shall be carried out by a person who is either engaged by the Company to carry out such work or who:

25.1.1 is an Approved Contractor, in accordance with the procedure set out in Schedule 5;

25.1.2 is a Competent Person to whom a Permission has been issued, in accordance with the procedure set out in Schedule 5, to carry out the particular activities comprising the Energisation Works, De-energisation Works or Re-energisation Works; and

25.1.3 acts in accordance with the requirements set out in Schedule 5.

Works Undertaken by the Company

25.2 Where:

25.2.1 neither the User nor any of its contractors is an Approved Contractor; or

25.2.2 no employee of the User or any of its contractors (if Approved Contractors) holds a Permission; or

25.2.3 the User does not have the rights of access required to undertake such Energisation Works, De-energisation Works or Re-energisation Works; or

25.2.4 the parties so agree,

the Company shall, to the extent that it may lawfully do so, at the request of the User, when the User is entitled to have carried out Energisation Works, De-energisation Works and Re-energisation Works, carry out such works at the cost of the User within a reasonable time or, in circumstances of urgency, as soon as is reasonably practicable. The Company shall on request by the User inform the User of its reasonable requirements for the details by reference to which Metering Points or Metering Systems to be Energised, De-energised or Re-energised are to be identified.

Good Industry Practice

25.3 The Company and the User shall both act in accordance with Good Industry Practice when carrying out, or procuring the carrying out of, any Energisation Works, De-energisation Works or Re-energisation Works.

Works Undertaken by the User

25.4 If circumstances exist which entitle the User or any Relevant Exempt Supplier to Energise, De-energise or Re-energise Metering Point(s) or Metering System(s) pursuant to the Contract or the Act, then, subject to Clause 25.13, the User may Energise, De-energise or Re-energise such Metering Points or Metering Systems provided that the User acts (where applicable and to the extent relevant) in accordance with Condition 27 of its Supply Licence.

25.5 If the User resolves to Energise or Re-energise a Metering Point or Metering System pursuant to Clause 25.4:

25.5.1 the User shall decide on the extent and nature of the Energisation Works or Re-energisation Works and the User shall undertake such Energisation Works or Re-energisation Works at its own cost; and

25.5.2 when such Energisation Works or Re-energisation Works are complete the User shall, in accordance with the ~~Retail Energy Code or the BSC (as applicable)~~, instruct the MPAS Provider to register the relevant Metering Point or Metering System as Energised (but only, in the case of an Unmetered Supply, if the Energisation Works or Re-energisation Works have allowed the flow of electricity through the relevant Exit Point).

25.6 If the User resolves to De-energise a Metering Point or a Metering System pursuant to Clause 25.4:

25.6.1 the User shall decide on the extent and nature of the De-energisation Works and the User shall undertake such De-energisation Works at its own cost;

25.6.2 (in respect of Metering Points) when such De-energisation Works are complete, the User shall, in accordance with the ~~Retail Energy Code or the BSC (as applicable)~~, instruct the MPAS Provider to register the relevant Metering Point

as De-energised (but only, in the case of an Unmetered Supply, if the De-energisation Works have prevented the flow of electricity through the relevant Exit Point); and

25.6.3 (in respect of Metering Systems) when such De-energisation Works are complete, the User shall, in accordance with the BSC, instruct the CDCA to register the relevant Metering System as De-energised.

Duty to Indemnify

25.7 Where the Company carries out Works on behalf of the User pursuant to Clause 25.2:

25.7.1 the Company shall indemnify the User against all actions, proceedings, costs, demands, claims, expenses, liability, loss or damage arising from, or incurred by the User as a consequence of, physical damage to the property of the User, its officers, employees or agents, and in respect of the liability of the User to any other person for loss in respect of physical damage to the property of any person, in each case as a consequence of acting contrary to an accurate and appropriate instruction to De-energise a Metering Point or Metering System;

25.7.2 the User shall indemnify the Company against all actions, proceedings, costs, demands, claims, expenses, liability, loss or damage arising from, or incurred by the Company as a consequence of, physical damage to the property of the Company, its officers, employees or agents, and in respect of the liability of the Company to any other person for loss in respect of physical damage to the property of any person, in each case as a consequence of acting in reliance on any instructions given by the User to the Company which are materially inaccurate or misleading; and

25.7.3 where the User requests the Company to Energise, De-energise or Re-energise a single point of connection that is both an Exit Point and an Entry Point, the User shall also indemnify the Company against all actions, proceedings, costs, demands, claims, expenses, liability, loss or damage made against or incurred or suffered by the Company and resulting directly from such Works howsoever arising (including, where the User is Registered in respect of the Exit Point, any claim by the user Registered in respect of the Entry Point, and vice versa) except

insofar as such actions, proceedings, costs, demands, claims, expenses, liability, loss or damage arise from the negligent act or omission or default of the Company, its officers, employees or agents (but, for the avoidance of doubt, in complying with any such request the Company shall not be obliged to consider whether the point of connection is both an Exit Point and an Entry Point or whether different users may be Registered in respect thereof).

Company's Right to De-energise

25.8 The Company may, on giving the User two Working Days' prior written notice, De-energise any Metering Point or Metering System if:

25.8.1 the Company is entitled to do so pursuant to the Connection Agreement relating to such Metering Point or Metering System; or

25.8.2 any of the conditions set out in Clause 18.2 and 18.3 in relation to an Exit Point (or, in the case of an Unmetered Supply, any one or more of the relevant Exit Points) or in Clause 18.2 and Clause 18.4 in relation to an Entry Point cease to be fulfilled (or, in the case of Clause 18.2.2, remain unfulfilled 10 Working Days after the service of notice by the Company requiring the User to remedy the situation).

25.9 Notwithstanding the provisions of Clause 25.8, the Company may, at any time with no prior notice to the User, De-energise any Metering Point or Metering System if:

25.9.1 the Company is instructed, pursuant to the terms of the Connection and Use of System Code or the Balancing and Settlement Code to do so;

25.9.2 the Company reasonably considers it necessary to do so for safety or system security reasons;

25.9.3 the Company reasonably considers it necessary to do so to avoid interference with the regularity or efficiency of its Distribution System;

25.9.4 an accident or emergency occurs or threatens to occur which requires the Company to do so to avoid the risk of personal injury to any person or physical damage to the property of the Company, its officers, employees or agents, or the property of any other person;

25.9.5 it is entitled to do so under Schedule 8;

25.9.6 the rights of the User are suspended in accordance with Clause 54.2;

25.9.7 subject to the terms of a replacement agreement, this Agreement is terminated, or the User ceases to be a Party in accordance with the provisions of Clause 54.

25.10 In any of the circumstances set out in Clause 25.9, the Company shall inform the User as soon as is reasonably practicable, and in any event by the end of the next Working Day when MPAS is available, of the fact that the Metering Point or Metering System has been De-energised.

25.11 If the Company resolves to De-energise a Metering Point or Metering System pursuant to Clause 25.8 or 25.9:

25.11.1 the Company shall decide on the extent and nature of the De-energisation Works required to De-energise the relevant Metering Point or Metering System;

25.11.2 the Company shall Re-energise the Metering Point as soon as is reasonably practicable after the circumstance giving rise to such De-energisation has ended; and

25.11.3 except where the Company resolves to De-energise a Metering Point or Metering System pursuant to Clause 25.8.1, 25.9.1, 25.9.2, 25.9.3, 25.9.4 or 25.9.6, the Company shall undertake both the De-energisation Works and the subsequent Re-energisation Works at the cost of the User, and the User shall pay to the Company the relevant Transactional Charges associated with both the De-energisation Works and the subsequent Re-energisation Works.

25.12 If the Company De-energises a Metering Point or Metering System pursuant to Clause 25.8 or 25.9 and such Metering Point remains De-energised for a period of three Working Days:

25.12.1 the Company shall forthwith instruct the User to send a notification, in accordance with the BSC-, to the MPAS Provider or to the CDCA (as applicable) instructing it to register the relevant Metering Point or Metering System as De-energised (but only, in the case of an Unmetered Supply, if the De-energisation Works have stopped the flow of electricity through the relevant Exit Point); and

25.12.2 ~~following the receipt of within two Working Days of receiving~~ an instruction from the Company pursuant to Clause 25.12.1, the User shall send such a notification, in accordance with the BSC, to the MPAS Provider or to the CDCA (as applicable) and notify the relevant Meter Operator Agent.

25.13 If the Company Re-energises a Metering Point or a Metering System pursuant to Clause 25.11:

25.13.1 if an instruction has been given by the Company under Clause 25.12.1, the Company shall forthwith instruct the User to send a notification, in accordance with the BSC, to the MPAS Provider or to the CDCA (as applicable) instructing it to register the relevant Metering Point or Metering System as Energised (but only, in the case of an Unmetered Supply, if the Re-energisation Works have allowed the flow of electricity through the relevant Exit Point); and

25.13.2 ~~following the receipt of within two Working Days of receiving~~ an instruction from the Company pursuant to Clause 25.13.1, the User shall send such a notification, in accordance with the BSC, to the MPAS Provider or to the CDCA (as applicable).

25.14 The User shall not be entitled to Re-energise a Metering Point or Metering System which has previously been De-energised by the Company on its own behalf (for the avoidance of doubt, not acting on the instructions or at the request of the User) or on behalf of the Company. For the avoidance of doubt, the User shall be entitled to Re-energise a Metering Point or Metering System which has previously been De-energised by or on behalf of another supplier.

Disconnection Procedure

25.15 Not used.

25.16 If a third party or a User on behalf of a third party contacts the Company to request directly or indirectly that the Company undertakes Works in relation to a Metering Point or Metering System because there is no reasonably foreseeable future use for that Metering Point or Metering System and the Company is satisfied that the third party is entitled to make such request, then the Company shall (subject to Clause 25.17)

Disconnect the Metering Point in accordance with Schedule 33 or shall Disconnect the Metering System (as applicable).

25.17 If, in any case, in the reasonable opinion of the Company there is a reasonably foreseeable future use for the Metering Point or Metering System, then the Company shall not be obliged to Disconnect the Metering Point or Metering System.

25.18 Not used.

25.19 Not used.

25.19A The Company and the User acknowledge that Condition 12.9A of the Distribution Licence prohibits the Company from Disconnecting a Green Deal Premises, unless certain circumstances set out in that Condition apply. Before Disconnecting a Metering Point, the Company shall check whether that Metering Point is identified in MPAS as relating to a Green Deal Premises. If the Metering Point is identified in MPAS as relating to a Green Deal Premises, then the Company shall not Disconnect the Metering Point unless the Company is of the reasonable opinion that it is entitled to do so in accordance with Condition 12.9A of the Distribution Licence.

25.19B The User shall indemnify the Company against all costs, demands, claims, expenses, liability, loss, or damage which the Company incurs in consequence of acting in reliance on whether or not a Metering Point is identified in MPAS as relating to a Green Deal Premises, including where:

25.19B.1 The Company Disconnects a Metering Point relating to a Green Deal Premises that was not identified as such in MPAS; or

25.19B.2 The Company refuses to Disconnect a Metering Point that does not relate to a Green Deal Premises because that Metering Point was incorrectly identified in MPAS as relating to a Green Deal Premises.

25.19C The Company shall indemnify the User and each Green Deal Provider against all costs, demands, claims, expenses, liability, loss, or damage which the User or relevant Green Deal Provider(s) incur or incurs (as applicable) in consequence of the Company Disconnecting a Green Deal Premises in breach of Condition 12.9A of the Distribution Licence where the Metering

Point relating to that premises was correctly identified in MPAS as relating to a Green Deal Premises.

25.20 Subject to Clauses 25.17 and 25.19A, the Company shall carry out the Disconnection of the Metering Point or Metering System, and shall:

25.20.1 in respect of a Metering Point, send a notification, in accordance with [Schedule 33](#) ~~the Retail Energy Code or the BSC (as applicable)~~, that the Metering Point has been Disconnected; or

25.20.2 in respect of a Metering System, provide a disconnection certificate to the User in accordance with the BSC.

Other Matters

25.21 If a Metering Point or Metering System has been De-energised by or on behalf of a previous user and the Company receives a request from the User to Re-energise such Metering Point or Metering System:

25.21.1 the Company shall Re-energise the Metering Point or Metering System as soon as is reasonably practicable and notify the User of when it expects to carry out the Re-Energisation Works;

25.21.2 the Company shall carry out all necessary Re-energisation Works at its own cost and shall then reclaim such costs from the previous user; and

25.21.3 the Company shall notify the User as soon as the Re-energisation Works are complete and the User shall, within two Working Days of receiving such notification, send a notification to the MPAS Provider or the CDCA (as applicable) instructing it to register the relevant Metering Point or Metering System as Energised.

25.22 The Company shall notify Connectees of and carry out System Outages in accordance with its statutory rights and obligations and Good Industry Practice.

Work on Metering Equipment by Company

25.23 This Clause 25.23 applies to Metering Points for which the flow of electricity is metered for settlements by putting the full electrical current through the meter (known as

‘whole-current metering’). Where the Company wishes to maintain, modify or replace the Electric Lines and/or Electric Plant which provides the connection to the Metering Point, the User hereby consents to the Company adjusting the terminals of the meter (and, where appropriate, re-making the connections to them to remedy any disturbance of the connections that may have occurred unintentionally).

25.24 Where the Company’s work as referred to in Clause 25.23 can only reasonably be undertaken by the temporary removal of the meter, the User hereby consents to the Company temporarily removing the meter and then (as soon as reasonably practicable thereafter) re-installing the meter as close as reasonably practicable to its original position.

Relocation of Metering Equipment by the Company

25.25 Where the Company is relocating an Entry Point and/or Exit Point relating to a Customer Installation, the Company may (at its discretion and subject to Clauses 25.27 and 25.31), offer its services to the Customer to relocate the metering equipment associated with that Entry Point and/or Exit Point at the same time.

25.26 Where, pursuant to paragraph 1(1)(a) of schedule 6 of the Act, the User has asked the Company to relocate an Entry Point and/or Exit Point relating to a Customer Installation, the Company may (at its discretion and subject to Clause 25.27) agree with the User to relocate the metering equipment associated with that Entry Point and/or Exit Point at the same time.

25.27 The rights of the Company to relocate metering equipment are subject to the restrictions set out in the Distributor Meter Moves During Service Alterations Scope Document. Where the Company agrees to relocate metering equipment associated with an Entry and/or Exit Point in accordance with Clause 25.25 or Clause 25.26, the Company shall relocate the metering equipment in accordance with Good Industry Practice and the Distributor Meter Moves During Service Alterations Scope Document.

25.28 The User shall use reasonable endeavours to ensure that the relevant Meter Operator Agent and Meter Asset Provider consent to the Company working on and relocating the metering equipment that is the subject of an agreement made pursuant to Clause 25.25 or Clause 25.26.

- 25.29 Where the Company has relocated any metering equipment pursuant to Clause 25.25 or Clause 25.26, it shall notify the User and the User's appointed Meter Operator Agent of the metering equipment's new location in accordance with the REC.
- 25.30 The User agrees to the Company working on and relocating the metering equipment that is the subject of an agreement made between the Company and a Customer pursuant to Clause 25.25 (subject to Clause 25.31).
- 25.31 The User may at any time give the Company at least 90 days' notice in writing of the date from which the User's agreement under Clause 25.30 is to end, such that the Company cannot thereafter relocate metering equipment pursuant to agreements made with Customers under Clause 25.25. However, at any time thereafter, the User may give the Company 90 days' notice in writing that the User does again agree to the Company working on and relocating the User's metering equipment as referred to in Clause 25.30.

De-energisation and Re-energisation at the request of the Connectee

- 25.32 Clauses 25.33 to 25.36 (inclusive) only apply if the User is a Supplier Party (not a CVA Registrant).
- 25.33 The User shall establish, maintain and give effect to clear and transparent procedures by which Connectees can obtain temporary De-energisation and subsequent Re-energisation of the Connectee's Connected Installation in order to enable electrical work to take place at the installation.
- 25.34 In complying with Clause 25.33, the User shall, unless otherwise agreed with the Connectee:
- 25.34.1 offer an appointment for the temporary De-energisation that is within a reasonable time or, in circumstances of urgency, as soon as is reasonably practicable; and
- 25.34.2 offer a service whereby the De-energisation and Re-energisation can take place on the same day.
- 25.35 The User shall publish its procedures as referred to in Clause 25.33 on, and make them readily available from, its website.

25.36 For clarity, Clauses 25.1 to 25.7 (inclusive) apply to the De-energisation Works and Re-energisation Works undertaken by the User under Clause 25.34.

42. METERING EQUIPMENT AND DATA

42.1 The Company shall be entitled to obtain such data (from the metering equipment installed in accordance with this Clause 42, as the Company may reasonably require for:

42.1.1 (in the case of Systems Connections Points, and Connection Points connected at voltages for which the relevant Charging Methodology specifies that portfolio tariffs should not be used) the calculation of Use of System Charges;

42.1.2 the operation, design and planning of its Distribution System; and

42.1.3 validation that the electricity that is imported or exported across a Connection Point is no greater than the Maximum Import Capacity or the Maximum Export Capacity described in the relevant Bilateral Connection Agreement.

42.2 Where the Connection Point is a Systems Connection Point, the User shall (at its own cost) procure that:

42.2.1 metering equipment is installed, operated and maintained;

42.2.2 meter technical details are registered; and

42.2.3 meter aggregation rules are registered,

in each case in accordance with the provisions of the BSC.

42.3 Where the Connection Point is a Systems Connection Point, the User shall (at its own cost) procure that such data (from the metering equipment installed in accordance with Clause 42.2) as the Company may reasonably require pursuant to Clause 42.1 is provided in accordance with the timescale specified in the Company's Relevant Charging Statement or, where no timescale is specified, as soon as reasonably practical after the charging period.

42.4 Where metering equipment is required in accordance with Clause 42.2, the Company shall not be obliged to convey electricity across its Distribution System to or from the relevant Connection Point unless the necessary metering equipment is installed.

42.5 The Company shall (at its own cost) be entitled to install metering equipment in order to obtain data pursuant to Clause 42.1 whether or not the User has installed metering equipment.

42.6 Any metering equipment installed at the Connection Point pursuant to Clause 42.5, shall be installed, operated and maintained with an accuracy equivalent or better than that specified in Schedule 6.

Interconnection

42.7 Without prejudice to Clause 52, the User shall (unless expressly agreed in the relevant Bilateral Connection Agreement) use all reasonable endeavours to ensure that no Interconnection occurs. The User shall immediately notify the Company where it becomes aware of any Interconnection not expressly provided for in the relevant Bilateral Connection Agreement.

Nested Networks

42.8 The User shall immediately notify the Company where it becomes aware that the User's System (or any Electric Lines connected thereto) has been connected to:

42.8.1 a Distribution System of any person other than the Company; or

42.8.2 an Offshore Transmission System,

so that (subject to energisation) electricity may flow to or from the User's System.

Generation

42.9 The User shall (to the extent the User is aware of the same):

42.9.1 notify the Company of any changes in the number of Small Scale Generators connected in parallel with the User's System, such notification to be made within 20 Working Days of the User becoming aware of such change; and

42.9.2 in respect of generation to be connected in parallel with the User's System that does not fall under the definition of a Small Scale Generator:

- (A) notify the Company of such generation prior to connection of that generation (providing such information as the Company may reasonably request in order to allow compliance with a Relevant Instrument);
- (B) obtain the Company's consent to connection of that generation (such consent not to be unreasonably withheld); and
- (C) notify the Company if any such generation ceases to be so connected or if its generation characteristics change.

Rights of Access

42.10 The Company shall be entitled to collect data from, inspect, test and (if necessary) correct any metering equipment installed and maintained pursuant to Clause 42.5 (or, where the Connection Point is a Systems Connection Point, require the User to do so). The User shall use its reasonable endeavours to procure that the employees, agents, sub-contractors and invitees of the Company shall at all reasonable times have safe and unobstructed access to such metering equipment (whether installed under Clause 42.2 or 42.5). The Company shall procure that any individuals to whom access is given pursuant to this Clause 42.10 shall comply with all reasonable directions given by the User as to general safety and site security arrangements. Where either Party disputes the accuracy of the metering equipment referred to in this Clause 42, the provisions of Schedule 6 shall apply.

42.11 Where the Company installs metering equipment in accordance with Clause 42.5, the User shall: ensure that the employees, agents and invitees of the User will not interfere with such equipment or the immediate connections to such equipment without the prior written consent of the Company, except to the extent that emergency action has to be taken to protect the health and safety of persons or to prevent serious damage to property proximate to the metering equipment.

Data for Calculating Use of System Charges

42.12 The User shall (if it is an IDNO Party) provide to the Nominated Calculation Agent such data concerning each of the User's Systems as may reasonably be requested in order that the Nominated Calculation Agent can calculate the "HV split" and/or the "LV

mains split" (as each such expression is defined in Schedule 29). The User shall provide such data during October each year, and shall provide such data in such reasonable format as the Nominated Calculation Agent may request.

42.13 The Company shall (if it is a DNO Party):

42.13.1 procure that the Nominated Calculation Agent is appointed on terms that require the Nominated Calculation Agent to keep the information disclosed to it pursuant to Clause 42.12 and this Clause 42.13 confidential, and to not use such information for any purpose other than calculation of the "HV split" and/or the "LV mains split" (as each such expression is defined in Schedule 29); and

42.13.2 provide to the Nominated Calculation Agent such data concerning each of the Company's Systems as may reasonably be requested in order that the Nominated Calculation Agent can calculate the "HV split" and/or the "LV mains split" (as each such expression is defined in Schedule 29). The Company shall provide such data during October each year, and shall provide such data in such reasonable format as the Nominated Calculation Agent may request.

Unmetered Supplies Operator

42.14 This Clause 42.14 shall only apply where the Company is a DNO Party and the User is an EDNO. Where a Customer provides to the Company inventory data regarding unmetered equipment connected to the User's System within the Company's Distribution Services Area, then:

42.14.1 the User shall be deemed (for the purposes of this Agreement and the BSC, including the Unmetered Supplies Procedure) to have requested that the Company acts as the UMSO in respect of that inventory data (and the Company shall act as the UMSO in respect of such inventory data, and perform the functions of UMSO under the BSC in respect of such inventory data);

42.14.2 the Company and the User agree that such inventory data may be shared between each other and with other EDNOs (where such inventory data includes data relating to unmetered equipment connected to the Systems of such other EDNOs);

42.14.3 the User shall ensure that the Customer's Connection Agreement in respect of such unmetered equipment shall oblige that Customer to:

- (A) submit inventory data to the Company as a combined inventory that includes all relevant individual items;
- (B) identify the User within that inventory as the DNO/IDNO Party for the System to which each relevant individual item is connected (to be identified by the use of the relevant Market Domain I.D. or Market Participant ID, which the User shall communicate to the Customer);
and
- (C) permit the sharing of that data as described in Clause 42.14.2.

42.15 The User hereby indemnifies the Company against any and all losses or liabilities incurred by the Company as a result of its acts or omissions when acting as the UMISO on the User's behalf.

59. DATA TRANSFER AND NOTICES

Data Transfer

59.1 Unless otherwise agreed between the sender and the recipient, any notice, request or other communication under Section 2 shall be sent in accordance with Good Industry Practice, and Good Industry Practice will include sending it by the means (if any), and, with the content (if any), required pursuant to:

59.1.1 the Balancing and Settlement Code;

59.1.2 the Retail Energy Code; and/or

59.1.3 the Energy Market Data Specification.

59.2 Where this Agreement requires any notice, request or other communication to be sent via the Data Transfer Network or the DIP, the relevant message shall be addressed to the Market Domain I.D. or for MHHS to the DIP ID specified for such purpose in that Party's Party Details.

Data Transfer Responsibility

59.3 Where this Agreement requires any notice, request or other communication to be sent via the Data Transfer Network or the DIP, the Party sending the relevant message shall be responsible for ensuring that it reaches the relevant Gateway within any time period laid down in this Agreement for the provision of such notice, request or communication (and any such message shall be deemed to be received by the recipient at the point in time at which it is delivered to such Gateway): provided that the Party sending a message shall have no obligation to ensure receipt where the intended recipient has failed, contrary to the Data Transfer Service Agreement, to remove or process all messages delivered to its Gateway and to ensure that such messages are made available to its internal systems as expeditiously as possible so that the Gateway is able to continue to process incoming and outgoing messages effectively or for the DIP, in accordance with the provisions of the BSC.

Commented [JL9]: Check issue 101

Unavailability of DTN

59.4 If the Data Transfer Network or any relevant part of such network or the DIP is at any time for any reason unavailable for the sending of messages between the Parties, then during the period of unavailability:

59.4.1 the Parties shall use any means reasonable in the circumstances to send any notice, request or other communication that this Agreement would otherwise require to be sent via the Data Transfer Network or the DIP;

59.4.2 where other means are used in accordance with Clause 59.4.1, the Parties shall be relieved from any service levels set out in this Agreement relating to any affected notice, request or other communication (except to the extent that this Agreement expressly provides for alternative service levels in such circumstances) but shall use their reasonable endeavours to send such notice, request or other communication as soon as is reasonably practicable; and

59.4.3 to the extent that no such other means are practicable given the nature of the communication and the surrounding circumstances, such unavailability of the Data Transfer Network or the DIP shall be deemed (to the extent not caused by a breach by either party of the Data Transfer Service Agreement or the DIP) to constitute a circumstance of Force Majeure for the purposes of this Agreement.

Commented [JL10]: Check issue 101

Commented [JL11]: Check issue 101

59.5 Where any Party, in breach of its obligations under Clause 59.3, fails to deliver any notice, request or other communication to the recipient's Gateway and such failure occurs for reasons outside that Party's direct control, the breaching Party shall have no liability to the other under this Agreement and the relevant Parties shall rely instead upon the provisions of the Data Transfer Service Agreement or the BSC.

Commented [JL12]: Check issue 101

Notices

59.6 Save as provided in Clause 30.5, Clause 59.1 and Schedule 8, any notice, request or other communication to be made by one Party to another Party under or in connection with this Agreement shall be in writing and shall be delivered personally or sent by first class post, courier, fax or email to that other Party at the address specified for such purpose in that Party's Party Details.

- 59.7 Unless otherwise stated in this Agreement, a notice, request or other communication sent in accordance with Clauses 30.5, 59.6 or paragraph 11.1 of Schedule 8 shall be deemed to be received:
- 59.7.1 if delivered personally, when left at the address set out for such purpose in the relevant Party's Party Details;
- 59.7.2 if sent by post, three Working Days after the date of posting;
- 59.7.3 if sent by fax, upon production by the sender's equipment of a transmission report indicating that the fax was sent to the fax number of the recipient in full without error; and
- 59.7.4 if sent by email, one hour after being sent, unless an error message is received by the sender in respect of that email before that hour has elapsed.
- 59.8 Notices to or from DCUSA Ltd shall also be subject to the provisions of Clause 59.7, and notices to DCUSA Ltd shall be sent to the address given, from time to time, on the Website (or, in the absence of any such address, to its registered office).
- 59.9 Notices to the Panel shall also be subject to the provisions of Clause 59.7, and notices to the Panel shall be sent care of the Secretariat to the address given, from time to time, on the Website (or, in the absence of any such address, to the registered office of DCUSA Ltd).

SCHEDULE 2B – NATIONAL TERMS OF CONNECTION

Version 14.3 effective from 23 June 2022

SECTION 4

This Section 4 only applies to ‘unmetered supplies’ - see paragraph D of Section 1.

1. DEFINITIONS & INTERPRETATION

1.1 In this Section 4, except where the context otherwise requires, the following expressions shall have the meaning set out opposite them (and cognate expressions shall be construed accordingly):

“**Act**” means the Electricity Act 1989;

“**Affiliate**” means, in respect of a person, any company which is, from time to time, a subsidiary or holding company of that person or a subsidiary of any such holding company (and the terms “subsidiary” and “holding company” shall have the meanings given to them by section 1159 of the Companies Act 2006);

“**Agreed Codes**” means the ‘Charge Codes’ and the ‘Switch Regime Codes’, (in each case) as referred to in the Unmetered Supplies Procedure;

“**Agreement**” means the terms and conditions of Sections 1 and 4 of the National Terms of Connection, which the Customer has agreed with the Company to accept in respect of the Connection Points;

“**Application for a Modification**” means the Company’s standard form for applying for a Modification, which is available from the Company on request;

“**Apparatus**” means all equipment in which electrical conductors are used, supported or of which they may form part;

“**Authorised Persons**” means persons authorised by the Company to undertake certain work on the Connection Equipment and the Monitoring Equipment;

“**Authority**” means the Gas and Electricity Markets Authority as established by section 1 of the Utilities Act 2000;

“Balancing and Settlement Code” or **“BSC”** means the Balancing and Settlement Code maintained pursuant to the NETSO Licence (including any and all subsidiary documents and procedures made under it);

“Company” means the holder of the Electricity Distribution Licence which applies to the Distribution System through which electricity is conveyed to, and from, the Connection Point;

“Company’s Equipment” means the switchgear, metering or other equipment, lines or other parts of the Distribution System, and any other property or rights of the Company (including any Substation apparatus);

“Company’s Premises” means any land or buildings of the Company in which any of the Customer’s Installation is to be installed or is, from time to time, situated;

“Competent Authority” includes the Secretary of State, the Authority and any local or national agency, authority, court, department, inspectorate, minister, ministry, official or public or statutory person (whether autonomous or not) of (or of the government of) the United Kingdom or of the European Union, insofar (in each case) as it is acting within the limits of its proper authority;

“Connect” means the installation of the Connection Equipment in such a way that (subject to Energisation) the Customer may import electricity to, and/or export electricity from, the Customer’s Installation over the Distribution System at the Connection Point;

“Connection Equipment” means that part of the Company’s Equipment which has been provided and installed by the Company for the purposes of providing a connection at the Connection Point;

“Connection Point” means the point or points of connection at which electricity may (upon Energisation) flow between the Distribution System and the Customer’s Installation, and is a reference to the point or points of connection at the Premises to which this Agreement applies;

“Connection and Use of System Code” or **“CUSC”** means the Connection and Use of System Code maintained pursuant to the NETSO Licence (including the framework

agreement by which it is made contractually binding, and any supplementary agreement made under it);

“Control Equipment” means:

- (a) the control equipment owned by the Customer or the Company, as applicable;
- (b) installed on the Company’s side of the supply terminals; and
- (c) used for the purposes of controlling the actual pattern of consumption of electricity at the Connection Point (or at the Connection Point and other connection points) in lieu of the Customer providing its own control equipment within the Customer’s Installation;

“Customer” means the person, other than the Company, to whom this Agreement applies;

“Customer’s Installation” means any structures, equipment, lines, appliances or devices (not being the Company’s Equipment) used, or to be used, at the Premises (whether or not owned or used by the Customer);

“De-energisation” means the deliberate movement of any switch or the removal of any fuse or the taking of any other step whereby no electrical current can flow between the Distribution System and the Customer’s Installation at the Connection Point (and “De-energise(d)” shall be construed accordingly);

“Detailed Inventory” means a record of the Customer’s Installation which contains in relation to each Item the information specified in Clause 7.1 (as such record is amended from time to time in accordance with this Agreement);

“DGNU Payment” means the compensation mechanism (the Distributed Generation Network Unavailability Payment) created by the Authority to make compensation payments for network outages experienced by customers with distributed generation;

“Directive” includes any present or future directive, requirement, licence condition, instruction, direction or rule of any Competent Authority (but only, if not having the force of law, if compliance with the Directive is in accordance with the general practice of persons to whom the Directive is addressed) and includes any modification, extension or replacement thereof then in force;

“**Disconnection**” means the permanent electrical disconnection of all or any of the Connection Equipment (and “Disconnect” shall be construed accordingly);

“**Disconnection Notice**” means a notice sent by the Customer to the Company requesting that the Company Disconnect one or more of the Connection Points;

“**Distribution Code**” means the distribution code established pursuant to the Company’s Electricity Distribution Licence;

“**Distribution Connection and Use of System Agreement**” or “DCUSA” means the Distribution Connection and Use of System Agreement established pursuant to the Electricity Distribution Licences;

“**Distribution System**” has the meaning given to that expression in the Electricity Distribution Licences, and (unless the context otherwise requires) is a reference to the Company’s Distribution System (as defined in the Company’s Electricity Distribution Licence);

“**DNO**” means the holder of an Electricity Distribution Licence in which Section B of the standard distribution licence conditions has effect;

“**EDNO**” means the holder of an Electricity Distribution Licence which is not a DNO (or is a DNO operating outside of its Distribution Services Area, as defined in its Electricity Distribution Licence) where its Distribution System is embedded within a DNO’s GSP Group (as defined in the BSC);

“**Election**” means, where the Company is an EDNO, the notification (if any) by the Customer to the Company that the Customer wishes to combine data in respect of certain Items forming all or part of the Customer’s Installation with data in respect of other items comprising installations connected to the Host Network (pursuant to which notification the Host DNO shall act as UMSO in respect of those Items);

“**Electricity Distribution Licence**” means an electricity distribution licence granted pursuant to section 6 (1) (c) of the Act;

“**Electricity Supplier**” means a person who is the holder of a licence to supply electricity under section 6 of the Act, or who is exempted from the requirement to hold such a licence under section 5 of the Act;

“**Energisation**” means the movement of any switch or the insertion of any fuse or the taking of any other step so as to enable an electrical current to flow between the Distribution System and the Customer’s Installation at the Connection Point (and “Energise(d)” shall be construed accordingly);

“**Force Majeure**” means, in respect of a Party, any event or circumstance which is beyond the reasonable control of that Party and which results in or causes the failure of that Party to perform any of its obligations under this Agreement, which event or circumstance shall include: act of God, strike lockout or other industrial disturbance, act of the public enemy, war declared or undeclared, threat of war, terrorist act, blockade, revolution, riot, insurrection, civil commotion, public demonstration, sabotage, act of vandalism, lightning, fire, storm, flood, earthquake, accumulation of snow or ice, lack of water arising from weather or environmental problems, explosion, infrequent transient voltage variations (whether substantial or otherwise), and fault or failure of Plant and Apparatus (to the extent that any such event or circumstance could not have been prevented by Good Industry Practice); and shall also include: governmental restraint, any Act of Parliament, other legislation, or Directive (not being any order, regulation or direction under section 33, 34 or 35 of the Act); and (in respect of the Company) shall include: the failure of any generator or the NETSO to provide the Company with electricity (or any deficiency in the electricity provided) to the extent that such failure or deficiency or the consequences thereof could not have been prevented by the exercise of Good Industry Practice by the Company. Provided that a Party’s lack of funds shall not be interpreted as a cause beyond that Party’s reasonable control;

“**Generating Equipment**” means any electricity generating unit;

“**Good Industry Practice**” means the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances;

“**Grid Code**” means the code of that name established pursuant to the NETSO Licence;

“**Host DNO**” means, where the Company is an EDNO, the DNO for the GSP Group (as defined in the BSC) within which the Company's Distribution System is embedded;

“**Host Network**” means, where the Company is an EDNO, the network of the Host DNO;

“**Item**” means each piece of equipment, appliance or device to which a ‘Charge Code’ applies under the Unmetered Supplies Procedure and which forms part of the Customer’s Installation and is referred to as Apparatus under MHHS;

“**kVA**” means kilovoltamperes;

“**kW**” means kilowatts;

“**Market Domain ID.**” means the unique identifier for a market participant under the industry code known as the Data Transfer Services Agreement;

“**Maximum Export Capacity**” means, in respect of a Connection Point (or the Connection Points collectively), the maximum amount of electricity (expressed in kW or kVA) which is permitted by the Company to flow into the Distribution System through the Connection Point (or the Connection Points collectively). The Maximum Export Capacity of the Connection Point shall be zero unless otherwise agreed;

“**Maximum Import Capacity**” means, in respect of a Connection Point (or the Connection Points collectively), the maximum amount of electricity (expressed in kW or kVA) which is permitted by the Company to flow from the Distribution System through the Connection Point (or the Connection Points collectively);

“**Metering Point**” has the meaning given to that expression in the BSC;

“**Metering System**” has the meaning given to that expression in the BSC, and is a reference (unless the context otherwise requires) to the metering system or systems associated with the Connection Point;

“**MHHS**” means market-wide half-hourly settlement, to be implemented via MHHS Implementation (under and as defined in the BSC)

“**Modification**” means, in respect of a Party, any actual or proposed replacement, renovation, modification, alteration or construction by or on behalf of that Party to either that Party’s

Plant or Apparatus or the manner of its operation, which (in either case) has or will have an effect on the other Party;

“**Modification Notification**” means the Company’s standard form of Modification notification from time to time applicable;

“**Modification Offer**” means an offer by the Company to the Customer made pursuant to Clause 15 of terms for connection in relation to any proposed Modification at or affecting one or more of the Connection Points, including any revision or extension of such offer;

“**Monitoring Equipment**” means any monitoring and metering equipment that may be used by the Company for the purposes of measuring or checking consumption otherwise than for settlement;

“**National Electricity Transmission System**” shall have the meaning given to that expression in the CUSC;

“**National Terms of Connection**” means these National Terms of Connection, of which this Section 4 forms part, as amended from time to time in accordance with Clause 23;

“**NETSO**” means the holder, from time to time, of the NETSO Licence;

“**NETSO Licence**” means the electricity transmission licence granted, or treated as granted, pursuant to Section 6(1)(b) of the Act and in which section C of the standard transmission licence conditions applies;

“**Party**” means each of the Company and the Customer (and “Parties” shall be construed accordingly);

“**Plant**” means fixed and movable items used in the generation, supply and/or distribution of electricity (other than Apparatus);

“**Power Factor**” means the ratio of real power to apparent power;

“**Premises**” includes any land, building, or structure, and (unless the context requires otherwise) is a reference to the premises to which this Agreement applies;

“**Property**” means the Premises to which this Agreement applies, together with any other premises of the Customer in which the Company’s Equipment is installed from time to time

(or to which the Company may require access for the purpose of accessing the Company's Equipment);

"Property Documents" means any and all of the agreements that create (or otherwise concern) property interests and/or rights (including all leases, wayleaves, easements, and servitudes) in favour of the Company, to which the Customer is also party or which relate to the Connection Equipment;

"Re-energisation" means the movement of any switch or the installation of any fuse or the taking of any other step whereby electrical current can flow between the Distribution System and the Customer's Installation at the Connection Point (and "Re-energise(d)" shall be construed accordingly);

"Registrant" means the person registered in accordance with the BSC as responsible for the Metering System (which may be an Electricity Supplier, or any other party to the BSC);

"Regulations" means the Electricity Safety, Quality and Continuity Regulations 2002, the Electricity (Unmetered Supply) Regulations 2001, and/or the Electricity at Work Regulations 1989;

"Small-Scale Generating Equipment" means one or more items of Generating Equipment that have an aggregate rating of no greater than 16 amps per phase connected at low voltage;

"Substation" means an electricity substation (as defined in Regulation 1(5) of the Electricity Safety, Quality and Continuity Regulations 2002) of the Company;

"Summary Inventory" means a statement of the total number of Items (listed by reference to the applicable Agreed Codes), such statement to be extracted from the Detailed Inventory (as such statement is amended from time to time in accordance with this Agreement) and is referred to as UMS Inventory under MHHS;

"System Outage" means the deliberate act by the Company, by whatever means it determines, to interrupt the flow of electrical current to a part or parts of its Distribution System, for the purposes of carrying on its activities;

"UMSO" means an Unmetered Supplies Operator (as defined in the BSC);

“**Unmetered Supplies**” means a supply of electricity the quantity of which the Company has authorised not to be measured by physical metering equipment by the issue of an Unmetered Supply Certificate;

“**Unmetered Supply Certificate**” means a certificate issued by the Company under the Unmetered Supplies Procedure stating, among other things, the MSID(s) (as defined in the Unmetered Supplies Procedure) allocated to one or more Items;

“**Unmetered Supplies Procedure**” means Section S of the BSC, together with BSC Procedure BSCP 520 established under the BSC (and any replacement or substitute BSC Procedure from time to time) or for MHHS means Section S of the Balancing and Settlement Code, BSCP700 and BSCP704;

“**Working Day**” has the meaning given to that term in section 64 of the Act.

1.2 In this Agreement, unless the context otherwise requires:

- 1.2.1 a reference to a “person” includes a reference to an individual, a body corporate, an association or a partnership;
- 1.2.2 a reference to the singular includes the plural (and vice versa), and to a gender includes every gender;
- 1.2.3 a reference to a “Section” is a reference to a section of the National Terms of Connection, and to a “Clause” is to a clause of this Section 4;
- 1.2.4 the headings are for ease of reference only and shall not affect its interpretation;
- 1.2.5 the words “include”, “including” and “in particular” are to be construed without limitation to the generality of the preceding words;
- 1.2.6 a reference to any statute or statutory provision includes any subordinate legislation made under it, any provision which it has modified or re-enacted, and any provision which subsequently supersedes or re-enacts it (with or without modification);
- 1.2.7 a reference to any agreement, code, licence or other document is to such agreement, code, licence or other document as amended, supplemented, novated

or replaced from time to time (and includes all subsidiary agreements entered into under it); and

1.2.8 the word “costs” shall include all overhead and financing charges, and a reasonable rate of return on the capital represented by such costs.

2. APPLICATION OF THIS AGREEMENT

- 2.1 The National Terms of Connection create separate legal agreements (each an Agreement) in respect of each Premises to which the National Terms of Connection apply.
- 2.2 Where, in respect of the Premises to which this Agreement applies, more than one legal entity falls within the definition of Customer, separate Agreements shall be created between the Company and each such Customer.
- 2.3 Where there is more than one Connection Point at the Premises to which this Agreement applies, and more than one Distribution System is used to convey electricity to, and from, the Connection Points, separate Agreements shall be created between the Customer and the Electricity Distribution Licence holder for each such Distribution System (each such Electricity Distribution Licence holder being the Company for the purposes of each such Agreement).
- 2.4 Where the Company is an EDNO and the Customer makes an Election, this Agreement creates additional rights for the Host DNO (as set out in Clause 25.4).

3. THE CUSTOMER’S RIGHT TO BE (AND REMAIN) CONNECTED

- 3.1 This Agreement shall govern the terms upon which the Customer’s Installation shall be entitled to be (and remain) Connected to the Distribution System.
- 3.2 The Customer’s Installation will be, and remain, Connected to the Company’s Distribution System in accordance with the provisions of the Act, any other legal requirements that apply from time to time, and the terms of this Agreement.
- 3.3 The Company may refuse to Connect the Customer’s Installation (or any part of it) where it is not appropriate (in accordance with the Regulations and the Unmetered

Supplies Procedure) for a particular piece or type of equipment, appliance or device to receive Unmetered Supplies (or to be connected to an Item that would otherwise receive Unmetered Supplies), and the Company may require the Customer to remove that equipment, appliance or device from the Customer's Installation so that it does not receive Unmetered Supplies (or continue to be connected to an Item receiving Unmetered Supplies).

- 3.4 The right to be (and remain) Connected does not include the right to be (and remain) Energised.

4. THE CUSTOMER'S RIGHT TO BE (AND REMAIN) ENERGISED

- 4.1 The Customer's right to be (and remain) Energised is subject to the Company's right to De-energise the Connection Point in accordance with Clause 5, and is conditional upon:

4.1.1 the Customer having the ability to perform and comply with all of its obligations under this Agreement;

4.1.2 the Customer or an Electricity Supplier being registered, in accordance with the BSC, as responsible for the Metering System;

4.1.3 the Customer complying with the Unmetered Supplies Procedure;

4.1.4 the Customer and the Company having agreed the information required to be included in the Detailed Inventory;

4.1.5 either:

(A) the Company; or

(B) where the Company is an EDNO and the Customer has made an Election, the Host DNO,

having issued an Unmetered Supply Certificate to the Customer in respect of the Items comprising the Customer's Installation (and that certificate coming into, and continuing in, full force and effect);

4.1.6 where there is any Generating Equipment at the Premises, the Customer (or, if the Customer is not the owner or operator of the Generating Equipment, the owner or operator of the Generating Equipment):

(A) not being within any category of person that is required in accordance with the provisions of the CUSC to be a party to the CUSC (or to be a party to any supplementary agreement under the CUSC); or

(B) (to the extent that it is within any such category) being a party to the CUSC (and/or to the relevant supplementary agreement under the CUSC); and

4.1.7 where there is any Generating Equipment at the Premises, the Customer (or, if the Customer is not the owner or operator of the Generating Equipment, the owner or operator of the Generating Equipment) holding a licence to generate electricity under section 6 of the Act, or being exempted from the requirement to hold such a licence under section 5 of the Act.

4.2 The Customer represents and undertakes to the Company that, at the date this Agreement comes into effect and for so long as it remains in effect, all of the conditions set out in Clause 4.1 are (and will remain) satisfied. The Customer shall notify the Company as soon as reasonably practicable if any of the conditions in Clause 4.1 cease to be satisfied. The Customer shall indemnify the Company against all actions, proceedings, claims or demands brought or threatened against the Company as a result of any of the conditions set out in Clause 4.1 not being (or ceasing to be) satisfied.

4.3 This Agreement shall not give the Customer any right to:

4.3.1 receive a supply of electricity to the Premises;

4.3.2 sell electricity exported from the Premises; and/or

4.3.3 use the Distribution System for the purposes of providing a supply of electricity (or to otherwise have electricity transported through the Distribution System),

and the Company therefore makes no warranty to the Customer in relation thereto. Where the Customer is not the Registrant, the Customer must contract with the

Registrant for the matters outlined in Clauses 4.3.1 and 4.3.2, and the Registrant will contract with the Company for the matters outlined in Clause 4.3.3. Where the Customer is the Registrant, it must contract for the matters outlined in Clauses 4.3.1 and 4.3.2 pursuant to the BSC, and must contract separately with the Company for the matters outlined in Clause 4.3.3.

- 4.4 When the Connection Point is Energised in accordance with this Agreement, the characteristics of any supply of electricity delivered shall be subject to such variations as may be permitted by the Regulations. The Company does not guarantee that the supply of electricity will be free from transient variations in voltage and frequency or voltage pulses or harmonic frequencies, and the Customer must take its own protective measures if it requires a higher standard of supply.

5. **DE-ENERGISATION**

Emergency De-energisation

- 5.1 If, in the reasonable opinion of:

5.1.1 the Company, the condition or manner of operation of the Customer's Installation or other equipment, and/or the condition or manner of operation of the Distribution System, poses an immediate threat of injury or material damage to any person or property (including the Customer's Installation, the Distribution System, the National Electricity Transmission System, and the electrical systems and installations connected (directly or indirectly) to the Distribution System and/or the National Electricity Transmission System), then the Company shall have the right to immediately De-energise the Connection Point if it is necessary or expedient to do so to avoid the occurrence of such injury or damage; or

5.1.2 the Customer, the condition or manner of operation of the Distribution System or the Connection Equipment poses an immediate threat of injury or material damage to any person or property (including the Customer's Installation), then the Customer shall have the right to safely De-energise the Customer's Installation if it is necessary or expedient to do so to avoid the occurrence of

such injury or damage, and shall promptly afterwards inform the Company of the incident.

De-energisation on Request

5.2 The Company shall De-energise the Connection Point within a reasonable time (or, in circumstances of urgency, as soon as is reasonably practicable) after being instructed to do so by either the Customer or the Registrant. Where the instruction has been given by the Registrant, the Company need not give the Customer notice of the intention to De-energise.

De-energisation Generally

5.3 Where the circumstances referred to in Clause 5.1.1 exist but with the proviso that the threat is not immediate, the Company may nevertheless De-energise the Connection Point, in which case the Company shall give the Customer as much advance notice of the De-energisation as is reasonably practicable in the circumstances.

5.4 The Company may De-energise the Connection Point pursuant to the Regulations (including where it is not appropriate for a particular Item, or a particular type of Item, to receive Unmetered Supplies), in which case the De-energisation shall be undertaken in accordance with any applicable requirements under the Regulations.

5.5 The Company may De-energise the Connection Point:

5.5.1 if it is necessary or reasonable for the Company to do so as part of a System Outage carried out in accordance with its statutory rights and obligations and Good Industry Practice; and

5.5.2 in order to permit other persons to connect to the Distribution System,

in which case, the Company shall give the Customer such notice of the De-Energisation as is required by law (and shall use its reasonable endeavours to provide as long a notice as is practicable).

5.6 The Company may, at any time without the need to give prior notice to the Customer, De-energise the Connection Point if:

- 5.6.1 the Company is instructed or required to do so pursuant to the Act, its Electricity Distribution Licence, any Directive, the CUSC, the BSC, the DCUSA and/or the Electricity Supply Emergency Code (being the code of that name designated by the Secretary of State);
- 5.6.2 the Company reasonably considers it necessary to do so for safety reasons or for the security of the Distribution System or any other electrical system (including in order to avoid interference with the regularity or efficiency of the Distribution System);
- 5.6.3 the Company reasonably believes that the Customer has made unauthorised use of electricity or committed theft of electricity;
- 5.6.4 if any of the conditions in Clause 4.1 cease to be satisfied, or the Customer breaches any of the provisions of this Agreement (including Clauses 8, 11, 13.3, 14 and 17);
- 5.6.5 the Customer's acts, omissions and/or continued Connection cause the Company to breach this Agreement or any law or Directive;
- 5.6.6 the Company is entitled to De-energise the Connection Point in accordance with any other connection agreement relating to that Connection Point (provided the Company acts reasonably in exercising such right); and/or
- 5.6.7 the Company is otherwise permitted to do so under the provisions of this Agreement (including under Clause 8.5).

Miscellaneous

- 5.7 If the Company De-energises the Connection Point at the request of the Customer, or as a result of the acts, omissions or breaches of the Customer, then the Customer shall pay to the Company on demand any costs incurred by the Company as a result of such De-energisation and any subsequent Re-energisation.
- 5.8 If the Company De-energises the Connection Point at the request of the Customer, the Company shall Re-energise the Connection Point as soon as reasonably practicable after being instructed to do so by the Customer or the Registrant. If the Company De-

energises the Connection Point at the request of the Registrant, the Company shall Re-energise the Connection Point as soon as reasonably practicable after being instructed to do so by the Registrant.

- 5.9 Where the Connection Point is De-energised otherwise than pursuant to Clause 5.2, the Company shall Re-energise the Connection Point as quickly as reasonably practicable after the circumstances leading to the De-energisation have ceased to exist.
- 5.10 In undertaking work relating to Energisation, De-energisation and any subsequent Re-energisation, the Company shall act in accordance with Good Industry Practice (and, subject thereto, shall decide on the extent and nature of the work required).
- 5.11 If at any time when the Customer does not have a right for a Connection Point to be (and remain) Energised but nevertheless imports electricity from, or exports electricity to, the Distribution System through that Connection Point, then the Customer shall (to the extent the Company is unable to recover the relevant amounts from the Registrant) pay to the Company forthwith upon demand such sum as the Company may require for such import or export calculated in accordance with the Company's then current charges, together with such other reasonable and proper costs, losses and expenses as the Company may incur as a result thereof.

6. DISCONNECTION

- 6.1 The Customer shall be entitled to send to the Company a Disconnection Notice providing an explanation for why there is no reasonably foreseeable future use for the Connection Point, and specifying the date on which the Disconnection is required.
- 6.2 Unless agreed otherwise following the receipt of a Disconnection Notice in accordance with Clause 6.1, the Company shall (on, or as soon as reasonably practicable after, the date specified in the Disconnection Notice) remove the Connection Equipment from the Property. The Customer acknowledges that it may not be practicable to remove the equipment on the date specified, or for some time thereafter. The Customer shall pay to the Company forthwith upon demand an amount equal to the reasonable costs and expenses incurred by the Company in removing the Connection Equipment.

- 6.3 The Company shall be entitled to Disconnect the Connection Point if the Company reasonably considers it necessary to do so for safety reasons. Where such safety reasons were the result of the Customer's acts or omissions, the Customer shall pay to the Company forthwith upon demand an amount equal to the reasonable costs and expenses incurred by the Company in undertaking the Disconnection.
- 6.4 The Company shall be entitled to Disconnect the Connection Point on 20 Working Days prior notice where the Connection Point is De-energised for a continuous period of 3 months or more. Where such De-energisation was the result of the Customer's acts or omissions, the Customer shall pay to the Company forthwith upon demand an amount equal to the reasonable costs and expenses incurred by the Company in undertaking the Disconnection.

7. **INFORMATION**

- 7.1 The Customer shall (except to the extent that the Company otherwise agrees) provide, to the Company (and, where the Customer has made an Election, to the Host DNO), the minimum information required by the Unmetered Supplies Procedure and (without duplication) the following information (together constituting the Detailed Inventory), which information shall be set out separately for each Item:

- (A) the grid reference for the Item, to seven digits easting and seven digits northing (0.1m resolution), using the current edition from time to time of Ordnance Survey scale 1:500;
- (B) the address for the Item (to include road/street name, parish or village name and post code) or adjacent address for the Item (such as x metres north/south/east/west from firm map detail outside or opposite a house number); and
- (C) (where applicable) the reference number displayed on the Item.

7.1.2 *Detail:* information sufficient to allow the calculation of the annual electricity consumption, and the pattern of electricity consumption for the Item (preferably by reference to the applicable Agreed Codes), to include:

- (A) the type, description and wattage of the Item;
- (B) (if applicable) the type of control gear installed (e.g. low loss, optimal electronic or high frequency as used in street lighting); and
- (C) where the equipment is not operating continuously, the type of switch control (e.g. central management system (CMS) node, photoelectric control unit (PECU), timeswitch, etc.) and the associated settings of the controller (e.g. dusk to dawn, part night times, 70/35 lux).

7.1.3 *Company Name:* The name of the Company (using its Market Domain I.D, as notified to the Customer by the Company from time to time).

7.2 Where the Customer has made an Election in respect of the Premises that are subject to this Agreement and the Customer has also made an equivalent election in respect of premises connected to one or more other EDNO networks which are also connected to the same Host Network, then the information to be provided under Clause 7.1 and the information to be provided under the equivalent clause of the Customer's connection agreement(s) with the other EDNO(s) shall be provided as a single consolidated file to the Company, the Host DNO and the other EDNO(s).

7.3 Whenever there is an addition or removal of one or more Items (or an amendment of the information relating to one or more Items) such that the Detailed Inventory requires updating, then the Customer shall provide an updated Detailed Inventory to the Company (and, where the Customer has made an Election, to the Host DNO). Such updated Detailed Inventory shall be provided by the end of the calendar month next following the calendar month in which the addition, removal or amendment occurred (or at such other frequency as the Customer and the Company may agree). Unless otherwise agreed with the Company, the Customer shall not provide more than one updated Detailed Inventory per calendar month.

- 7.4 Where the Customer has not notified the Company of any additions, removals or amendments from or to the Detailed Inventory for 12 consecutive calendar months (or such other period as the Company and the Customer may agree), then the Customer shall provide confirmation to the Company (and, where the Customer has made an Election, to the Host DNO) that there have been no such additions, removals or amendments.
- 7.5 Where the Company agrees to any addition, deletion or amendment of the Detailed Inventory (whether pursuant to Clause 7.3 or otherwise), the Summary Inventory shall be deemed to be amended accordingly from the date the Customer notifies the Company (and, where the Customer has made an Election, the Host DNO) of such addition, deletion or amendment.
- 7.6 All information provided by the Customer under this Clause 7 shall be in such form (including computer readable form) as the Company (or, where the Customer has made an Election, the Host DNO) may reasonably specify from time to time after consultation with the Customer. Where the information is not provided in accordance with the Agreed Codes and in the file format set out in the Unmetered Supplies Procedure, the Company (or, where the Customer has made an Election, the Host DNO) will convert the information received as soon as reasonably practicable so that the information can be used in settlement pursuant to the BSC (and the Customer shall pay upon demand the Company's or, where the Customer has made an Election, the Host DNO's costs of so converting the information).
- 7.7 The Parties shall comply with the provisions for audit as set out in this Clause 7.7:
- 7.7.1 The Company shall be entitled at all times on giving no less than 10 Working Days' notice to carry out an audit of the Customer's Installation against the Detailed Inventory, provided that the Company may not carry out more than one such audit in any six-month period unless the previous audit has disclosed any material discrepancy that arises from the Customer's breach of this Agreement, breach of statutory duty and/or tortious (including negligent) act or omission.
- 7.7.2 If the audit reveals material irregularities or discrepancies in the Detailed Inventory, the Company shall be entitled to recover from the Customer the reasonable cost incurred by the Company in carrying out the initial audit, and

the Customer shall also bear the cost of all additional audits required to confirm the accuracy of the new Detailed Inventory.

7.7.3 The Customer shall give the Company access to any Plant and/or Apparatus as it requires to carry out any audit in accordance with this Clause 7.7, and shall provide access to any information requested in respect of such audit.

7.8 In addition to the rights and remedies which the Company has under any other provision of this Agreement, where an audit pursuant to Clause 7.7 reveals irregularities or discrepancies in the Detailed Inventory, then, in respect of the Connection Points in question:

7.8.1 the Customer shall submit a revised Detailed Inventory to the Company (and, where the Customer has made an Election, the Host DNO) to reflect such adjustments; and

7.8.2 (if applicable) the Company (or, where the Customer has made an Election, the Host DNO) shall make such adjustment to the Summary Inventory;

as (in each case) may be required in order to ensure the accuracy (within the margins of accuracy set out in the BSC) of the settlement data on which the related supply and distribution use of system charges are calculated in respect of the Unmetered Supplies.

7.9 Where Items on the Detailed Inventory are subject to a change of ownership then such Items will remain on the Customer's Detailed Inventory until the Company has been notified by the new owner that such Items have been added to the new owner's detailed inventory.

7.10 The Customer grants, or shall procure the grant (to the extent the Customer is able to do so), to the Company (and, where the Customer has made an Election, to the Host DNO and any other distribution licensee to whose system items within the same inventory are connected) free and unrestricted access to and use of any information or data concerning electricity taken through any Connection Point available under this Agreement, the Unmetered Supplies Procedures or the BSC for use in the Company's (and, where applicable, the Host DNO's and other distribution licensee's) business whether that information or data is held by the Customer or another person on its behalf.

- 7.11 Where any additions or amendments to the Detailed Inventory or to the Summary Inventory are made pursuant to this Clause 7, or where a Modification to the Customer's Installation is made pursuant to Clause 15, the Customer shall ensure that any charges which the Company requires to be paid in accordance with the statements of charges made by the Company from time to time under the Company's Electricity Distribution Licence are paid for any such addition, amendment or Modification (including those relevant to the addition of a new Connection Point), and that any works which the Company requires to be effected are carried out such that they are fit for purpose.
- 7.12 If at any time any Item shall be re-rated such that the characteristics of its consumption of electricity are different than they were before such re-rating, the Company (or, where the Customer has made an Election, the Host DNO) may require recalculation of the unmetered energy consumption as specified in the Unmetered Supplies Procedure from (subject to the limitations on adjustments to electricity settlement data under the BSC) the date on which the Item first was registered in the Detailed Inventory (or any later date that the Company or (where applicable) the Host DNO may reasonably specify).

8. THE CUSTOMER'S INSTALLATION AND EQUIPMENT

Equipment Generally

- 8.1 The Customer shall ensure compliance at all times with the Regulations and any laws or Directives in respect of the Customer's Installation which are binding on the Customer.
- 8.2 Save where express written representations are made by the Company, neither by inspection (if any) or non-rejection (nor in any other way) does the Company give any warranty (express or implied) as to the adequacy, safety, or other characteristics of the Customer's Installation, and the Company shall not be responsible therefor.
- 8.3 The Customer hereby acknowledges that the Company may use switchgear with auto-reclosing facilities, that the Customer's Installation should be designed and built so as not to suffer damage through the operation of such facilities and that the Company accepts no liability for such damage (subject to Clause 16.3) to the extent (if any) such

damage is attributable to the Customer's failure to so design and build the Customer's Installation.

- 8.4 The Customer shall maintain the Customer's Installation so that it is reasonably fit for the purpose for which it is used, and so that neither it nor its operation or use shall be liable to cause damage to, or interference with, the Distribution System or the National Electricity Transmission System (or their operation or use or the flow of electricity through them).
- 8.5 If the Customer imports electricity from, and/or exports electricity to, the Distribution System in a manner which adversely affects or impairs voltage regulation or impairs the flow of electricity through the Distribution System (or in the reasonable opinion of the Company is likely to do so), then the Customer shall at its own expense remedy the condition in a manner deemed adequate in the reasonable opinion of the Company (and, if the condition is not remedied within a reasonable time of the Company giving notice to the Customer of such condition, the Company may forthwith De-energise the Connection Point until such condition has been so remedied), and pay to the Company on demand the full amounts of all costs, losses and expenses caused to the Company thereby.
- 8.6 Where there is more than one Connection Point, the Customer shall (at its own expense) ensure that there does not exist within the Customer's Installation the facility to parallel across more than one Connection Point, unless expressly agreed in writing by the Company.

Generating Equipment

- 8.7 If the Customer installs, or arranges for the installation of, Small-Scale Generating Equipment at the Premises, then the Customer must inform the Company of any intention to use the generating equipment in parallel with the Distribution System no later than 20 Working Days after the equipment is commissioned. Provided the Customer so informs the Company, the Customer does not need the Company's consent to install and/or operate Small-Scale Generating Equipment at the Premises.
- 8.8 Subject to Clause 8.7, the Customer shall notify the Company of any Generating Equipment at the Premises, and shall obtain the Company's prior written consent to the

installation and/or operation of any Generating Equipment at the Premises capable of being operated in parallel with the Distribution System.

- 8.9 Where there is Generating Equipment at the Premises that is used as an emergency back-up source of electricity, it may be utilised provided that it is first isolated from the Distribution System.

Unmetered Supplies

- 8.10 The Customer shall not permit any Plant or Apparatus of a third party to be connected to the Customer's Installation without the prior written permission of the Company.
- 8.11 If, in relation to any Connection Point, the Customer fails to comply with Clause 8.10, the Company may exercise its rights under Clause 5 in respect of that Connection Point. Alternatively, if the Customer is unable to remedy the situation within a reasonable time, the Company may require a Modification to be made to the Company's Equipment and/or the Customer's Installation.

9. THE COMPANY'S INSTALLATION AND EQUIPMENT

- 9.1 Only Authorised Persons will be allowed to operate the Company's Equipment and/or the Monitoring Equipment, and shall only do so in accordance with Good Industry Practice.
- 9.2 The Customer shall at all times permit the Company to install such Monitoring Equipment as the Company may reasonably require from time to time on the Customer's Installation or the Property.
- 9.3 The Monitoring Equipment shall always remain the property of the Company, and does not constitute or comprise a Meter (as defined in the BSC).
- 9.4 This Agreement entitles the Customer's Installation to be Connected for the purpose of receiving electricity from, or exporting electricity to, the Distribution System. Any other use of the Distribution System, including the transmission of data or communications, is strictly prohibited without the prior written consent of the Company. Unless the Company has given such consent, any such use of the Distribution System by the Customer, or relating to the Connection Point, shall be a breach of this

Agreement, and the Customer shall pay to the Company on demand the full amount of all costs, losses and expenses caused to the Company as a result of such use.

10. PLANT AND APPARATUS

Prohibition on Interference

- 10.1 Each Party shall ensure that its agents, employees and invitees do not interfere in any way with any of the Plant or Apparatus of the other Party without the consent of such other Party, except where emergency action has to be taken to protect the health and safety of persons or to prevent material damage to property. Neither Party shall knowingly do (or omit to do) anything which would cause the other Party to breach the Regulations.
- 10.2 Subject to Clause 16.2, if either Party breaches Clause 10.1 and as a result any equipment is lost or damaged, the Party in breach shall pay the other Party the amount of any loss, damage and expenses the other Party suffers as a result, unless such loss or damage was caused by fair wear and tear or Force Majeure.

Damage

- 10.3 The Customer shall at all times take reasonable precautions required to protect the Company's Equipment from damage, and for that purpose shall comply with any reasonable requirements made by the Company from time to time.
- 10.4 Each Party shall as soon as it becomes aware of the same notify the other Party in writing of any damage to any part of such other Party's equipment (being the Customer's Installation or the Company's Equipment) and shall provide in writing to such other Party (as soon as reasonably possible after the other Party has requested the same) such information relating to the incident giving rise to such damage as the first Party has in its possession, under its control or can obtain on exercising reasonable efforts.
- 10.5 Where the Company's Equipment is contained within, or adjacent to and directly associated with, the Customer's Installation, the Customer shall be liable for the replacement of any Company's Equipment which has been damaged and which arises

from damage to the Customer's Installation; provided that the Customer's liability in respect of the Company's Equipment pursuant to this Clause 10.5 shall not exceed £1,000,000 per incident or series of related incidents.

Control Equipment

10.6 Upon the failure or malfunctioning of Control Equipment, the Customer shall be responsible for implementing substitute control equipment within the Customer's Installations at its cost. At any time the Customer shall be responsible for re-declaring the consumption pattern of the associated Connection Points to reflect any changed pattern of operation in accordance with this Agreement.

11. PROPERTY RIGHTS & ACCOMMODATION

11.1 The Customer shall ensure that the Company is at all times entitled (without cost to it) to:

(a) occupy the Property for the purpose of Connecting the Premises (or for the purpose of Connecting the Premises and providing a connection to any other premises);

(b) exercise its rights created by (or under) the Property Documents; and

(c) upon the expiry or termination of such rights and for so long thereafter as the Premises requires a Connection (whether before or after the termination of this Agreement), exercise such rights upon the same terms as were contained in the Property Documents.

11.2 The Customer shall provide or procure the provision of (at its own expense) such building or other suitable accommodation or facilities as the Company may reasonably require for any of the Company's Equipment and/or the Monitoring Equipment situated at the Property, and the Customer shall (at its own expense) ensure that such accommodation or facilities are kept in good and safe repair and condition (including that they are water tight).

11.3 Where applicable the Customer shall grant free of charge (or procure the grant free of charge by the freehold or leasehold owner as the case may be of the Property) to the

Company a lease relating to the accommodation referred to in Clause 11.2, and the Customer shall obtain (or procure the obtaining of) all consents (including any mortgagees, landlords or statutory consents) of any kind necessary to enable such a lease to be validly granted.

- 11.4 If the lease referred to in Clause 11.3 is not granted, or is terminated forfeited or surrendered (other than by replacement by a substitute lease), then the Company may terminate this Agreement by notice in writing to this effect to the Customer.
- 11.5 The Company shall not be liable for any breach of this Agreement arising as a result of, or caused by, any breach of the lease referred to in Clause 11.3 by the landlord to it, or any failure by the Customer to comply with its obligation at Clause 11.2 to keep the accommodation in good repair and water tight condition.

12. RIGHTS OF ACCESS

- 12.1 The Customer shall procure that the Company (and its employees, agents, sub-contractors and/or invitees) shall at all times be given safe and unobstructed access to enter the Property at convenient times (except in the case of emergency, in which case access is permitted at any time) and upon reasonable notice (except in the case of emergency or the reading of Monitoring Equipment, in which case no such notice need be given) for the purpose of exercising the Company's rights, or enforcing the Company's obligations, under this Agreement (and, in particular, for the purposes of: carrying out Connection, Modification, Energisation, De-energisation, and Re-energisation works; installing, inspecting, testing, repairing, renewing, maintaining, isolating, protecting or removing the Company's Equipment and/or the Monitoring Equipment (or any part thereof); and/or otherwise operating the Distribution System). The provisions as to rights of access specified in paragraphs 7 to 10 of Schedule 6 to the Act shall apply to this Agreement. The Company shall ensure that any individuals to whom access is given pursuant to this Clause 12.1 shall comply with all reasonable directions given by the Customer (and its appropriately authorised representatives) as to general safety and site security requirements.
- 12.2 The Company shall procure that the Customer (and its employees, agents, sub-contractors and/or invitees) shall at all times (subject to suitable supervision by

representatives of the Company) be given safe and unobstructed access to enter the Company's Premises at convenient times and upon reasonable notice for the purpose of exercising the Customer's rights, or enforcing the Customer's obligations, under this Agreement (and, in particular, for the purposes of: inspecting, testing, repairing, renewing, maintaining, isolating, protecting or removing the Customer's Installation (or any part thereof)). The Customer shall ensure that any individuals to whom access is given pursuant to this Clause 12.2 shall comply with all reasonable directions given by the Company (and its appropriately authorised representatives) as to general safety and site security requirements.

- 12.3 Without prejudice to Clause 8.10, the Customer shall procure that the Company (and its employees, agents, sub-contractors and/or invitees) shall at all times be given safe and unobstructed access to, and use of, the Customer's Installation (without charge) in order to provide a supply to (or accept an export from) such third parties as the Customer has agreed (or may agree) to connect to the Customer's Installation.

13. LIMITATION OF CAPACITY

- 13.1 The Company shall only be obliged to allow the import of electricity from, and/or the export of electricity to, the Distribution System through the Connection Point at levels equal to or below the Maximum Import Capacity and/or the Maximum Export Capacity (respectively).
- 13.2 Subject to the other provisions of this Agreement, the Company shall use reasonable endeavours to:
- 13.2.1 ensure that the Maximum Import Capacity and the Maximum Export Capacity is available at the Connection Point at all times during the period of this Agreement; and
- 13.2.2 maintain the connection characteristics at the Connection Point.
- 13.3 The Customer shall ensure that the import of electricity from, and/or the export of electricity to, the Distribution System through the Connection Point does not exceed the Maximum Import Capacity and/or the Maximum Export Capacity (respectively). Where the Customer is unsure of the Maximum Import Capacity and/or the Maximum

Export Capacity, it shall contact the Company (and the Company will inform the Customer of the applicable capacities).

13.4 On each occasion that the Customer breaches Clause 13.3 (and without prejudice to the Company's other rights and remedies, including under Clause 5), the Customer shall:

13.4.1 upon written notice from the Company, take the necessary actions to reduce the import and/or export of electricity to within the Maximum Import Capacity and/or the Maximum Export Capacity within the period of time specified in the notice; and

13.4.2 where it wishes to do so, propose a variation to the Maximum Import Capacity and/or the Maximum Export Capacity in accordance with Clause 13.6; or

13.4.3 where it wishes to do so, submit a Modification Application to the Company in accordance with Clause 15.

13.5 Following the occurrence of a breach of Clause 13.3 (and without prejudice to the Company's other rights and remedies, including under Clause 5), the Company shall (to the extent it is unable to recover the relevant amounts from the Registrant) be entitled to charge the Customer (in which case the Customer shall pay forthwith upon demand) such sum as the Company may require for such import or export calculated in accordance with the Company's then current charges.

13.6 Except where a variation requires a Modification, either party may propose a variation to the Maximum Import Capacity and/or Maximum Export Capacity by notice in writing to the other Party. The Company and the Customer shall negotiate in good faith such a variation, but where it is not agreed section 23 of the Act may entitle the Customer to refer the matter to the Authority.

13.7 Any reduction in the Maximum Import Capacity or the Maximum Export Capacity pursuant to Clause 13.6 shall, where the Parties have within the preceding 12 months agreed the Maximum Import Capacity or the Maximum Export Capacity (as applicable), only take effect following the expiry of 12 months from the date of such previous agreement (unless the Company expressly agrees otherwise).

13.7A No reduction in the Maximum Import Capacity or the Maximum Export Capacity pursuant to Clause 13.6 shall have effect prior to the first day of the month following the date of the notice properly given under Clause 13.6, stating the required capacity (being, if the reduction initially requested is not agreed, the request for the reduction which is subsequently agreed).

14. POWER FACTOR AND PHASE BALANCE

14.1 Unless otherwise agreed, the Customer shall at all times ensure that the Power Factor of any import of electricity from, or export of electricity to, the Distribution System through the Connection Point is maintained at or as near to unity as practicable (and, in any event, at not less than 0.95 leading or 0.85 lagging). The Customer shall comply (at its own expense) with such requirements as the Company may make as to the installation by the Customer of such Plant and Apparatus as may be necessary to ensure that the Power Factor is maintained in accordance with this Clause 14.1.

14.2 The Customer shall not allow the Power Factor at the Connection Point to vary such as to cause damage or disturbance to the Distribution System.

14.3 Where connection at the Connection Point is provided through two or more phases, the Customer shall ensure (insofar as is reasonably practicable) that the flow of electricity through the Connection Point is at all times balanced between the phases.

14.4 If the Customer fails to comply with Clause 14.1, 14.2 or 14.3 the Company may in its reasonable discretion and having given such notice as it considers reasonable in the circumstances De-energise the Connection Point until the causes of the failure are remedied. If the Customer is unable to remedy the situation within a reasonable time, the Company may require a Modification to be made to the Company's Equipment and/or the Customer's Installation.

15. MODIFICATIONS

15.1 No Modification may be made by or on behalf of either Party otherwise than in accordance with the provisions of this Clause 15.

- 15.2 Where the Customer wishes to make a Modification it shall complete and submit to the Company an Application for a Modification.
- 15.3 The Company shall make a Modification Offer to the Customer as soon as reasonably practicable and in accordance with the requirements of its Electricity Distribution Licence. The Parties shall discuss in good faith the implications of the proposed Modification(s).
- 15.4 The Modification Offer made by the Company in response to the application will be open for acceptance in accordance with its terms, unless either the Company or the Customer makes an application for determination to the Authority under the Company's Electricity Distribution Licence in which event the Modification Offer shall remain open for acceptance until the date 10 Working Days after the determination by the Authority pursuant to such application. If the Modification Offer is accepted by the Customer, this Agreement shall be varied to reflect the terms of the Modification Offer and the Modification shall proceed according to the terms of this Agreement as varied.
- 15.5 Where the Company wishes to make a Modification to the Distribution System the Company shall complete and submit to the Customer a Modification Notification and shall advise the Customer of any works which the Company reasonably believes the Customer may have to carry out as a result.
- 15.6 The Customer may as soon as practicable after receipt of the Modification Notification and (save where the Authority consents to a longer period) within the period stated therein (which shall be sufficient to enable the Customer to assess the implications of the proposed Modification) make an application to the Authority under the Company's Electricity Distribution Licence.
- 15.7 As soon as practicable after the receipt of the Modification Notification or, if an application to the Authority has been made, the determination by the Authority, and in any event within 2 months thereof, the Customer shall submit an Application for a Modification to the Company.
- 15.8 Once an Application for a Modification has been made by the Customer pursuant to Clause 15.7 the provisions of Clauses 15.3 and 15.4 shall thereafter apply.

15.9 Subject to the payment of its reasonable charges (if any) as referred to in this Clause 15.9, the Company undertakes to the Customer to provide all advice and assistance reasonably requested by the Customer to enable the Customer adequately to assess the implications including the feasibility of making a Modification to the Customer's Installation (whether such Modification is to be made at the request of the Company or of the Customer). The charges referred to in this Clause 15.9 are:

15.9.1 if the proposed Modification by the Customer is or may be required as a result of a Modification proposed by the Company, then the Company shall provide such advice and assistance free of charge; or

15.9.2 if the proposed Modification is or may be proposed by the Customer, the Company may charge the Customer such amount as is reasonable in all the circumstances for such advice and assistance.

15.10 The provisions of such advice and assistance shall be subject to any confidentiality obligations binding on the Parties.

15.11 The Company shall have no obligation to compensate the Customer for the cost and expenses incurred by the Customer as a result of any Modification by the Company.

16. LIMITATION OF LIABILITY

16.1 Neither Party shall be liable for any breach of this Agreement directly or indirectly caused by Force Majeure.

16.2 Subject to Clause 16.3 and save where any provisions of this Agreement provide for an indemnity, neither Party (the "Party Liable") nor any of its officers, employees or agents shall be liable to the other Party for any loss arising under or in relation to this Agreement (whether for breach of this Agreement, in tort or otherwise) other than for loss directly resulting from a breach of this Agreement and which at the date hereof was reasonably foreseeable as not unlikely to occur in the ordinary course of events from such breach in respect of:

16.2.1 physical damage to the property of the other Party, its officers, employees or agents; and/or

16.2.2 the liability of such other Party to any other person for loss in respect of physical damage to the property of any person,

provided that:

16.2.3 the liability of either Party in respect of claims for such loss shall in no circumstance exceed one million pounds (£1,000,000) per incident or series of related incidents;

16.2.4 where such incident or series of related incidents entitles the Customer to claim compensation from the Company under this Agreement and any other agreement (including any other connection agreement), the Company's aggregate liability under this Agreement and all such other agreements in respect of that incident or series of related incidents shall not exceed one million pounds (£1,000,000), irrespective of whether the Customer has claimed under this Agreement and/or any such other agreement; and

16.2.5 where such incident or series of related incidents entitles any person other than the Customer to claim compensation from the Company under a connection agreement relating to the Premises, the Company's aggregate liability under this Agreement and all such other connection agreements in respect of that incident or series of related incidents shall not exceed one million pounds (£1,000,000), and the Company's liability under this Agreement will be pro-rated accordingly.

16.3 Nothing in this Agreement shall exclude or limit the liability of the Party Liable for death or personal injury resulting from the negligence of the Party Liable, or any of its officers, employees or agents and the Party Liable shall indemnify and keep indemnified the other Party, its officers, employees or agents from and against all such and any loss or liability which such other Party may suffer or incur by reason of any claim on account of death or personal injury resulting from the negligence of the Party Liable, or any of its officers, employees or agents.

16.4 Subject to Clause 16.3, neither Party, nor any of its officers, employees or agents shall in any circumstances whatsoever be liable to the other Party for any:

16.4.1 loss of profit, loss of revenue, loss of use, loss of contract or loss of goodwill;

16.4.2 indirect or consequential loss; or

16.4.3 loss resulting from the liability of such other Party to any other person however and whenever arising except under Clause 16.2.2,

and, for the avoidance of doubt, the Company shall have no liability to the Customer to pay to any person the DGNU Payment unless by prior agreement in writing.

16.5 The rights and remedies provided by this Agreement to the Parties are exclusive and not cumulative and exclude and are in place of all substantive (but not procedural) rights or remedies express or implied and provided by common law or statute in respect of the subject matter of this Agreement, including without limitation any rights either Party may possess in tort which shall include without limitation actions brought in negligence and/or nuisance. Accordingly, each Party hereby waives to the fullest extent possible all such rights and remedies provided by common law or statute, and releases the Company to the same extent from all duties, liabilities, responsibilities or obligations provided by common law or statute in respect of the matters dealt with in this Agreement and undertakes not to enforce any of the same except as expressly provided herein.

16.6 Save as otherwise expressly provided in this Agreement, this Clause 16 insofar as it excludes or limits liability shall override any other provision of this Agreement, provided that nothing in this Clause 16 shall exclude or restrict or otherwise prejudice or affect any of:

16.6.1 the rights, powers, duties and obligations of either Party which are conferred or created by the Act, (or any subordinate legislation made under it), the Electricity Distribution Licence, or the Regulations; or

16.6.2 the rights, powers, duties and obligations of the Authority or the Secretary of State under the Act, the Electricity Distribution Licence or otherwise howsoever.

16.7 Each of the Clauses of this Clause 16 shall:

16.7.1 be construed as a separate and severable contract term, and if one or more of such Clauses is held to be invalid, unlawful or otherwise unenforceable the other

or others of such Clauses shall remain in full force and effect and shall continue to bind the Parties; and

16.7.2 survive termination of this Agreement.

16.8 Each of the Parties agrees that the other Party holds the benefit of Clauses 16.2 and 16.3 for itself and as trustee and agent for its officers, employees and agents.

16.9 Nothing in this Clause 16 shall be construed so as to prevent the Company from bringing an action in debt against the Customer.

16.10 Where the Company is an EDNO and the Customer has made an Election in respect of certain Items:

16.10.1 the Company shall be liable for the acts and omissions of the Host DNO in its role as UMISO for those Items as if they were the Company's own acts and omissions; and

16.10.2 without prejudice to Clause 16.10.1, the Host DNO shall have no liability to the Customer for any acts or omissions by the Host DNO in its role as UMISO for those Items.

17. DISTRIBUTION CODE & UNMETERED SUPPLIES PROCEDURE

17.1 Each Party undertakes to comply with all the provisions of the Distribution Code applicable to it.

17.2 In the event of any conflict between this Agreement and the Distribution Code, the Distribution Code shall prevail.

17.3 The Company and the Customer shall at all times comply with the Unmetered Supplies Procedure as if it was incorporated into this Agreement.

18. PAYMENTS

18.1 Unless otherwise stated, each Party shall pay any and all amounts due to the other Party under this Agreement within 30 days of the date of invoice.

- 18.2 If any amount owing by one Party to the other under the terms of this Agreement remains unpaid after the due date for payment, the Party to whom the amount is owed shall be entitled to recover interest thereon at the rate provided for by the Late Payment of Commercial Debts (Interest) Act 1998. The Party to whom the amount is owed shall also be entitled to recover the fixed sum provided for by that Act.
- 18.3 All amounts payable under this Agreement are exclusive of value added tax and value added tax may be added at the applicable rate.

19. ASSIGNMENT AND SUB-CONTRACTING

- 19.1 Subject to Clauses 19.2, 19.3 and 19.4, neither Party shall assign (or otherwise transfer) its benefit or burden under this Agreement without the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed.
- 19.2 Either Party may assign or charge its benefit under this Agreement in whole or in part by way of security.
- 19.3 The Company shall be entitled, without the consent of the Customer, to assign its rights and/or obligations under this Agreement, whether in whole or in part, where such assignment is to an Affiliate.
- 19.4 Either Party shall be entitled, without the consent of the other Party, to sub-contract its obligations under this Agreement. The sub-contracting by the Company or the Customer of the performance of any obligations or duties under this Agreement or of any activities envisaged by the Distribution Code shall not relieve the Company or the Customer (as the case may be) from liability for the performance (or non-performance) of such obligation or duty.

20. EVENTS OF DEFAULT AND TERMINATION

Automatic termination

- 20.1 This Agreement will automatically terminate in respect of a Connection Point where one or more of the following occurs:

20.1.1 the Customer and the Company agree a replacement connection agreement in respect of the Connection Point; or

20.1.2 the Connection Point is Disconnected.

Termination on notice

20.2 Either Party may terminate this Agreement by giving the other not less than one month's notice in writing; provided that the Company may only give such notice where it (or its appointed UMISO) no longer considers that the Customer's Installation is appropriate for Unmetered Supplies and it (or its UMISO) withdraws the Unmetered Supply Certificate.

Termination for breach or financial difficulty

20.3 The Company may immediately terminate this Agreement by giving notice of such termination to the Customer in the event that one or more of the following occurs (and is continuing):

20.3.1 the Customer fails to pay any amount properly due and owing to the Company pursuant to this Agreement, and such failure is not remedied within 5 Working Days of receiving written notice from the Company of the occurrence thereof and requiring the same to be remedied;

20.3.2 the Customer fails in any material respect to perform or comply with any of its obligations under this Agreement, and (only if the breach is capable of remedy) it is not remedied to the reasonable satisfaction of the Company within 20 Working Days of receiving written notice from the Company of the occurrence thereof and requiring the same to be remedied; or

20.3.3 any of the following occurs:

(A) an interim order or bankruptcy order is made in respect of the Customer under the Insolvency Act 1986 or a voluntary arrangement is proposed in respect of the Customer;

(B) an order of the High Court is made or an effective resolution passed for the insolvent winding-up or dissolution of the Customer;

- (C) a receiver (which expression shall include an administrative receiver within the meaning of section 29 of the Insolvency Act 1986) of the whole or any material part of the assets or undertaking of the Customer is appointed;
- (D) an administration order under section 8 of the Insolvency Act 1986 is made or if a voluntary arrangement is proposed under section 1 of that Act in respect of the Customer; or
- (E) the Customer enters into any scheme of arrangement (other than for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Company); or
- (F) the Customer is unable to pay its debts (within the meaning of section 123(1) or (2) of the Insolvency Act 1986),

and (to the extent relevant) within 20 Working Days of an appointment, the trustee in bankruptcy, liquidation, receiver, administrative receiver, administrator, nominee or other similar officer has not provided to the Company a guarantee of future performance by the Customer of this Agreement in such form and amount as the Company may reasonably require.

Consequences of Termination

20.4 The ending or termination of this Agreement (by either Party and for whatever reason) shall not affect any of the rights, remedies or obligations of either Party that have accrued prior to such ending or termination, or any of the provisions of this Agreement that are expressly (or by implication) intended to survive such ending or termination.

20.5 Upon the ending or termination of this Agreement (by either Party and for whatever reason):

20.5.1 the Company may De-energise and/or Disconnect the Connection Point;

20.5.2 the Customer shall allow the Company (at its sole option) to enter the Property in order to remove the Company's Equipment (or any part of it); and/or

20.5.3 the Customer shall pay to the Company all sums then due and payable or accrued due under this Agreement, and any reasonable costs incurred by the Company in Disconnecting the Connection Point and removing the Company's Equipment (or any part of it).

21. FORCE MAJEURE

21.1 If either Party shall be unable to carry out any of its obligations under this Agreement due to a circumstance of Force Majeure this Agreement shall remain in effect but save as otherwise provided herein both Parties' obligations other than any obligation as to payment of charges shall be suspended without liability for a period equal to the circumstance of Force Majeure provided that:

21.1.1 the Party affected by the Force Majeure promptly gives the other Party written notice describing the circumstance of the Force Majeure (including the nature of the occurrence and its expected duration) and, where reasonably practicable, continues to furnish regular reports with respect thereto during the period of the Force Majeure;

21.1.2 the suspension of performance is of no greater scope and of no longer duration than is required by the Force Majeure;

21.1.3 no obligations of either Party that arose before the Force Majeure causing the suspension of performance are excused as a result of the Force Majeure; and

21.1.4 the non-performing Party uses all reasonable efforts to remedy its inability to perform.

22. DISPUTES RESOLUTION

22.1 Without prejudice to the rights of the Parties given in the Electricity Distribution Licence or the Act in respect of dispute resolution (including as referred to in Clauses 13.6, 15.4 and 23.2), the Parties shall not be obliged to submit any dispute, difference or question arising under or in connection with this Agreement to any prescribed method of resolution but shall be entitled, in the event of a failure to agree between them on a method of dispute resolution, to commence such proceedings or make such reference as they may competently pursue.

23. VARIATIONS

23.1 The National Terms of Connection (and therefore this Agreement) will be changed automatically to incorporate any changes which are approved by the Authority pursuant to the DCUSA. Notice of any change which is approved will be advertised in the national press, and the new terms will be published on the internet at www.connectionterms.co.uk.

23.2 Either Party may, at any time, ask the other to enter into an alternative connection agreement in respect of the Premises if it believes an alternative agreement is needed because of the nature or use of the Connection Point and/or the Premises. Each Party shall negotiate in good faith the terms of any such alternative agreement. If an alternative agreement has not been agreed within 1 month of its being proposed, either Party may refer the matter to the Authority for resolution pursuant to section 23 of the Act. The Parties shall give effect to any such determination, and shall enter into any agreement as shall be necessary to give effect to any such determination.

24. NOTICES

24.1 Any notice, demand, certificate or other communication required to be given or sent under this Agreement shall be in writing and delivered by hand, by first class post, by facsimile or by email.

- 24.2 Subject to Clause 24.3, the required address for the delivery of notices to the Company shall be its registered address (in which case delivery must be by hand or by first class post), and for delivery to the Customer shall be the Premises or its registered or principal business address (in which case delivery must be by hand or by first class post).
- 24.3 Either Party may, from time to time, notify the other in accordance with this Clause 24 of the address, facsimile number and/or email address at which the first Party will accept delivery of notices for the purposes of this Agreement.
- 24.4 A notice or other form of communication shall be deemed to have been served and received as follows:
- 24.4.1 if given or delivered by hand, at the time when given or delivered;
- 24.4.2 if sent by first class post, at the expiration of two Working Days after the document was delivered (bearing the correct address and being pre-paid) into the custody of the postal authorities;
- 24.4.3 if sent by facsimile, upon production by the sender's equipment of a transmission report indicating that the message was sent to the correct number in full and without error; and
- 24.4.4 if sent by email, at the time when delivered to the recipient's email server.

25. GENERAL

- 25.1 This Agreement, and any documents referred to in it, contains the entire agreement between the Parties in relation to its subject matter. Each of the Parties irrevocably and unconditionally waives any right it may have to claim damages for, and/or to rescind this Agreement because of, breach of any warranty not expressly contained, or referred to, in this Agreement, or any misrepresentation whether or not contained in this Agreement, unless such misrepresentation was made fraudulently.

25.2 None of the provisions of this Agreement shall be considered waived by either Party except when such waiver is given in writing. No delay by or omission of either Party in exercising any right, power, privilege or remedy under this Agreement or the Distribution Code shall operate to impair such right, power, privilege or remedy or be construed as a waiver thereof. Any single or partial exercise of any such right, power, privilege or remedy shall not preclude any other future exercise thereof or the exercise of any other right, power, privilege or remedy.

25.3 If any provision of this Agreement is or becomes or is declared invalid, unenforceable or illegal by a Competent Authority, such invalidity, unenforceability or illegality shall not prejudice or affect the remaining provisions of this Agreement which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality.

25.4 Each Party's officers, employees and agents shall have the benefit of, and be able to enforce, Clauses 16.2 and 16.3. Where the Company is an EDNO and the Customer has made an Election, the Host DNO shall have the benefit of, and be able to enforce, Clause 16.10. Subject to this Clause 25.4, the Parties do not intend that any provision of this Agreement will be enforceable by a third party (whether by virtue of the Contracts (Rights of Third Parties) Act 1999 or otherwise). Notwithstanding that a person who is not a Party may have a right to enforce particular Clauses under the Contracts (Rights of Third Parties) Act 1999 in accordance with this Clause 25.4, the Parties may vary or terminate this Agreement in accordance with its terms without requiring the consent of any such person.

25.4.1 Governing Law and Jurisdiction

25.5 Subject to Clause 26.2, this Agreement will be governed by, and interpreted in accordance with, the laws of England and Wales, under the jurisdiction of the English and Welsh courts.

25.6 If the Connection Point is located in Scotland (except where the Company is Northern Powergrid (Northeast) plc (a company incorporated in England & Wales with company number 2906593) or Electricity North West Limited (a company incorporated in England & Wales with company number 2366949)), this Agreement will be governed by, and interpreted in accordance with, Scots law, under the jurisdiction of the Scottish courts.

For information: supply characteristics

As required by law, the electricity delivered to the Premises through the Distribution System will normally be at one of the voltages (and will have the technical characteristics) set out below:

- At 230 volts nominal alternating voltage: normally a single-phase supply, with a permitted range of voltage variation from plus 10% to minus 6%.
- At 400 volts nominal alternating voltage: normally a three-phase supply, with a permitted range of voltage variation from plus 10% to minus 6%.
- At a nominal alternating voltage equal to or greater than 1000 volts but less than 132,000 volts: normally a three-phase supply, with a permitted range of voltage variation from plus 6% to minus 6%. For the avoidance of doubt this range includes not exhaustively Connection Points with a nominal alternating voltage of 3,300, 6,600, and 11,000 volts.
- At all of the above voltages: the supply frequency will be 50 hertz, with a permitted nominal variation of plus or minus 1%.

SCHEDULE 4 – BILLING AND PAYMENT DISPUTES

1. BILLING AND PAYMENT DISPUTES UNDER SECTION 2A

- 1.1 Subject to Clause 19.11, this Paragraph 1 of Schedule 4 applies to disputes in relation to Charges payable by or to the User pursuant to any of the provisions of Section 2A.
- 1.2 Where the User disputes an account issued under any of Clauses 20, 21 or 22 and the dispute is a Designated Dispute (as defined in Paragraph 1.3):
- (a) the Payor shall pay such amount of the Charges due as are not in dispute and shall be entitled to withhold the balance pending resolution of the dispute;
 - (b) the User and Company shall use reasonable endeavours to resolve the dispute in good faith;
 - (c) where the dispute remains unresolved after 20 Working Days, either of the User or the Company may refer the dispute to arbitration in accordance with Clause 58; and
 - (d) following resolution of the dispute, any amount agreed or determined to be payable shall be paid within 20 Working Days after such agreement or determination, and interest shall accrue on such amount plus Value Added Tax (if any) from the date on which such amount was originally due until the date of payment at the rate of 1% per annum above the base rate during such period of Barclays Bank plc, compounded annually.
- 1.3 A dispute shall be a **Designated Dispute** for the purposes of this Paragraph 1 where within 14 days of receiving the relevant account, the User in good faith (i) notifies the Company that one or more of the circumstances mentioned in Paragraph 1.3(a) and (b) applies to the request, and (ii) provides the Company with a statement and explanation of the amount in dispute. Those circumstances are:

(a) that, in the calculation by the Company of the Charges in question, there is a **manifest error**, being either (i) an error in the information used for, or (ii) an arithmetical error in, that calculation which is apparent on the face of the relevant account, or (iii) an error which, not being apparent thereon, the User nevertheless in good faith believes will be shown to be present in the calculation upon investigation; and/or

(b) that, for a Metering Point or Metering System within Clause 19.5.1, the Company has chosen not to use the half-hourly data (whether actual or estimated) provided by the Data Collector or for MHHS the Data Service Agent for the purposes of Settlement in calculating Use of System Charges, and the User disputes the accuracy or validity of the data actually used.

1.4 Disputes about the matters listed at Paragraph 1.4(a) and (b) are not Designated Disputes and Paragraph 1.2 shall not apply (except in the case of a manifest error) where:

(a) the Company has invoiced Use of System Charges in accordance with Clause 19.5; or

(b) the Company has used estimated data in accordance with Clause 21.2.1.

1.5 Where, other than in the case of a Designated Dispute, within 14 days of receiving the relevant account, the User in good faith provides the Company with a statement and explanation of the amount of the Charges in dispute:

(a) the Payor shall pay the total amount of such Charges as they fall due in accordance with Clause 19.6;

(b) the Company and the User shall use reasonable endeavours to resolve the dispute in good faith;

(c) where the dispute remains unresolved after 20 Working Days, either the Company or the User may refer the dispute to arbitration in accordance with Clause 58; and

(d) following resolution of the dispute, any amount agreed or determined to be payable or repayable (including where appropriate any interest paid pursuant to

Clause 23.3) by the Company shall be paid within 20 Working Days after such agreement or determination, and interest shall accrue on such amount from the date on which such amount was originally paid by the User until the date of repayment at 1% per annum above the base rate during such period of Barclays Bank plc, compounded annually.

2. BILLING AND PAYMENT DISPUTES UNDER SECTION 2B

2.1 This Paragraph 2 of Schedule 4 applies to disputes in relation to charges payable by the User pursuant to any of the provisions of Section 2B.

2.2 Where the User disputes an account issued under either of Clause 44 or 45 and the dispute is a Designated Dispute (as defined in Paragraph 2.3):

(a) the User shall pay such amount of the charges due as are not in dispute and shall be entitled to withhold the balance pending resolution of the dispute;

(b) the User and Company shall use reasonable endeavours to resolve the dispute in good faith;

(c) where the dispute remains unresolved after 20 Working Days, either of the User or the Company may, on notice to the other:

(i) refer the dispute to arbitration in accordance with Clause 58; or

(ii) elect not to rely on arbitration, in which case arbitration will not apply and either of them may refer the dispute to the Authority for its determination, which shall be final and binding; and

(d) following resolution of the dispute, any amount agreed or determined to be payable shall be paid within 20 Working Days after such agreement or determination, and interest shall accrue on such amount plus Value Added Tax (if any) from the date on which such amount was originally due until the date of payment at the rate of 1% per annum above the base rate during such period of Barclays Bank plc, compounded annually.

2.3 A dispute shall be a **Designated Dispute** for the purposes of this Paragraph 2 where within 14 days of receiving a request for payment the User in good faith (i) notifies the

Company that one or more of the circumstances mentioned in Paragraph 2.3(a) and (b) applies to the request, and (ii) provides the Company with a statement and explanation of the amount in dispute. Those circumstances are:

(a) that, in the calculation by the Company of the charges in question, there is a **manifest error**, being either (i) an error in the information used for, or (ii) an arithmetical error in, that calculation which is apparent on the face of the relevant account, or (iii) an error which, not being apparent thereon, the User nevertheless in good faith believes will be shown to be present in the calculation upon investigation; and/or

(b) that the Company has chosen not to use the data (whether actual or estimated) provided in accordance with Clause 43.6 in calculating Use of System Charges, and the User disputes the accuracy or validity of the data actually used.

2.4 Disputes about the matters listed at Paragraph 2.4(a) and (b) are not Designated Disputes and Paragraph 2.2 shall not apply (except in the case of a manifest error) where:

(a) the Company has invoiced Use of System Charges in accordance with Clause 43.6; or

(b) the Company has used estimated data in accordance with Clause 44.3.

2.5 Where, other than in the case of a Designated Dispute, within 14 days of receiving a request for payment the User in good faith provides the Company with a statement and explanation of the amount of the charges in dispute:

(a) the User shall pay the total amount of such charges as they fall due in accordance with Clause 43.7;

(b) the Company and the User shall use reasonable endeavours to resolve the dispute in good faith;

(c) where the dispute remains unresolved after 20 Working Days, either the Company or the User may, on notice to the other:

(i) refer the dispute to arbitration in accordance with Clause 58; or

- (ii) elect not to rely on arbitration, in which case arbitration shall not apply and either of them may refer the dispute to the Authority for its determination, which shall be final and binding; and
- (d) following resolution of the dispute, any amount agreed or determined to be repayable (including where appropriate any interest paid pursuant to Clause 46.3) by the Company shall be paid within 20 Working Days after such agreement or determination, and interest shall accrue on such amount from the date on which such amount was originally paid by the User until the date of repayment at 1% per annum above the base rate during such period of Barclays Bank plc, compounded annually.

SCHEDULE 8 – DEMAND CONTROL

1. INTRODUCTION

- 1.1 The capacity and other technical parameters of the constituent elements which make up the Distribution System can create operational constraints on Demand and the coincidence of Demand.

2. DEFINITIONS

- 2.1 Words beginning with a capital letter that are not otherwise defined in this Schedule 8 have the meanings given to them in Clause 1 of the main body of this Agreement, and the rules of interpretation set out in Clauses 1 and 15 also apply
- 2.2 In this Schedule 8, except where the context otherwise requires, the following expressions shall have the meanings set opposite them:

Auxiliary Load Control Switch	means a switch which is an integral part of a Smart Metering System and which can switch electrical loads in the premises of a Customer.
Capacity Headroom	means the minimum margin below the maximum capacity of the Distribution System which the Company reasonably believes is necessary and justifiable to maintain Security of Supply and other technical parameters.
Compliance Notice	means a notice issued to a Supplier pursuant to Paragraph 7.6 or 8.6.
Demand	has the meaning given to that term in the Distribution Code.
Effective Date	means the date on which a notice issued pursuant to this Schedule 8 is deemed to be received in accordance with Clause 59 and/or Paragraph 11.3 (as appropriate).

Emergency Security Restriction Notice or Emergency SRN	means a notice issued pursuant to Paragraph 8.1.
Firm SRN	means a notice issued pursuant to Paragraph 7.1.
Line Loss Factor Class (LLFC)	has the meaning giving to that term in the BSC.
Load Managed Area	means an area designated pursuant to Paragraph 5.1.
Load Managed Area Notice	means a notice issued pursuant to Paragraph 5.1.
Provisional SRN	means a notice issued pursuant to Paragraph 6.1.
Load Switching Device	means equipment relating to a Metering Point which has the functional capability to switch electrical load at that Metering Point, including radio teleswitches and/or Smart Metering Systems.
Load Switching Regime	means the allocation by a User of SSC and/or time switching patterns and other material load switching characteristics of a Load Switching Device as part of a programme intended to influence consumption behaviour. For the avoidance of doubt, such characteristics shall include (but shall not be limited to) features which assist in the minimisation of coincident load switching, such as Randomised Offset and/or staggered switching, and load limiting features which allow remote interruption or reduction of Demand where such functionality is available.
Randomised Offset	means, in relation to a Smart Metering System, the product of the Randomised Offset Limit and the Randomised Offset Number rounded to the nearest second. This value is used

	to delay the tariff switching table times and the Auxiliary Load Control Switch switching times.
Randomised Offset Limit	means, in relation to a Smart Metering System, a value in seconds in the range of 0 to 1799.
Randomised Offset Number	means, in relation to a Smart Metering System, a randomly generated value between 0 and 1.
Security of Supply	means the ability of the Company to provide supplies to Customers that comply with the Regulations and with Engineering Recommendation P2/6 (or such other planning standard as may be in force for the Company under Condition 24 of the Distribution Licence) as amended or re-enacted from time to time.
Security Restriction Notice or SRN	means a notice issued pursuant to Paragraph 6.1.
SSC	means Standard Settlement Configuration.
Supplier	means a person authorised to supply electricity pursuant to Section 6(1)(d) of the Act.
Total System	has the meaning given to that term in the Distribution Code.

3. **GENERAL OBLIGATIONS**

- 3.1 The User shall use reasonable endeavours to ensure that it
- (a) does not make any changes to Load Switching Regimes in force at particular Metering Points which have or may have a materially adverse effect on the discharge of the Company's statutory and/or regulatory obligations to develop and maintain an efficient, secure, safe, co-ordinated and economical system for the distribution of electricity by increasing the coincidence of Demand on the

Distribution System in a way which is likely to infringe the Capacity Headroom so that it is insufficient to allow for normal variations in Demand.

- (b) shall only install Load Switching Devices which comply with all relevant technical standards in force at the date of installation and are technically suitable and properly configured for operation in conjunction with the Company's Distribution System;
- (c) shall only install Load Switching Devices which operate with staggered switching arrangements such that coincident switching with other similar equipment under the control of the User is limited to the extent reasonably possible; and
- (d) shall comply with any restrictions on Load Switching Regimes reasonably required by the Company and notified to the User in accordance with the terms of this Schedule 8.

3.2 The Company shall use reasonable endeavours (i) to issue notices in the following order: advisory notice (as referred to in Paragraph 4), Load Managed Area Notice, SRN, and Emergency SRN, and (ii) normally not to issue a notice for a relevant geographic area within 60 Working Days of the Effective Date of the last notice for that area.

3.3 The User may at any time seek advice concerning operational constraints on the Distribution System from the Company on such reasonable terms as the parties may agree in writing.

3A OBLIGATIONS SPECIFIC TO SMART METERING SYSTEMS

3A.1 The User shall use reasonable endeavours to ensure that, where appropriate functionality is available, Smart Metering Systems installed by it (or any agent acting on its behalf) are configured:

- (a) to provide Randomised Offset; and
- (b) such that the Randomised Offset Limit is set at a value of no less than 600 and no greater than 1799.

4. ADVISORY NOTICES

- 4.1 The Company may at any time issue an advisory notice to the User and other Suppliers concerning potential operational constraints on the Company's Distribution System, with the intent of avoiding the requirement to designate areas of the Distribution System as Load Managed Areas.

5. LOAD MANAGED AREAS

- 5.1 The Company may from time to time designate areas of the Distribution System as Load Managed Areas where the Company has identified a need to reinforce or extend the capacity of such areas and, prior to issuing a Load Managed Area Notice, has either:

(a) avoided or deferred the need for such reinforcement or extension through limiting the coincidence of Demand by adopting Customer Demand management to control the Load Switching Regimes; or

(b) reasonably believes that such reinforcement or extension would be avoided or deferred through limiting the coincidence of Demand by Suppliers adopting Customer Demand management to control Load Switching Regimes.

- 5.2 A Load Managed Area Notice shall be sent to the User, all other Suppliers and the Authority.

- 5.3 A Load Managed Area Notice shall be effective when received or deemed to be received in accordance with Clause 59 and shall indicate:

(a) the geographical area to which it applies by providing the LLFC [and/or DUoS Tariff ID](#) and associated Load Switching Regimes for each postcode (or such other method as the Company and the Supplier agree, acting reasonably);

(b) the time or times of day during which in the Company's opinion:

(i) changes to Load Switching Regimes in force at particular Metering Points introduced by Suppliers have increased the coincidence of Demand to such an extent that Security of Supply may be threatened; and

(ii) new applications of Load Switching Regimes to particular Metering Points introduced by Suppliers may reasonably be expected to increase the coincidence of Demand to such an extent that Security of Supply may be threatened;

(c) the former radio teleswitch (RTS) group code (where relevant);

(d) the existing SSC and replicating SSC for peak and off-peak, including the replicating SSC description aligned to Market Domain Data (where relevant);

(e) the replicating time pattern regime (TPR) and time periods for peak and off-peak (where relevant);

(f) the existing SSC and replicating SSC for combined switched loads, including the replicating SSC description aligned to Market Domain Data (where relevant);

(g) the combined replicating TPR and time periods for switched loads (where relevant);

(h) notes column to provide relevant additional information or descriptions of the Load Switching Regimes;

(i) the date from which the notice is effective; and

(j) that it shall continue in force until withdrawn in writing by the Company by serving a notice on all Suppliers and the Authority.

5.4 The Company and the User acknowledge and agree that the issue of a Load Managed Area Notice constitutes notice that:

(a) significant modifications of Customer Demand in the area identified in such notice may threaten Security of Supply;

(b) SRNs and Emergency SRNs may be issued in respect of that area;

(c) any future changes to Load Switching Regimes and/or the Randomised Offset Limit in force at particular Metering Points in that area may be subject at the request of the Company to change in accordance with Paragraph 7.6 or 8.6; and

(d) any changes to Load Switching Regimes and/or the Randomised Offset Limit referred to in Paragraph 5.4(c) will, if requested by the Company pursuant to Paragraph 7.6 or 8.6 or if made voluntarily by a User, be at the relevant User's cost.

(e) where the User is replacing a Load Switching Device at a particular Metering Point, in the area identified in such a notice, the User shall use reasonable endeavours to ensure that the Load Switching Regime, and any other material characteristics of the existing Load Switching Device, are replicated on the new Load Switching Device (including the use of the Load Switching Regimes associated with a LLFC and/or DUoS Tariff ID at a particular Metering Point where these have been issued by the Company in accordance with Paragraph 5.3(a)); and

(f) where the User is unable to comply with Paragraph 5.4 (e) the User will consult with the Company and agree to alternative arrangements for that particular Metering Point.

- 5.5 The Load Managed Area Notice referred to in Paragraph 5.3 shall be provided in Excel spreadsheet format using the template in Appendix A to this Schedule 8. The Secretariat shall make this template available on the Website, together with additional guidance notes.

6. NOT USED

7. SECURITY RESTRICTION NOTICES

- 7.1 The Company may from time to time issue a Security Restriction Notice where in the Company's opinion;

- (a) the changes to existing Load Switching Regimes in force at particular Metering Points; and/or
- (b) new applications of Load Switching Regimes applied to particular Metering Points,

since the Effective Date of a Load Managed Area Notice have increased the coincidence of Demand in the whole or part of the area identified in that notice and as a result there is a material risk to Security of Supply. For the avoidance of doubt, the obligations

relating to any Load Managed Area Notice in accordance with Paragraph 5 continue to apply.

7.2 A Security Restriction Notice shall be sent to the User, all other Suppliers and the Authority.

7.3 A Security Restriction Notice shall be effective when received or deemed received in accordance with Clause 59 and shall indicate:

(a) the geographical area to which it applies by providing LLFC and/or DUoS Tariff ID and associated Load Switching Regimes for each and postcode (or such other method agreed as per Paragraph 5.3(a));

(b) the time or times of day during which Capacity Headroom is infringed and into which Demand cannot be moved or added as a result of changes to Load Switching Regimes;

(c) the time or times of day during which there is sufficient capacity at the Effective Date of the Security Restriction Notice into which Demand can be moved

(d) the date from which the notice is effective; and

(e) that it shall continue in force until withdrawn in writing by the Company by serving a notice on all Suppliers and the Authority.

7.4 The Company and the User acknowledge and agree that the issue of a Security Restriction Notice constitutes notice that:

(a) any modifications of Customer Demand induced by changes to Load Switching Regimes in the area identified in such notice may threaten Security of Supply;

(b) Emergency SRNs may be issued in respect of that area and that such notices will normally not be issued within 20 Working Days of the Effective Date of the relevant Security Restriction Notice;

(c) any future changes to Load Switching Regimes and/or the Randomised Offset Limit in force at particular Metering Points in that area may be subject at the request of the Company to change in accordance with Paragraph 7.6 or 8.6; and

(d) any changes to switching times in order to effect changes to Load Switching Regimes and/or the Randomised Offset Limit referred to in Paragraph 7.4(c) will, if requested by the Company pursuant to Paragraph 7.6 or 8.6 or if made voluntarily by a User, be at the relevant User's cost.

7.5 This Paragraph 7.5 applies where the Company, having issued a Security Restriction Notice, reasonably believes that Load Switching Regimes and/or the Randomised Offset Limit allocated in respect of the Customers of a User since the Effective Date of the relevant Load Managed Area Notice have materially contributed to the risk to Security of Supply in respect of which the Security Restriction Notice has been issued.

7.6 Where Paragraph 7.5 applies, the Company may also send a separate Compliance Notice to the relevant User, and a copy to the Authority, requiring the User:

(a) to change at its own cost and within such period of time as the Company considers reasonable the Load Switching Regimes and/or the Randomised Offset Limit in force at particular Metering Points in the area designated in the Security Restriction Notice to the Load Switching Regimes for the relevant Metering Points at the Effective Date of the relevant SRN (or, where the Company reasonably believes that it is necessary, to such other Load Switching Regimes as shall not have a materially adverse effect on Security of Supply); or

(b) to take such other action as the Company considers reasonable.

8. EMERGENCY SECURITY RESTRICTION NOTICES

8.1 The Company may at any time issue an Emergency Security Restriction Notice where in the Company's opinion there is an immediate risk to Security of Supply. (For the avoidance of doubt, the issue of an Emergency SRN need not be restricted to Load Managed Areas.)

8.2 An Emergency SRN shall be sent to the User, all other Suppliers and the Authority.

8.3 An Emergency SRN shall be effective when received or deemed to be received in accordance with Paragraph 11.3 and shall indicate:

(a) the geographical area to which it applies, by providing LLFC [and/or DUoS Tariff ID](#) and associated Load Switching Regimes for each and postcode (or such other method agreed as per Paragraph 5.3(a));

(b) the time or times of day into which Demand cannot be moved or added as a result of changes to Load Switching Regimes;

(c) the time or times of day during which there is sufficient capacity at the Effective Date of the Emergency SRN into which Demand can be moved;

(d) the date and time from which the notice is effective; and

(e) that it shall continue in force until withdrawn in writing by the Company by serving a notice on all Suppliers and the Authority.

8.4 The Company and the User acknowledge and agree that the issue of an Emergency SRN constitutes notice that:

(a) any modifications of Customer Demand induced by changes to Load Switching Regimes in the area identified in that notice may threaten Security of Supply;

(b) any future changes to Load Switching Regimes and/or the Randomised Offset Limit in force at particular Metering Points in that area may be subject to reversion to the Load Switching Regimes for the relevant Metering Points at the Effective Date of the Emergency SRN, or to such other Load Switching Regimes as shall not have a materially adverse effect on Security of Supply;

(c) any changes to switching times in order to effect changes to Load Switching Regimes and/or the Randomised Offset Limit referred to in Paragraph 7.4(b) will, if requested by the Company, be at the relevant User's cost;

(d) where the User is replacing a Load Switching Device at a particular Metering Point, in the area identified in such a notice, the User shall use reasonable endeavours to ensure that the Load Switching Regime, and any other material characteristics of the existing Load Switching Device, are replicated on the new Load Switching Device (including the use of the Load Switching Regimes associated with a LLFC [and/or DUoS Tariff ID](#) at a particular Metering Point where these have been issued by the Company in accordance with Paragraph 5.3(a)); and

(e) where the User is unable to comply with Paragraph 8.4 (d) the User will consult with the Company and agree to alternative arrangements for that particular Metering Point.

8.5 This Paragraph 8.5 applies where the Company, having issued an Emergency SRN, reasonably believes that Load Switching Regimes and/or the Randomised Offset Limit allocated in respect of the Customers of a User have materially contributed to the risk to Security of Supply in respect of which the Emergency SRN has been issued.

8.6 Where Paragraph 8.5 applies, the Company may also send a Compliance Notice to that User, and a copy to the Authority, which notice shall require the User:

(a) to change at its own cost and within such period of time as the Company considers reasonable the Load Switching Regimes and/or the Randomised Offset Limits in force at particular Metering Points in the area designated in the Emergency SRN to the Load Switching Regimes for the relevant Metering Points at the Effective Date of the relevant Security Restriction Notice (or, where the Company reasonably believes that it is necessary, to such other Load Switching Regimes as shall not have a materially adverse effect on Security of Supply); or

(b) to take such other action as the Company considers reasonable,

(c) provided that where the Company requires changes to Load Switching Regimes and/or the Randomised Offset Limits in an area which is not a Load Managed Area or to Load Switching Regimes and/or the Randomised Offset Limit which have not been modified by the User since the Effective Date of the current Load Managed Area Notice, then the reasonable cost visits required to affect such changes shall be at the Company's cost.

8.7 Failure to comply with an Emergency SRN or a Compliance Notice shall constitute a breach of this Agreement and the Company may, with no prior notice to the User where the User is in such breach, De-energise any Metering Point affected by the Emergency SRN or Compliance Notice for which the User is Registered in MPAS.

9. CONFIDENTIALITY

- 9.1 Any notice issued by either of the Company or the User pursuant to this Schedule 8 shall be confidential if marked as such. Any other information may be made available to third parties.

10. APPEALS PROCEDURE

- 10.1 The Company and the User shall attempt to resolve in good faith any dispute in relation to this Schedule 8. Where the dispute remains unresolved after 10 Working Days, either of them may refer the dispute to the Authority for determination. Any determination by the Authority under this Paragraph 10 shall be final and binding.

11. NOTICES

- 11.1 Save as provided in Paragraph 11.2, a notice, approval, consent or other communication to be made by the Company or the User under or in connection with this Schedule 8 shall be in writing and shall be delivered personally or sent by first class post, courier, fax or email to the other at the address specified for such purpose in that Party's Party Details.
- 11.2 An Emergency SRN shall be dictated by the Company to the User to the person(s) specified for such purpose in the User's Party Details on the telephone number so specified who shall record it and on completion shall repeat the notification in full to the Company and check that it has been accurately recorded.
- 11.3 An Emergency SRN shall be deemed received when the Company has dictated it to the User in accordance with Paragraph 11.2.
- 11.4 The Company shall also send an Emergency SRN in writing as soon as is reasonably practicable to the User in accordance with Paragraph 11.1. For the avoidance of doubt, such notice shall be for the record and shall not replace the notice given in accordance with Paragraph 11.2 but shall be deemed to be received in accordance with Clause 59.

12. REVIEW PROCEDURE

- 12.1 The Company shall;
- (a) no later than the latter of twelve months after its Effective Date or twelve months after its last review, review every Advisory Notice and every Load Managed Area Notice;
 - (b) no later than the latter of six months after its Effective Date or six months after its last review, review every SRN and Emergency SRN; and
 - (c) no later than the latter of three months after its Effective Date or three months after its last review, review every Compliance Notice,
- issued by it pursuant to this Schedule 8 which is still in force.
- 12.2 Where the Company reasonably believes that the relevant notice should continue in force, it shall notify all Suppliers and the Authority accordingly (together with its reasons), and reissue MPAN information as detailed in Paragraphs 5.3, 7.3 and 8.3 (where applicable).
- 12.3 Notwithstanding Paragraph 12.1, where the Company reasonably believes that the relevant notice should not continue in force, it shall withdraw the relevant notice and notify all Suppliers and the Authority.

13. ROTA LOAD BLOCK ALPHA IDENTIFIERS

- 13.1 By 30 June each year, the Company shall provide to the Nominated Central Source the Alpha Identifier for each Postcode within which Customers have connections to the Company's Distribution System.
- 13.2 The Company shall ensure that the Nominated Central Source collates the information referred to in Paragraph 13.1 with the comparable information of other DNO/IDNO Parties. The collated information shall be provided free of charge, and shall be contained in a file in .csv format and shall show each relevant Postcode in one column with the applicable Alpha Identifier and Distributor ID in separate columns. The Company shall ensure that, by 31 July of the relevant year, the Nominated Central

Source shall provide the collated information to the Secretariat using the method agreed between the Nominated Central Source and the Secretariat. By the second Working Day of August each year, the Secretariat shall publish, free of charge, the collated information on the Website, in a .csv file format, and upon such publication, the Secretariat shall issue a notification to each User (where it is a Supplier Party) and the DNO/IDNO Parties that such publication has occurred.

13.3 During the 12-month period commencing on 1 October of each year, the User shall (where it is a Supplier Party) take reasonable steps to notify each Alpha Identifier provided to it in accordance with Paragraph 13.2 to the User's Customers that have Customer Installations located within the relevant Postcode area. The User shall only be obliged to take such steps to the extent it is reasonably practicable to do so, and shall be taken to have complied with its obligation in respect of a particular Customer Installation where the Bills (or statements of account) sent to the Customer in respect of that Customer Installation, during such 12-month period, display (where reasonably practicable, in a square box on the front page, and in the uppermost third, of such Bills) the Alpha Identifier made available to the User on the Website during the August preceding that October.

13.4 In this Paragraph 13:

(a) "**Alpha Identifier**" means the single letter assigned to each Postcode area covered by the Company's Distribution System for the purpose of identifying (insofar as reasonably practicable) the Load Block with which Customers in that Postcode area are associated;

(b) "**Bill**" has the meaning given to that term in Condition 1 of the Supply Licences;

(c) "**Distributor ID**" means the first two-digit numbers of the MPAN;

(d) "**Electricity Supply Emergency Code**" means the code of that name designated as such by the Secretary of State from time to time;

(e) "**Load Block**" means a geographic grouping of consumer load for the purpose of applying rota disconnections, as such rota disconnections are more fully described in the Electricity Supply Emergency Code;

(f) “**Nominated Central Source**” means a person agreed between the majority of DNO/IDNO Parties for the purpose of this Paragraph 13; and

(g) “**Postcode**” means the full Post Office postcode (outcode and incode) of up to 8 characters, which will be presented with a space between the outcode and the incode (and no other spaces).

APPENDIX A

Load Managed Area Notice												
GSP Area (A_B_C_etc..)	Notice Effective From Date	Notice End Date (leave empty if ongoing)	Restriction Start Time (leave empty if 24hrs per day)	Restriction End Time (leave empty if 24hrs per day)	Restriction Start Month (leave empty if full year)	Restriction End Month (leave empty if full year)	Geographical area/Postcode Outcode	LLFC <u>or</u> <u>DUoS</u> <u>Tariff</u> <u>ID</u>	Former RTS Group Code (where relevant)	Existing SSC	Existing SSC for peak/off-peak	SSC for replicating peak/off-peak

Load Managed Area Notice (columns continued)												
SSC description for replicating peak/off-peak	TPR replicating peak	Time periods for peak	TPR replicating off-peak	Time periods for off-peak	Existing SSC for combined switched load(s)	Combined SSC for replicating switched load(s)	Combined SSC description for replicating switched load(s)	Combined TPR replicating switched load(s)	Combined TPR time periods (in MDD) - Max	Time periods for switched load 1 - space heating - Max	Time periods for switched load 2 - water heating - Max	Notes

SCHEDULE 11 – PARTY DETAILS

Full Party Name		
Registered number		
Registered address		
Applicable Party Category(ies)		
Corporate group (<i>i.e. names of other Parties which are Affiliates of the Party</i>)		
Date of accession		
Date of termination		
Market Domain I.D. (<i>DNO/IDNO Parties and Supplier Parties only</i>)	[applicable dates]	[I.D.]
	[applicable dates]	[I.D.]
<u>Market Participant ID for MHHS</u> (<i>DNO/IDNO Parties and Supplier Parties only</i>)	[applicable dates]	[ID]
	[applicable dates]	[ID]
<u>DIP ID for MHHS</u> (<i>DNO/IDNO Parties and Supplier Parties only</i>)	[applicable dates]	[ID]
	[applicable dates]	[ID]
Contract Manager		
UK address, fax and email for notices		
Emergency SRN		
Current aggregate of Maximum Export/Import* Capacities (CVA Registrants only) *whichever is greater on a site-by-site basis		

SCHEDULE 16 – COMMON DISTRIBUTION CHARGING METHODOLOGY

Introduction

This Schedule 16, version 14.1, is to be used for the calculation of Use of System Charges which will become effective from, 01 April 2022 and remain effective until superseded by a revised version.

1. This Schedule 16 sets out the Common Distribution Charging Methodology (CDCM), which gives the methods, principles, and assumptions underpinning the calculation of Use of System Charges by each DNO Party (except where the DNO Party is acting as an LDNO).
- 1A. The CDCM is applicable to “Designated Properties”, as defined in Standard Condition 13A (Common Distribution Charging Methodology) of the DNO Party’s Distribution Licences.
2. This Schedule 16 comprises two main parts. Part 1 describes the cost allocation rules. Part 2 describes the tariff structures and their application.
3. In order to comply with this methodology statement when setting distribution Use of System Charges the DNO Party will populate and publish the following CDCM model versions:
 - (a) for charges effective from 1 April 2020:
 - (i) where the Authority has given no direction under Clause 19.1B, CDCM model version 3 as issued by the Panel in accordance with Clause 14.5.3;
or
 - (ii) where the Authority has given direction under Clause 19.1B that periods of notice described in Clause 19.1A need not apply, CDCM model version 3(332) as issued by the Panel in accordance with Clause 14.5.3;
 - (b) for charges effective from 1 April 2021:
 - (i) where the Authority has given no direction under Clause 19.1B, CDCM model version 6 as issued by the Panel in accordance with Clause 14.5.3;

or

- (ii) where the Authority has given direction under Clause 19.1B that periods of notice described in Clause 19.1A need not apply, CDCM model version 6(379) as issued by the Panel in accordance with Clause 14.5.3;
or

(c) for charges effective from 1 April 2022 or later:

- (i) where the Authority has given no direction under Clause 19.1B, CDCM model version 7 as issued by the Panel in accordance with Clause 14.5.3;
or
- (ii) where the Authority has given direction under Clause 19.1B that periods of notice described in Clause 19.1A need not apply, CDCM model version 8 as issued by the Panel in accordance with Clause 14.5.3.

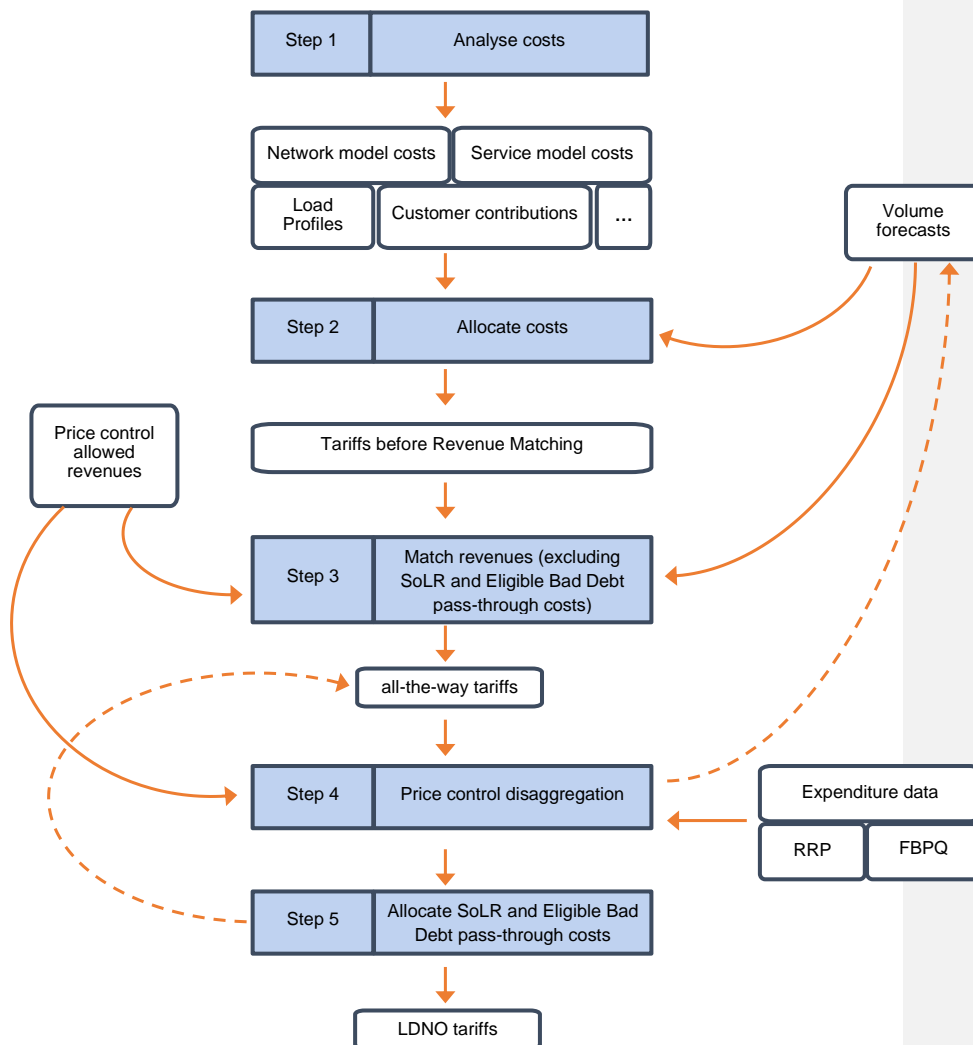
4. The glossary at the end of this Schedule 16 contains definitions of terms and acronyms used in this Schedule 16. In the case of any conflict between the defined terms and acronyms set out in this Schedule 16 (on the one hand) and the definitions and rules of interpretation set out in Clause 1 of this Agreement (on the other), the defined terms and acronyms set out in this Schedule 16 shall prevail.
5. Algebraic formulae in this Schedule 16 use square brackets to clarify the calculations. For the avoidance of doubt, these square bracketed terms form an effective part of this Schedule 16.

PART 1 — COST ALLOCATION

Main steps in the allocation

6. Figure 1 gives a general overview of how the four main steps in the methodology relate to each other.

Figure 1 Overview of the main steps in the methodology



7. Step 1 involves the gathering of information about the network, the costs of assets and operations, the users of the network, and the forecast level of use and level of allowed revenue in the charging year.
8. Step 2 is the application of the cost allocation rules set out below. These rules are only for tariffs before revenue matching and do not apply to LDNO tariffs.
9. Step 3 involves adjustments to the tariff components calculated in step 2 in order to match revenue recovered from the CDCM to the amount of revenue allowed under the price control conditions, less any adjustment needed for the recovery of the pass-through costs referred to in paragraph 10A, which are allocated in Step 5 following the application of discount factors as detailed in Step 4.
10. Step 4 uses price control condition calculations, actual expenditure data and forecast expenditure data in order to determine discount percentages, which are then applied to all-the-way tariffs in order to produce LDNO tariffs.
- 10A. Step 5 allocates pass-through of:
 - (a) the DNO Party's Supplier of Last Resort costs to all post revenue matching domestic tariffs with a fixed charge, including those for LDNOs; and
 - (b) the DNO Party's Eligible Bad Debt costs to all post revenue matching metered demand tariffs, including those for LDNOs.
11. Step 4 is independent from Steps 1 to 3. In practical terms, Step 4 must be performed first, as the discount percentages are used within Step 1 to combine volume forecasts for all-the-way and portfolio tariffs into a single composite dataset for each type of end user.

Overview of the tariff components

12. Each tariff comprises some or all of the tariff components listed in table 1.

Table 1: List of tariff components		
Tariff component	Unit	
Three unit rates	p/kWh	
Fixed charge	p/day	
Capacity charge	p/kVA/day	
Exceeded capacity charge	p/kVA/day	Half hourly settled demand tariffs only.
Reactive power charge	p/kVArh	

13. For users that are acting as LDNOs, tariffs are portfolio tariffs with the same tariff components as the corresponding all-the-way end user tariff, excluding reactive power charges (but prices for some tariff components may be calculated as zero).
14. Each component of each tariff is rounded to the nearest value with no more than three decimal places in the case of unit rates expressed in p/kWh and reactive power unit charges expressed in p/kVArh, and with no more than two decimal places in the case of fixed and capacity charges (including exceeded capacity charges) expressed in p/MPAN/day and p/kVA/day respectively.

STEP 1: ANALYSE COSTS

15. The first step of the methodology involves the determination of costs or revenue allowances for various parts of the network, and the collection of information about the relevant characteristics of network users.

Network model asset values

16. The DNO Party specifies a network model, also known as a distribution reinforcement model (DRM) or a 500 MW model, in line with the requirements of this section.
17. The network model determines the £/kW/year figure (based on simultaneous maximum load at each network level) corresponding to amortisation and return on capital for assets at the LV circuits, HV/LV, HV, EHV/HV and EHV network

levels, and, in England and Wales, at the 132kV/EHV, 132kV/HV and 132kV network levels.

18. Not Used.
19. The network model consists of a costed design for an increment to the DNO Party's network.
20. At each network level, the model is sized to provide secure capacity to meet demand that, aggregated up to individual grid supply point (GSP) level, amounts to 500 MW of simultaneous maximum demand.
21. The model's design assumes a power factor of 0.95 and no embedded generation.
22. The assets included in the network model are modern equivalent assets of the kind that the DNO Party would normally install on new networks.
23. The nature, quantity and size of assets in the model is such as to meet demand and security to the DNO Party's design and planning standards, allowing for the use of standard size equipment and typical utilisation factors.
24. The proportion of assets of different types at each network level, e.g. overhead and underground circuits, reflects the mix of users and the topography in the DNO Party's Distribution Services Area.
25. The cost assumed for each asset type reflect total purchase and installation cost in the charging year, using the DNO Party's normal procurement methods.

Diversity allowances

26. For each of the 132kV (except in Scotland), EHV and HV voltage levels, the DNO Party determines a diversity allowance between the transformation level above circuits at that voltage and the transformation level below circuits at that voltage.
27. Each diversity allowance represents the extent, expressed as a percentage, to which the sum of the maximum load across all substations below would exceed the corresponding sum for substations above.

28. The DNO Party also determines a diversity allowance between the GSP Group as a whole and the individual grid supply points.

Customer contributions under current connection charging policy

29. The DNO Party estimates the extent to which the assets at each network level used by each category of users would have been expected to be covered by customer contributions if they had been constructed under the charging year's connection charging policy.
30. The DNO Party groups users into categories, by network level of supply, for the purpose of making these estimates.
31. In the case of generators, the proportions relate to the notional assets whose construction or expansion might be avoided due to the generator's offsetting of demand on the network, and takes the same values as for a demand user at the same network level of supply.

Service model asset values

32. The DNO Party specifies a set of service models covering the range of typical dedicated assets operated for the benefit of individual HV and LV users of the network.
33. For each service model, the DNO Party estimates the number and types of connections that the model covers, and a total construction cost for the assets in the model.
34. For each tariff before revenue matching, the DNO Party identifies the extent to which each of the service models represents the relevant assets for an average user in that tariff.
35. A weighted average of service models is used if several service models apply to the same tariff.
36. In the case of unmetered supplies, service model assets are modelled on the basis of units delivered.

37. In the case of generation service models, the service models should reflect the additional costs of protection equipment for a typical generator in each category, for example the difference in cost between a fuse and a circuit breaker, or the cost of additional telecommunications equipment used for control purposes.

Transmission exit expenditure

38. The DNO Party prepares a forecast of expenditure on transmission exit charges in the charging year.

Other expenditure

39. The DNO Party prepares a forecast of other expenditure for the charging year, where other expenditure is defined as the sum of:
- (a) 100 per cent of direct operating costs.
 - (b) 60 per cent of indirect costs (as defined in RRP guidance).
 - (c) 100 per cent of network rates.

Distribution time bands

40. The DNO Party determines five distribution time bands, labelled black, red, yellow, amber and green. The 'red', 'amber' and 'green' time bands will apply to tariffs that are metered. The 'black', 'yellow' and 'green' time bands will apply to tariffs that are unmetered.
41. Distribution time bands are defined separately for Monday-Friday and for Saturday/Sunday. In each case, time bands are defined by reference to UK clock time only, and always begin and end on the hour or half hour. There will be no constraint on either the number of hours that can be covered by each time band or whether the time band applies to all or only part of a day. The red, amber and green times bands will apply throughout the year. The black and yellow time bands can be set to apply to only part of the year, where so specified by the DNO Party.
- 41A. The DNO Party may only change distribution time bands with effect from 1 April and must provide a minimum of 15 months prior notice of such changes. However, where a change to distribution time bands is caused by the implementation of a change to this methodology, the requirement to provide a minimum of 15 months' notice prior notice will not apply.
- 41B. Notice of changes to the distribution time bands should be given in the relevant charging statement, and such notice should appear in the same paragraph of the statement as the time bands that are being changed.

Load characteristics

42. The DNO Party estimates the following load characteristics for each category of demand users:
 - A load factor, defined as the average load of a user group over the year, relative to the maximum load level of that user group. Load factors are numbers between 0 and 1; and
 - A coincidence factor, defined as the expectation value of the load of a user group at the time of system simultaneous maximum load, relative to the

maximum load level of that user group. Coincidence factors are numbers between 0 and 1.

- 42A. The load characteristics for ~~non-half hourly~~ unmetered supplies for which Use of System Charges are billed on an aggregated basis are not determined from settlement data. For each ~~non-half hourly~~ such unmetered supplies tariff the load characteristics are calculated using profile data derived for each GSP Group.
43. In determining the load characteristics of each category of demand user the DNO Party will use reasonable endeavours to analyse meter and profiling data received for the most recent 3 year period (at the time of setting charges for the relevant charging year) for which data are available in time for use in the calculation of charges. Load factors and coincidence factors will be calculated individually for each of the 3 years and a simple arithmetic average will be calculated to be used in tariff setting.
44. For load factors and coincidence factors in the case of ~~non-half hourly settled~~ customer classes Use of System Charges are billed on an aggregated basis (except the ~~non-half hourly~~ unmetered supplies customer classes), data adjusted for GSP Group correction factor are used.
45. Not used.
46. Not used.

Loss adjustment factors to transmission

47. For each network level, the DNO Party determines a single loss adjustment factor to transmission relating to Exit Points from its network at that level. These loss adjustment factors should be representative of average losses at the time of system simultaneous maximum load.

Peaking probabilities

48. The DNO Party determines a peaking probability in respect of each network level and each of the distribution time bands.

49. The peaking probability represents the probability that an asset at that network level would experience maximum load during that distribution time band. In deriving peaking probabilities the DNO Party will use reasonable endeavours to use the most recent 3 year period (at the time of setting charges for the relevant charging year) for which information is available in time for use in the calculation of charges. Peaking probabilities will be derived individually for each of the 3 years and a simple arithmetic average will be calculated to be used in tariff setting.

Power factor data

50. The DNO Party determines or estimates, for each network level, the average of the ratio of reactive power flows (kVAr) to network capacity (kVA), weighted by reactive power flow.
51. If data are not available for any network level, the DNO Party uses data for the nearest network level at which they are available.

Volume forecasts

52. The DNO Party forecasts the volume chargeable to each tariff component under each tariff for the charging year. The DNO Party forecast should be separately analysed by both: tariffs before revenue matching, and all-the-way tariffs.
- 52A. For the purposes of the calculations described in Step 2 below, forecast volumes for the Domestic Aggregated (Related MPAN) and Non-Domestic Aggregated (Related MPAN) tariffs are added to the volumes for Domestic Aggregated or CT and Non-Domestic Aggregated or CT tariffs as follows:
- (a) Domestic Aggregated (Related MPAN) volumes are added to Domestic Aggregated or CT volumes;
 - (b) LDNO LV: Domestic (Related MPAN) volumes are added to LDNO LV: Domestic Aggregated or CT volumes;
 - (c) LDNO HV: LV Domestic (Related MPAN) volumes are added to LDNO HV: LV Domestic Aggregated or CT volumes;

- (d) Non-Domestic Aggregated (Related MPAN) volumes are added to Non-Domestic Aggregated or CT volumes.
 - (e) LDNO LV: Non-Domestic (Related MPAN) volumes are added to LDNO LV: Non-Domestic Aggregated or CT volumes; and
 - (f) LDNO HV: Non-Domestic (Related MPAN) volumes are added to LDNO HV: Non-Domestic Aggregated or CT volumes.
53. The volume forecasts for portfolio tariffs are multiplied by the LDNO discount percentages determined in Step 4, and combined with the all-the-way volume forecasts for each end user type. These combined volume forecasts are used throughout Steps 2 and 3 of the methodology.
- 53A. The DNO Party also forecasts the total customer count for tariffs for domestic customers connected to LDNO networks which are calculated in the EDCM.
- 53B. The DNO Party also forecasts the total customer count for tariffs for all demand tariffs for Designated Properties connected to LDNO networks which are calculated in the EDCM.

Forecast of price control allowed revenues

54. The DNO Party prepares a forecast of allowed revenue for the charging year in accordance with the requirements of the price control conditions and in a manner which is consistent with its volume forecasts and in a format consistent with table 1 of Schedule 15.

STEP 2: ALLOCATE COSTS

Categories of costs

55. The cost and revenue allocation is driven by a representation of the different voltage and transformation levels in the network and by a distinction between the elements of cost related to assets and those related to operations.
56. Table 2 shows the network levels and categories of costs used in the model. In this Schedule 16, the acronym EHV refers to voltages of 22 kV and above, up

to and excluding 132 kV. In the case of the Scottish Distribution Services Areas, the entries for the 132kV and 132kV/EHV network levels are zero as these voltages are part of the transmission network. LV refers to voltages below 1 kV, and HV refers to voltages of at least 1kV and less than 22kV.

Table 2: Categories of unit costs in the model

Category	Description	Unit	Levels
Network assets	Amortisation and return on capital for networks or substations at each level, excluding assets that are deemed to be covered by customer contributions. This is expressed per kW of system simultaneous maximum load.	£/kW/year	132kV 132kV/EHV EHV EHV/HV 132kV/HV HV HV/LV LV circuits
Transmission exit	Expressed per kW of system simultaneous maximum load	£/kW/year	Transmission exit
Other expenditure	Other expenditure is attributed to levels and assets in the network following the rules set out below. The part allocated to network levels is expressed per kW of system simultaneous maximum load.	£/kW/year	132kV 132kV/EHV EHV EHV/HV 132kV/HV HV HV/LV LV circuits
	The part of other expenditure allocated to assets dedicated to one customer is expressed per user for each user type.	£/year	For each type of user

Annuitisation of network model asset values

57. Capital costs that are not covered by customer contributions are converted to annual costs using a level annuity with the annuity period and rate of return set out in table 3.

Table 3: Annuity rate of return and annuity period	
Parameter	Value
Annuity period	40
Annuity rate of return	<p>Set to equal the latest pre-tax real weighted average cost of capital (CC below) for each DNO Party calculated using the following formula:</p> $CC = (\text{Gearing Assumption} \times \text{Pre-Tax Cost of Debt}) + (1 - \text{Gearing Assumption}) \times (\text{Post Tax Cost of Equity} / (1 - \text{Corporation Tax Rate}))$ <p>where:</p> <p>Gearing Assumption is set to the 'notional Gearing' value referred to in the ED1 Price Control Financial Handbook;</p> <p>Pre-Tax Cost of Debt is set to the 'cost of corporate debt' value specified in or calculated in accordance with the most recent Annual Iteration Process applicable when setting distribution Use of System Charges;</p> <p>Post Tax Cost of Equity is set to the 'cost of equity' value referred to in the ED1 Price Control Financial Handbook; and</p> <p>Corporation Tax Rate is the rate of corporation tax which is, when setting distribution Use of System Charges, expected to be applicable in respect of the regulatory year (as defined in the Distribution Licence) in which those Charges will take effect.</p> <p>The CC value is calculated as a percentage, and rounded to two decimal places.</p>

Determination of unit costs from network model

58. For each network level, the DNO Party determines the flow at time of system simultaneous maximum load, measured at Exit Points from the network level, that could be accommodated by the network model on the basis of a normal mix and diversity of loads for its network.
59. The asset value and unit cost for that network level are obtained by dividing the annuitised cost of purchasing and installing the assets in the network model by this exit flow at time of system simultaneous maximum load.
- [network level assets £/kW] = [assets £]/[modelled exit flow at time of system simultaneous maximum load kW]
- [network level £/kW/year] = [network level assets £/kW]*[annuity factor]
60. The modelled exit flow at peak time is obtained by combining the 500 MW at GSP sizing assumption, the diversity allowance between GSP and GSP Group, and the loss adjustment factor for the relevant network level.

Allocation of other expenditure

61. Estimated load at each network level is calculated from:
- volume forecasts for each tariff before revenue matching;
 - the loss adjustment factors representative of the time of system simultaneous maximum load;
 - the load characteristics for users on each tariff before revenue matching, used to estimate the contribution of each user category to load at the time of system simultaneous maximum load.
62. For the purposes of this calculation, a generation user is taken to make a zero contribution to load at the network level corresponding to circuits at its Entry Point, and a full negative contribution to load at all network levels above its Entry Point. For demand users, account is taken of differences between the diversity allowance in the network model and the diversity of each customer group in order to ensure that the estimated load matches the volumes subject to charges in respect of each network level.

63. For each network level covered by the network model, a notional asset value is calculated by multiplying the unit asset cost by the estimated load:

$$[\text{notional asset value } \pounds] = [\text{network level assets } \pounds/\text{kW}] * [\text{estimated load kW}]$$

64. For each service model, a notional asset value is calculated by multiplying the unit asset value of that service model by the extent to which each user requires that model.
65. Other expenditure (excluding transmission exit charges) is allocated between network levels in the proportion given by these notional assets.
66. The result is combined with forecast transmission exit charges to give an annual expenditure figure for each network level and for each service model. These figures are converted into unit cost using the same rules as for costs and revenues from network assets and customer assets.

Allocation of costs on the basis of contribution to system simultaneous maximum load

67. All $\pounds/\text{kW}/\text{year}$ unit costs and revenue are used in the calculation of yardstick charges for each tariff before revenue matching
68. For demand tariffs before revenue matching and portfolio tariffs before revenue matching related to demand users, the contributions of each network level to the unit rate are calculated as follows:

$$[\text{p/kWh from network model assets}] = 100 * [\text{network level } \pounds/\text{kW}/\text{year}] * [\text{user loss factor}] / [\text{network level loss factor}] * [\text{pseudo load coefficient}] * (1 - [\text{contribution proportion}]) / [\text{days in charging year}] / 24$$

$$[\text{p/kWh from operations}] = 100 * [\text{transmission exit or other expenditure } \pounds/\text{kW}/\text{year}] * [\text{user loss factor}] / [\text{network level loss factor}] * [\text{pseudo load coefficient}] / [\text{days in charging year}] / 24$$

69. These calculations are repeated for each network level.
70. In the paragraph 68 equation:

- (a) the user loss factor is the loss adjustment factor to transmission for the network level at which the user is supplied;
- (b) the network level loss factor is the loss adjustment factor to transmission for the network level for which costs are being attributed; and
- (c) the pseudo load coefficient is calculated as follows:
 - i) calculate the ratio of coincidence factor to load factor that would apply if units were uniformly spread within each time band, based on the estimated proportion of units ~~recorded in each relevant time pattern regime~~ that fall within each distribution time band and the assumption that the time of system simultaneous maximum load is certain to be in the red or black (as appropriate) distribution time band;
 - ii) calculate a correction factor for each user type as the ratio of the coincidence factor to load factor, divided by the result of the calculation above;
 - iii) for each network level and each unit rate, derive the ratio of coincidence factor (to network asset peak) to load factor that would apply given peaking probabilities at that network level if units were uniformly spread within each time band, multiplied by the correction factor; and
 - iv) the result of (iii) above is the pseudo load coefficient for the network level and unit rate.

71. For generation tariffs before revenue matching and portfolio tariffs before revenue matching, no contribution to the unit rate is calculated in respect of the network level corresponding to circuits at the Entry Point, and a negative contribution to the unit rate (i.e. a credit) comes from each network level above the Entry Point. That contribution is calculated as follows:

$$[\text{p/kWh from network model assets}] = -100 * [\text{network level } \text{£/kW/year}] * [\text{user loss factor}] / [\text{network level loss factor}] * (1 - [\text{contribution proportion}]) / [\text{days in year}] / 24$$

$[\text{p/kWh from operations}] = -100 * [\text{transmission exit or other expenditure } \text{£/kW/year}] * [\text{user loss factor}] / [\text{network level loss factor}] / [\text{days in year}] / 24$

72. Not used.

Allocation of network costs to standing charges (fixed and capacity)

73. For demand users, other than unmetered users, standing charge factors are used to reduce unit charges and to attribute these costs or revenues to capacity charges (p/kVA/day) or fixed charges (p/day) instead.

74. The standing charge factors for demand tariffs before revenue matching are shown in the table below:

Tariff before revenue matching	EHV	EHV/HV	HV	HV/LV	LV circuits
Domestic Aggregated or CT					100%
Non-Domestic Aggregated or CT					100%
LV Site Specific			20%	100%	100%
LV Sub Site Specific			100%	100%	
HV Site Specific	20%	100%	100%		
Unmetered Supplies					0%

75. Where a standing charge factor is specified for the EHV/HV network level, the same standing charge factor applies to the 132kV/HV network level.

76. Where a standing charge factor is specified for the EHV network level, and where the 500 MW model includes 132kV/HV transformation, the 132kV standing charge factor is set to the EHV standing charge factor multiplied by the proportion of load going through 132kV/HV transformation.

77. For each tariff before revenue matching, the unit rates are reduced to take account of the allocation of costs to capacity or fixed charges. This is achieved by multiplying the cost element for each relevant network level by (1 – [standing charge factor]).

78. For each demand user type, and for each network level, the unit cost to be attributed to capacity charges or fixed charges in respect of that network level is:

$$[\text{p/kVA/day from network model assets}] = 100 * [\text{standing charge factor}] * [\text{network level } \text{£/kW/year}] * [\text{user loss factor}] / [\text{network level loss factor}] * (1 - [\text{contribution proportion}]) / [\text{days in year}] / (1 + [\text{diversity allowance}]) * [\text{power factor in network model}]$$

$$[\text{p/kVA/day from transmission exit or other expenditure}] = 100 * [\text{standing charge factor}] * [\text{transmission exit or other expenditure } \text{£/kW/year}] * [\text{user loss factor}] / [\text{network level loss factor}] / [\text{days in year}] / (1 + [\text{diversity allowance}]) * [\text{power factor in network model}]$$

79. The power factor in network model parameter is set to 0.95.
80. The diversity allowance for the LV circuit level is defined as the amount by which the aggregate maximum demand load determined for that network level exceeds the estimated demand at the time of system simultaneous maximum load. The aggregate maximum demand is calculated by aggregating agreed import capacities for users for which Use of System Charges are billed on a site specific basis in Measurement Class C or E (excluding users with Domestic aggregated or CT and Non-Domestic aggregated or CT) and estimated capacities for users for which Use of System Charges are billed on an aggregated basis in Measurement Class A, F or G and those with Domestic Aggregated or CT and Non-Domestic Aggregated or CT for which Use of System Charges are billed on a site specific basis in Measurement Class C or E.
81. For the tariffs before revenue matching listed below, the unit costs calculated by the formula above are allocated to the capacity charge. The exceeded capacity charge for half hourly settled demand users, except unmetered users, is calculated using the same formula, but with the customer proportion set to zero.
- LV Site Specific
 - LV Sub Site Specific
 - HV Site Specific

82. Otherwise, the unit costs calculated by the formula above are allocated to the fixed charge.
83. For the tariffs before revenue matching listed below, LV costs are allocated to the fixed charge by estimating the proportion of LV network capacity used by these categories of users, and dividing the corresponding proportion of LV costs by the number of domestic and non-domestic MPANs:
- Domestic Aggregated or CT
 - Non-Domestic Aggregated or CT.
84. Not used.

Costs associated with LV customer and HV customer levels

85. Other expenditure allocated to the LV customer and HV customer network levels are included in the fixed charge for each tariff before revenue matching where there is such a tariff component.
86. In the case of unmetered supplies, these charges are spread across all units.

Costs associated with reactive powerflows

87. For each tariff before revenue matching and each network level, the contribution to reactive power unit charges is obtained as follows:
- (a) Calculate what the contribution to a single unrestricted unit rate in p/kWh from each network level would be.
 - (b) Take the absolute value.
 - (c) Adjust for standing charge factors at the relevant network levels (for demand users only).
 - (d) Multiply by the assumed power factor in the network model.
 - (e) Multiply by the DNO Party's estimate of the average ratio of the reactive power flow (kVAr) to network load (kVA) at the relevant network level.

88. For the purpose of the calculation of reactive power unit charges, generation users are taken to make a full contribution to the reactive power flows in the network at their Entry Point and at each network level above their Entry Point.

STEP 3: MATCH REVENUES

89. The DNO Party uses its volume forecasts to estimate the revenues that would be raised by applying the tariff before revenue matching components derived from step 2, excluding any revenues treated as excluded revenue under the price control conditions.
90. If any separate charging methodology is used alongside the CDCM, e.g. for EHV users, then the forecast revenues from these charges, excluding any revenues treated as excluded revenue under the price control conditions, are added to the total.
- 90A. The DNO Party calculates an adjusted forecast of allowed revenues, which excludes any Eligible Bad Debt and Supplier of Last Resort pass-through costs. Such pass-through costs are taken into account in Step 5 after LDNO discounts have been applied in Step 4.
91. If the adjusted forecast of allowed revenue exceeds the estimate of relevant revenues, then the difference is a residual shortfall. If the estimate of relevant revenues exceeds the adjusted forecast of allowed revenue, then the difference is a residual surplus.
92. Revenue matching is achieved by:
- (a) apportioning the total value of the residual surplus or residual shortfall to be returned or recovered respectively, via a fixed charge to (i) the domestic LV-connected charging band and (ii) the specific charging bands set out in paragraph 2.4 of Schedule 32 on the basis of (A) the aggregated consumption of all Final Demand Sites in that band (including the consumption of any Related MPANs where applicable), relative to (B) the combined total net consumption for all Final Demand Sites (including the consumption of any Related MPANs where applicable) plus the total consumption for unmetered customers.

(b) The allocated proportion of the residual value to each charging band will then be divided equally among all Final Demand Sites within that charging band, resulting in the same level of residual fixed charge.

(c) Residual charges for each Final Demand Site will be applied as a fixed charge adder (p/Final Demand Site/day) calculated as follows: the revenue surplus or shortfall (in pence) to be recovered for the band that the Final Demand Site is in; divided by the total number of Final Demand Sites in that band; divided by days in the charging year.

92A. In order to calculate all-the-way tariffs, residual charges are added to the tariffs before revenue matching as shown in the table below.

Tariff before revenue matching	All-the-way Tariff	Residual Charge
Domestic Aggregated or CT	Domestic Aggregated or CT with Residual	Domestic LV-connected Charging Band
Domestic Aggregated (Related MPAN)	Domestic Aggregated (Related MPAN)	None
Non-Domestic Aggregated or CT	Non-Domestic Aggregated or CT No Residual	None
	Non-Domestic Aggregated or CT Band 1	Non-domestic LV connected without a MIC as a basis for its current charge (Charging Band 1)
	Non-Domestic Aggregated or CT Band 2	Non-domestic LV connected without a MIC as a basis for its current charge (Charging Band 2)
	Non-Domestic Aggregated or CT Band 3	Non-domestic LV connected without a MIC as a basis for its current charge (Charging Band 3)
	Non-Domestic Aggregated or CT Band 4	Non-domestic LV connected without a MIC as a basis for its current charge (Charging Band 4)
Non-Domestic Aggregated (Related MPAN)	Non-Domestic Aggregated (Related MPAN)	None
LV Site Specific	LV Site Specific No Residual	None
	LV Site Specific Band 1	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 1)
	LV Site Specific Band 2	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 2)
	LV Site Specific Band 3	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 3)

	LV Site Specific Band 4	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 4)
LV Sub Site Specific	LV Sub Site Specific No Residual	None
	LV Sub Site Specific Band 1	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 1)
	LV Sub Site Specific Band 2	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 2)
	LV Sub Site Specific Band 3	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 3)
	LV Sub Site Specific Band 4	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 4)
HV Site Specific	HV Site Specific No Residual	None
	HV Site Specific Band 1	Non-domestic HV connected with a MIC as a basis for its current charge (Charging Band 1)
	HV Site Specific Band 2	Non-domestic HV connected with a MIC as a basis for its current charge (Charging Band 2)
	HV Site Specific Band 3	Non-domestic HV connected with a MIC as a basis for its current charge (Charging Band 3)
	HV Site Specific Band 4	Non-domestic HV connected with a MIC as a basis for its current charge (Charging Band 4)
Unmetered Supplies	Unmetered Supplies	Unmetered Supplies

Note 1: In all cases, the charges are added together by adding each individual component of the tariffs individually, whether it is a fixed or unit residual charge component.

Note 2: Where a charge is listed as ‘None’, or a value has not been set for a charge, the residual charge to be added in the case of that tariff component is zero.

92B. For any DNO Party, if the count of Final Demand Sites in any given metered non-domestic charging band is less than two in the charging year for which tariffs are being determined, the residual fixed charge for that band will be calculated as set out in accordance with Paragraph 92, but the total import consumption and total count of Final Demand Sites in that band will be combined with the equivalent information for the band above that band and at the same voltage level. If the band in question is the highest band, then it will be combined with the equivalent information for the band below that band and at the same voltage level. The residual fixed charge should therefore be the same for all the Final Demand Sites in the bands combined under this Paragraph 92B. There must be no single or combined band with less than two Final Demand Sites within that band. A Final Demand Site connected during the year will be counted as a fraction based on the proportion of the year for which the site was connected.

92C. There are eight possible combinations for grouping of non-domestic charging bands under Paragraph 92B. The grouping of bands under Paragraph 92B shall be applied in accordance with the preference order given in the table below.

Preference order for band grouping combinations	Band 1	Band 2	Band 3	Band 4
First	1	2	3	4
Second	1 + 2		3	4
Third	1	2 + 3		4
Fourth	1	2	3 + 4	
Fifth	1 + 2		3 + 4	
Sixth	1 + 2 + 3			4
Seventh	1	2 + 3 + 4		

Eighth	1 + 2 + 3 + 4
--------	---------------

- 92D. Revenue matching for unmetered customers is achieved by apportioning the total value of the residual surplus or residual shortfall to be returned or recovered respectively, on the basis of total consumption for unmetered customers, relative to the combined total net consumption for all Final Demand Sites (including the consumption of any Related MPANs where applicable) plus the total consumption for unmetered customers. The residual value for unmetered customers is then recovered by applying a unit charge adder (p/kWh) calculated as follows: the residual surplus or shortfall (in pence) to be recovered; divided by the total volume of all unmetered customers (in kWh).
93. The unit charges adder is positive if there is a shortfall and negative if there is a surplus.
94. Where a residual surplus exists, and it is not possible to apply the charge from any charging band, as it reduces the fixed components of the relevant all-the-way tariff to less than zero (post allocation of pass-through costs in step 5), then the total fixed charge element of that all-the-way tariff will be capped at zero. The remaining residual surplus will be returned to all Final Demand Sites within that charging band by applying a fixed charge adder (p/kWh) across all unit rates. If this procedure would result in negative value for any tariff component, then that tariff component is set to zero, and the unit charge adder figure is modified to the extent necessary to match forecast and target revenue.
- 94A. Where Paragraph 94 applies and the basis for that all-the-way tariff is derived from more than one tariff before revenue matching and shares the same residual charge as described in Paragraph 92A, then the amount of residual charge to be applied will be set equal to the amount that applies to whichever tariff before revenue matching would first require a cap to be applied in accordance with Paragraph 94 (i.e. the lesser of the two). Where applicable, this applies to the fixed charge element of the relevant all-the-way tariff and the fixed charge adder on unit rates of the relevant all-the-way tariff.
95. Tariffs for generation do not have any revenue matching element.

STEP 4: PRICE CONTROL DISAGGREGATION

96. Step 4 involves calculations based on price control and expenditure data which produce a series of discount percentages to be used to determine portfolio tariffs for LDNOs.
97. The discount percentages are determined in accordance with Schedule 29, which schedule is deemed to form part of this CDCM (as if it were set out herein).
98. For demand users, the discount percentages are applied to all tariff components in all-the-way tariffs in order to determine embedded network portfolio tariffs.
99. For generation users, the unit rate element (p/kWh) is not discounted, reflecting the modelling assumption that generation benefits are seen at the voltage level above the Exit Point, and therefore the embedded LDNO simply “passes on” the benefits seen at the DNO Party level. The fixed charge element (p/day) is discounted at 100 per cent, as this tariff component in the all-the-way tariff recovers costs associated with the allocation of other expenditure to service assets, which are not provided by the DNO Party.

STEP 5: ALLOCATION OF PASS-THROUGH COSTS

100. Step 5 involves calculations based on the level of Supplier of Last Resort pass-through costs to be recovered in the charging year. Such costs are allocated to all domestic tariffs with a fixed charge (including LDNO tariffs) on an equivalent basis (i.e. without discounting LDNO tariffs). Step 5 also involves calculations based on the level of Eligible Bad Debt pass-through costs to be recovered in the charging year. Such costs are allocated to all demand tariffs (including LDNO tariffs) on an equivalent basis (i.e. without discounting LDNO tariffs).
101. Supplier of Last Resort pass-through costs are allocated by applying a fixed charge adder (p/day) to the tariffs for following customer groups (as further described in paragraph 102):
 - Domestic Aggregated or CT;
 - LDNO LV: Domestic Aggregated or CT;

- LDNO HV: Domestic Aggregated or CT;
 - LDNO HVplus: Domestic Aggregated or CT (which is calculated in the EDCM);
 - LDNO EHV: Domestic Aggregated or CT (which is calculated in the EDCM);
 - LDNO 132kV/EHV: Domestic Aggregated or CT (which is calculated in the EDCM);
 - LDNO 132kV: Domestic Aggregated or CT (which is calculated in the EDCM);
 - LDNO 0000: Domestic Aggregated or CT (which is calculated in the EDCM).
102. The fixed charge adder is calculated as the costs to be passed through (in £) multiplied by 100 divided by the combined customer count of the groups listed in paragraph 101 (including those with tariff calculated in the EDCM, as determined in paragraph 53A) divided by the number of days in the charging year.
103. Eligible Bad Debt pass-through costs are allocated by applying a fixed charge adder (p/day) to all metered demand tariffs excluding 'related MPAN' tariffs. The fixed charge adder is calculated as the costs to be passed through (in £) multiplied by 100 divided by the combined customer count of all metered demand customer groups (including those with tariffs calculated in the EDCM, as determined in paragraph 53B) excluding 'related MPAN' customer groups divided by the number of days in the charging year.
104. The DNO Party will publish details of the fixed charge adders calculated under this Step 5 in its Use of System Charging Statement (as defined in and required by Standard Condition 14 of the DNO Party's Distribution Licence).

105. The DNO Party will publish details of the fixed charge adders calculated under this Step 5 in its Use of System Charging Statement (as defined in and required by Standard Condition 14 of the DNO Party's Distribution Licence).
106. Not used.
107. Not used.
108. Not used.
109. Not used.
110. Not used.
111. Not used.
112. Not used.
113. Not used.
114. Not used.
115. Not used.
116. Not used.
117. Not used.
118. Not used.
119. Not used.
120. Not used.
121. Not used.
122. Not used.
123. Not used.
124. Not used.
125. Not used.

PART 2 — TARIFF STRUCTURES AND APPLICATION

- 126. The CDCM provides for a common tariff structure for all 14 DNO Parties and their Distribution Service Areas.
- 127. This part details the common tariff structure for tariffs before revenue matching and associated tariff elements for demand and generation, for unmetered supplies and for charges to LDNOs.
- 127A. Tariffs before revenue matching are used to calculate the all-the-way tariffs as described in Paragraph 92A.

Tariff structures for demand customers

Aggregated Metered Demand

128. For MPANs that are to be charged on an aggregated basis (as further described in Paragraph 132C), Use of System Charges will be via the Supercustomer approach which for non-MHHS MPANs uses data from the D0030 industry data flow and is based on Settlements Classes comprising:

- (a) Line Loss Factor Class (LLFC);
- (b) Profile Class (PC);
- (c) Standard Settlement Configuration (SSC); and
- (d) Time Pattern Regime (TPR)

and which for MHHS MPANs uses data from the REP-002 industry data flow based on DUoS Tariff ID

129. For non-MHHS NHH settled MPANs, the combination of LLFC/PC/SSC/TPR determines the associated profile and half-hourly data values. For HH and MHHS metered MPANs, the half-hourly data is used. ~~The PC for HH aggregated metered demand MPANs will always be zero.~~

130. DNO specific network time bands will be applied to the appropriate SSC/TPR combinations or half-hourly data associated with each DUoS Tariff ID stated in Paragraph 129.

131. Charges will be applied on a fixed charge and unit rate basis. The latter allocated to DNO specific network time bands. There will be no capacity, exceeded capacity or reactive charges for aggregated metered demand MPANs.

132. Structure of aggregated metered demand charges will be as follows:

- (a) Fixed charge will be p/MPAN/day; and
- (b) Unit charges will be p/kWh.

where, if MPAN counts are provided for each settlement period, the fixed charge will be applied to the MPAN count in the final settlement period of the day.

132A. Domestic Aggregated (Related MPAN) and Non-Domestic Aggregated (Related MPAN) and unmetered supplies will be charged on a p/kWh basis only.

132B. As described in Paragraph 40, there will be three unit rate time bands on a time-of-day basis for all aggregated customers with the exception of the unmetered supplies tariff, to reflect the requirements of the cost drivers of their individual networks. These three time bands will be called ‘red’, ‘amber’ and ‘green’ to represent three differing cost signals.

132C. Those MHHS customers whose Connection Type is “Whole Current” will be charged on an aggregated basis and will be assigned to the appropriate tariff before revenue matching based on the Domestic Premises Indicator.

Those non-MHHS customers ~~users~~ in Measurement Class A, F or G will be charged on an aggregated basis. ~~All aggregate charged~~ Such customers will be assigned to the appropriate tariff before revenue matching based on the Measurement Class, type of metering equipment installed, and the voltage of connection as specified in the table below:

Tariff before revenue matching	Voltage of Connection	Settlement Type (HH or NHH)	Metering	Measurement Class
Domestic Aggregated or CT	LV	NHH	Whole Current or Current Transformer	A
Domestic Aggregated or CT	LV	HH	Whole Current or Current Transformer	F
Domestic Aggregated (Related MPAN)	LV	NHH	Whole Current or Current Transformer	A

Domestic Aggregated (Related MPAN)	LV	HH	Whole Current or Current Transformer	F
Non-Domestic Aggregated or CT	LV	NHH	Whole Current or Current Transformer	A
Non-Domestic Aggregated or CT	LV	HH	Whole Current	G
Non-Domestic Aggregated (Related MPAN)	LV	NHH	Whole Current or Current Transformer	A
Non-Domestic Aggregated (Related MPAN)	LV	HH	Whole Current	G

132D. Where the Supplier transfers customers from NHH Settlement to HH Settlement the following Measurement Classes will apply:

- Domestic users connected at LV with non-CT metering installed will transfer from Measurement Class A to Measurement Class F.
- Domestic users connected to LV with CT metering can (at supplier option in discussion with user) move to Measurement Class C (must be more than 100kW), Measurement Class E (must be 100kW or less) or Measurement Class F (must be 100kW or less).
- Non-Domestic users connected at LV with non-CT metering installed will transfer from Measurement Class A to Measurement Class G.
- Non-Domestic users connected at LV with CT metering installed will transfer from Measurement Class A to Measurement Class C (more than 100kW) or Measurement Class E (100kW or less).

Site-Specific Metered Demand

133. For HH metered demand not subject to aggregated charging, Use of System Charges will be settled on a site-specific basis using data from the D0275 or

D0036 or for MHHS customers the IF-021 or IF-013 or IF-014 industry data flows based on half hourly metered data provided for the MPAN.

134. With the exception of Domestic Aggregated or CT and Non-Domestic Aggregated or CT, which will consist of a fixed and unit charge, Charges will consist of a fixed, unit, capacity and reactive power charge.

135. As described in Paragraph 40, there will be three unit rate time bands on a time of day basis for all half hourly settled customers with the exception of the half hourly unmetered supplies tariff, to reflect the requirements of the cost drivers of their individual networks. These three time bands will be called ‘red’, ‘amber’ and ‘green’ to represent three differing cost signals.

135A Those users in Measurement Class C or E and MHHS customers whose Connection Type is not “Whole Current” will be HH settled on a site-specific basis, and assigned to the appropriate tariff before revenue matching based on the ~~Measurement Class~~, type of metering equipment installed and the voltage of connection as specified in the table below:

Tariff before revenue matching	Voltage of Connection	Metering	Measurement Class
Domestic Aggregated or CT	LV	Current Transformer (Below 70 kVA)*	C/E
Non-Domestic Aggregated or CT	LV	Current Transformer (Below 70 kVA)*	C/E
LV Site Specific	LV	Current Transformer	C/E
LV Sub Site Specific	LV Sub	Current Transformer	C/E
HV Site Specific	HV	Current Transformer	C/E

* only available during transitional arrangements catered for part 4 of this schedule.

136. Structure of the HH demand charges:
- (a) Fixed charge p/MPAN/day;
 - (b) Unit rate charge p/kWh;
 - (c) Capacity charge p/kVA/day (as applicable per paragraph 134);
 - (d) Exceeded capacity charge p/kVA/day (as applicable per paragraph 134); and
 - (e) Reactive power charge p/kVArh (as applicable per paragraph 134).
137. Generally the p/MPAN/day charge relates to one MPAN. However, where a site is a group of MPANs as identified in the connection agreement, billing systems should be able to group the MPANs where appropriate for charging purposes.
138. Unit charges will be allocated by settlements HH data and DNO Party specific network time bands.
139. There will be no charges applied to correctly de-energised HH MPANs/sites as determined by the de-energisation status in MPAS.
140. Where a site is incorrectly de-energised, i.e. when actual metering advances are received the DNO Parties should contact suppliers to ensure the status is corrected. If a site is found to be energised charges will be back dated to the date of energisation.

Unmetered Supplies

- 140A. Use of System Charges for aggregated settled unmetered demand MPANs (Measurement Class B) will be via the Supercustomer approach ~~which uses data from the D0030 industry data flow and is based on Settlement Classes~~. As described in Paragraph 40, there will be three unit rate time bands for the Unmetered Supplies tariff, to reflect the requirements of the cost drivers of their individual networks. The three time bands will be called 'black', 'yellow' and 'green' to represent three differing cost signals.
- 140B. Use of System Charges for unmetered supplies which are pseudo HH metered

(Measurement Class D) will use data from the D0275 or D0036, or for MHHS customers the IF-021 or IF-013 or IF-014 industry data flows based on half hourly data provided for the MPAN.

140C. Charges will consist of unit rates only.

Tariff	Voltage of Connection	Measurement Class
Unmetered Supplies	LV	B/D

Demand Tariff Structures

141. Table 4 below shows the structure for aggregated metered demand tariffs before revenue matching, and Table 5 below shows the structure for site-specific demand tariffs.

Tariff before revenue matching	Unit 1 (p/kWh)	Unit 2 (p/kWh)	Unit 3 (p/kWh)	Fixed charge p/MPAN/day
Domestic Aggregated or CT	Red	Amber	Green	✓
Domestic Aggregated (Related MPAN)	Red	Amber	Green	
Non-Domestic Aggregated or CT	Red	Amber	Green	✓
Non-Domestic Aggregated (Related MPAN)	Red	Amber	Green	
Unmetered Supplies	Black	Yellow	Green	

Table 5: Site Specific Tariffs before revenue matching

Tariff before revenue matching	Unit rate 1 p/kWh	Unit rate 2 p/kWh	Unit rate 3 p/kWh	Fixed charge p/MPAN/day	Capacity charge p/kVA/day	Exceeded Capacity charge p/kVA/day	Reactive power charge p/kVArh
Domestic Aggregated or CT	Red	Amber	Green	✓			
Non-Domestic Aggregated or CT	Red	Amber	Green	✓			
LV Site Specific	Red	Amber	Green	✓	✓	✓	✓
LV Sub Site Specific	Red	Amber	Green	✓	✓	✓	✓
HV Site Specific	Red	Amber	Green	✓	✓	✓	✓
Unmetered Supplies	Black	Yellow	Green				

Note 1: The Domestic Aggregated (Related MPAN) and Non-Domestic Aggregated (Related MPAN) tariffs are supplementary to a standard published tariff and therefore only available under these conditions. These will be charged the same red, amber and green unit rates but will have a zero fixed charge.

Note 2: Where DNO Parties use a default tariff for invalid settlement combinations these will be charged at the Domestic Aggregated or CT rates.

Note 3: LV Sub applies to customers connected to the DNO Party's network at a voltage of less than 1 kV at a substation with a primary voltage (the highest operating voltage present at the substation) of at least 1 kV and less than 22 kV, where the current transformer (CT) used for the customer's settlement metering is located at the substation. For these purposes, 'at the substation' means:

- a) an HV/LV substation with the metering CT in the same chamber as the substation transformer; or
- b) an HV/LV substation with the metering CT in a chamber immediately adjacent to the substation transformer chamber.

Note 4: not used.

Note 5: Where a customer or its supplier requests a DNO Party to confirm if a connection may be eligible for an LV Sub tariff, the DNO Party will investigate and reach a decision, taking account of any supporting information provided by the customer or supplier and any additional information that is available to it. Administration charges (to cover reasonable costs) may apply if a technical assessment or site visit is required, but shall not be applied where the DNO Party agrees to the change of tariff request. In all circumstances where a DNO Party decides or agrees that a customer should be moved to an LV Sub tariff, the new tariff charges will be applied in the next calendar month following the DNO Party's decision or agreement. Where a customer is already registered on an LV Sub tariff they will remain so.

Note 6: not used.

Note 7: Fixed charges are generally levied on a pence per MPAN basis. However, there are some instances where more than one MPAN exists on a customer's connection and only one fixed charge is appropriate. Where a group of MPANs is classed as a site as identified in the connection agreement, billing systems should be able to group the MPANs, where appropriate, for charging purposes.

Tariff structures for generation

NHH and Aggregated HH Metered Generation

142. NHH metered generation in measurement class A and HH metered generation in Measurement Classes F and G or MHHS customers whose Connection Type is "Whole Current" will be charged on an aggregated basis. Use of System Charges for LV generation aggregated tariffs will be billed via Supercustomer. The billing systems will be required to apply fixed charges plus negative unit charges with the process being managed through the DNO Party's invoicing of the supplier.

143. Structure of aggregated generation charges:

- (a) Fixed charge will be p/MPAN/day;
- (b) Unit rate charge p/kWh; and

(c) Reactive Charges will not apply.

where, if MPAN counts are provided for each settlement period, the fixed charge will be applied to the MPAN count in the final settlement period of the day.

Site Specific HH Generation

144. Use of System Charges for HH Site Specific generation tariffs (which excludes Measurement Class F and G) or MHHS customers whose Connection Type is not “Whole Current” will be via the HH billing systems. The billing systems will be required to apply fixed charges plus reactive power unit charges, negative unit charges and manage the process through the DNO Party’s invoicing of the supplier
145. Structure of Site Specific HH generation charges:
- (a) Fixed charge will be p/MPAN/day;
 - (b) Unit rate charge p/kWh; and
 - (c) Reactive power charge p/kVArh.
146. The following tables and notes show the structure for generation tariffs.

Table 6: Generation Aggregated Tariffs				
Tariff Name	Unit rate 1 (p/kWh)	Unit rate 2 (p/kWh)	Unit rate 3 (p/kWh)	Fixed charge p/MPAN/day
LV Generation Aggregated	Red	Amber	Green	✓
LV Sub Generation Aggregated	Red	Amber	Green	✓

Table 7: Generation Site-Specific Tariffs					
Tariff	Unit rate 1 p/kWh	Unit rate 2 p/kWh	Unit rate 3 p/kWh	Fixed charge p/MPAN/day	Reactive power charge p/kVArh

LV Generation Site Specific	Red	Amber	Green	✓	✓
LV Sub Generation Site Specific	Red	Amber	Green	✓	✓
HV Generation Site Specific	Red	Amber	Green	✓	✓
LV Generation Site Specific no RP charge	Red	Amber	Green	✓	
LV Sub Generation Site Specific no RP charge	Red	Amber	Green	✓	
HV Generation Site Specific no RP charge	Red	Amber	Green	✓	

Note 1: not used.

Note 2: not used.

Note 3: not used.

Note 4: LV Sub Generation applies to customers connected to the DNO Party's network at a voltage of less than 1 kV at a substation with a primary voltage (the highest operating voltage present at the substation) of at least 1 kV and less than 22 kV, where the current transformer used for the customer's settlement metering is located at the substation.

Note 5: not used.

Note 6: Note 4 above for LV generation substation tariffs will be applied for new customers from 1 April 2010.

Note 7: Where a DNO Party has requested (and still requires) a generator to operate with a power factor of less than 0.95, excess reactive power charges will not apply (these instances are identified in the table as 'no RP charge').

Tariff structures for LDNOs

147. The tariff structure for LDNOs will mirror the structure of the all-the-way-tariff, and is dependent on the voltage of the Point of Connection being either LV (see

Table 8) or HV (see Table 9); except for the LDNO unmetered tariffs (marked with ** in Tables 8 and 9 below), which are charged by reference to the voltage of the Points of Connection that provide the majority of the energised domestic connections for the LDNO in the GSP Group (or, where there is no such majority, on such other reasonable basis as the DNO Party determines). In all cases, the same tariff elements will apply.

Table 8: LDNO LV connection*

Tariff Name	Unit rate 1 p/kWh	Unit rate 2 p/kWh	Unit rate 3 p/kWh	Fixed charge p/MPAN/day	Capacity charge p/kVA/day	Exceeded Capacity charge p/kVA/day	Reactive power charge p/kVArh
LV Domestic Aggregated or CT	Red	Amber	Green	✓			
Domestic Aggregated (Related MPAN)	Red	Amber	Green				
Non-Domestic Aggregated or CT (No Residual)	Red	Amber	Green	✓			
Non-Domestic Aggregated or CT Band 1	Red	Amber	Green	✓			
Non-Domestic Aggregated or CT Band 2	Red	Amber	Green	✓			
Non-Domestic Aggregated or CT Band 3	Red	Amber	Green	✓			
Non-Domestic Aggregated or CT Band 4	Red	Amber	Green	✓			
Non-Domestic Aggregated (Related MPAN)	Red	Amber	Green				
LV Site Specific (No Residual)	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 1	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 2	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 3	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 4	Red	Amber	Green	✓	✓	✓	✓
Unmetered Supplies	Black	Yellow	Green				
LV Generation Aggregated	✓			✓			
LV Generation Site Specific	✓			✓			✓

* Where the boundary between the LDNO and DNO network is at LV

Table 9: LDNO HV connection*

Tariff Name	Unit rate 1 p/kWh	Unit rate 2 p/kWh	Unit rate 3 p/kWh	Fixed charge p/MPAN/ day	Capacity charge p/kVA/day	Exceeded Capacity charge p/kVA/day	Reactive power charge p/kVArh
LV Domestic Aggregated or CT	Red	Amber	Green	✓			
LV Domestic Aggregated (Related MPAN)	Red	Amber	Green				
LV Non-Domestic Aggregated or CT (No Residual)	Red	Amber	Green	✓			
LV Non-Domestic Aggregated or CT Band 1	Red	Amber	Green	✓			
LV Non-Domestic Aggregated or CT Band 2	Red	Amber	Green	✓			
LV Non-Domestic Aggregated or CT Band 3	Red	Amber	Green	✓			
LV Non-Domestic Aggregated or CT Band 4	Red	Amber	Green	✓			
LV Non-Domestic Aggregated (Related MPAN)	Red	Amber	Green				
LV Site Specific (No Residual)	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 1	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 2	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 3	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 4	Red	Amber	Green	✓	✓	✓	✓

Unmetered Supplies	Black	Yellow	Green				
LV Sub Site Specific (No Residual)	Red	Amber	Green	✓	✓	✓	✓
LV Sub Site Specific Band 1	Red	Amber	Green	✓	✓	✓	✓
LV Sub Site Specific Band 2	Red	Amber	Green	✓	✓	✓	✓
LV Sub Site Specific Band 3	Red	Amber	Green	✓	✓	✓	✓
LV Sub Site Specific Band 4	Red	Amber	Green	✓	✓	✓	✓
HV Site Specific (No Residual)	Red	Amber	Green	✓	✓	✓	✓
HV Site Specific Band 1	Red	Amber	Green	✓	✓	✓	✓
HV Site Specific Band 2	Red	Amber	Green	✓	✓	✓	✓
HV Site Specific Band 3	Red	Amber	Green	✓	✓	✓	✓
HV Site Specific Band 4	Red	Amber	Green	✓	✓	✓	✓
LV Generation Aggregated	Red	Amber	Green	✓			
LV Sub Generation Aggregated	Red	Amber	Green	✓			✓
LV Generation Site Specific	Red	Amber	Green	✓			✓
LV Sub Generation Site Specific	Red	Amber	Green	✓			✓
HV Generation Site Specific	Red	Amber	Green	✓			✓

Capacity charges

Maximum Import Capacity

148. The Maximum Import Capacity (MIC) will be charged on a site basis (p/kVA/day).
149. The level of MIC will be agreed at the time of connection and when an increase has been approved. Following such an agreement (be it at the time of connection or an increase) no reduction in MIC will be allowed for a period of one year (subject to Part 4 below).
150. Subject to Part 4 below, reductions to the MIC may only be permitted once in a 12 month period and no retrospective changes will be allowed. Where MIC is reduced the new lower level will be agreed with reference to the level of the customers' maximum demand. It should be noted that where a new lower level is agreed the original capacity may not be available in the future without the need for network reinforcement and associated cost.
151. For LDNO connections, if capacity ramping has been agreed with the DNO Party, in accordance with the DNO Party's connection charging methodology, the phasing profile will apply instead of the above rules. Where an LDNO has agreed a phasing of capacity this will be captured in the Bilateral Connection Agreement with the DNO Party.

Standby Capacity for Additional Security on Site

152. Where standby capacity charges are applied, the charge will be set at the same rate as that applied to normal MIC.

Exceeded Capacity

153. Where a customer takes additional capacity over and above the MIC without authorisation, the excess will be classed as exceeded capacity. The exceeded portion of the capacity will be charged at the exceeded capacity rate (p/kVA/day). The exceeded capacity will be charged for the duration of the month in which the breach occurs and derived as follows:

$$\text{Exceeded capacity (kVA)} = \max(0, \text{Chargeable capacity} - \text{MIC})$$

Where:

Chargeable capacity = actual capacity utilised as set out below

MIC = Maximum Import Capacity

Minimum Capacity Levels

154. There is no minimum capacity threshold.

Capacity Value Calculations – Import

155. The actual capacity utilised will be calculated by the following formula:

$$\text{Import Demand} = 2 \times \sqrt{\text{AI}^2 + \max(\text{RI}, \text{RE})^2}$$

Where:

AI = Import consumption in kWh

RI = Reactive import in kVArh

RE = Reactive export in kVArh

Import Demand = kVA

156. This calculation is completed for every half hour and the maximum value from the billing period is captured.
157. Not used.
158. Only kVArh Import and kVArh Export values occurring at times of kWh Import are used.

Capacity Value Calculations – Export

159. The actual capacity utilised will be calculated by the following formula:

$$\text{Export Demand} = 2 \times \sqrt{\text{AE}^2 + \max(\text{RI}, \text{RE})^2}$$

Where:

AE = Export production in kWh

RI = Reactive import in kVArh

RE = Reactive export in kVArh

Export Demand = kVA

160. This calculation is completed for every half hour and the maximum value from the billing period is captured.

161. The export demand value is calculated to record the highest export value and used for information only.

162. Only kVArh Import and kVArh Export values occurring at times of kWh Export are used.

Reactive power charges

163. Reactive power charges will be applied based on chargeable reactive power. The charge will be p/kVArh for units in excess of a set amount.

164. The chargeable reactive power units will be calculated by the following formulae.

Chargeable Reactive Power Unit Calculations - Import

$$\text{Chargeable kVArh} = \max\left(\max(\text{RI}, \text{RE}) - \left(\sqrt{\left(\frac{1}{0.95^2} - 1\right)} \times \text{AI}\right), 0\right)$$

Where:

AI = Import consumption in kWh

RI = Reactive Import in kVArh

RE = Reactive export in kVArh

165. The 0.95 constant refers to the reactive charging threshold and the design power factor of the network model within the CDCM.

- 166. This calculation is completed for every half hour and the values summated over the billing period.
- 167. Only kVArh Import and kVArh Export values occurring at kWh Import are used.
- 168. The square root calculation will be to two decimal places.

Chargeable Reactive Power Unit Calculations - Export

$$\text{Chargeable kVArh} = \max \left(\max(\text{RI}, \text{RE}) - \left(\sqrt{\left(\frac{1}{0.95^2} - 1 \right) \times \text{AE}}, 0 \right) \right)$$

Where:

AE = Export production in kWh

RI = Reactive import in kVArh

RE = Reactive export in kVArh

- 169. The 0.95 constant refers to the reactive charging threshold and the design power factor of the network model within the CDCM.
- 170. This calculation is completed for every half hour and the values summated over the billing period.
- 171. Only kVArh Import and kVArh Export values occurring at kWh Export are used.
- 172. The square root calculation will be to two decimal places.

Charging decimal places

- 173. DNO Parties will set unit charges (kWh) and reactive power charges (kVArh) to three decimal places. The rates for fixed charges and capacity charges and exceeded capacity charges will be set to two decimal places.

Part 3 — Network Unavailability Rebate Payments

174. A compensation payment may be payable to customers for network outages under two schemes.
175. The majority of customers are compensated under the Guaranteed Standards arrangements set out in The Electricity (Standards of Performance) Regulations 2015.
176. Customers who are off supply for greater than defined periods of time are entitled to a payment. This scheme applies to all demand customers and to all generators not included in the scheme described below.
177. For customers with generation connected at more than 1,000 volts and who have agreed a standard connection the following scheme will apply. This scheme is known as Distributed Generation Network Unavailability Rebate and payments will be calculated for each generator on the following basis:

$$\text{Payment} = A * B * (C - D)$$

Where:

A = the network unavailability price of £2 per MW per hour.

B = incentivised generator capacity; the highest active electrical power that can be generated (or the relevant incremental change of this amount in cases of the expansion of existing generation plant) by the generator for the year, according to the connection and/or use of system agreement(s).

C = network interruption duration; the total duration of all occurrences (in minutes) on the network each of which involves a physical break in the circuit between itself and the rest of the system or due to any other open circuit condition, which prevents the generator from exporting power. It excludes:

- 50 per cent of the total duration of cases where the DNO Party takes pre-arranged outages of its equipment for which the statutory notification has been issued to the generator;

- the cases where the generator has specific exemption agreements with the DNO Party in the connection and/or use of system agreement(s); and

- the cases which are part of exempted events in the quality of service incentive or the Guaranteed Standard Statutory Instrument (such exemptions include interruptions of less than three minutes duration and industrial action).

D = the baseline network interruption duration for the relevant year which either has a default value of zero or some other value agreed between the customer and the DNO Party and recorded within either; the connection offer, connection agreement and/or use of system agreement(s).

178. Distributed Generation Network Unavailability Rebate scheme payments will be calculated by the DNO Party on an annual basis (1st April - 31st March) and payments made shortly after the end of each year. This payment is automatic and does not need to be claimed by the generation customer. The de minimis level of rebate is £5 (and below that amount no payment will be made).

Part 4 – Transitional Protection for Customers affected by BSC Modification P432

179. This Part 4 sets out the transitional protection for Customers who may be affected by BSC Modification P432, being Customers with CT metering which are required to become half-hourly settled by migrating to Measurement Class C or E, or any other CT Metering Points catered for by MHHS which are migrating to become half-hourly settled on a site-specific basis.

180. This Part 4 forms part of the CDCM, but also applies to IDNO Parties and to DNO Parties acting outside of their distribution services area.

181. Subject to paragraph 183 below, where:

(a) a Customer takes a supply of electricity at a Premises where the electricity conveyed to the Premises is recorded through a CT meter; and

(b) the Metering Point for such Premises has been migrated to either Measurement Class C or E for P432 or required to become half-hourly settled for MHHS,

then, following the date of the migration of the Premises, the Domestic Aggregated or CT tariff, or the Non-Domestic Aggregated or CT tariff as applicable shall be applied.

182. Within 6 months following the period of 12 months from the date of the first migration of a Premises, the DNO/IDNO Party shall reasonably assess the capacity based on metered data and agree with the customer an appropriate MIC. In the event the DNO/IDNO and customer are unable to agree a MIC, it will be set on the highest peaked import capacity and the customer shall be informed of the new MIC (in accordance with the NTC notice provisions).

183. In this Part 4, the following definitions shall apply:

BSC Modification P432 means the modification to the BSC referred to as modification ‘P432, Half Hourly Settlement for CT Advanced Metering Systems’, which was approved by the Authority on [date].

Commented [JL13]: Enter date once known
Ofgem decision suggested as January 2024

Glossary of Terms used in this Schedule 16

In this Schedule 16, except where the context otherwise requires, the expressions in the left-hand column below shall have the meaning given to them in the right-hand column below:

<i>Term</i>	<i>Meaning</i>
allowed revenue	the DNO Party’s “Combined Allowed Distribution Network Revenue” (as defined in the DNO Party’s price control conditions).
all-the-way tariff	a tariff applicable to an end user rather than an LDNO.
boundary tariff	a tariff for use of the DNO Party’s network by an LDNO where charges are based on boundary flows.
CDCM	the Common Distribution Charging Methodology.
charging year	the 12-month period ending on a 31st March for which charges and credits are being calculated.
coincidence factor	for a user category, aggregate load at the time of the DNO Party’s system simultaneous maximum load divided by maximum aggregate load.
<u>Connection Type</u>	<u>has the meaning given to the term on the Energy Market Data Specification</u>
Common Distribution Charging Methodology	the methodology of that name with which the DNO Party is obliged to comply under its Distribution Licence.
contribution proportion	the proportion of asset annuities which are deemed covered by customer contributions. This is defined for each combination of a tariff and a network level.
customer contribution	capital charges payable by customers under the DNO Party’s connection charging policy.

<i>Term</i>	<i>Meaning</i>
CT	Current Transformer, indicating metering which uses current transformers to induce a reference current which is then passes through the meter (as compared to non-CT or whole current metering, where the full electrical current passes through the meter).
distribution time bands	the time bands described in paragraphs 40, 41 and 135.
diversity allowance	the extent, expressed as a percentage, to which the sum of the maximum load across all assets in the modelled network level is expected to exceed the simultaneous maximum load for the network level as a whole, as per paragraph 27.
<u>Domestic Premise Indicator</u>	<u>has the meaning given to the term in the Energy Market Data Specification</u>
DRM	distribution reinforcement model. This may refer either to a 500 MW network model or to a cost allocation method based on such a model.
EDCM	means the EHV distribution charging methodology as described in Schedule 17 or Schedule 18 (as applicable to each DNO Party).
EHV	EHV refers to nominal voltages of at least 22kV and less than 132kV; network elements with a nominal voltage of 132kV are excluded from EHV for the purpose of this Schedule 16.
Eligible Bad Debt	means any bad debts with respect to Use of System Charges that the DNO Party can recover in accordance with the DNO Party's Distribution Licence. For the avoidance of doubt, this definition includes the DNO Party's bad debt and bad debt which the DNO Party is recovering on behalf of LDNOs.
embedded network	an electricity distribution system operated by an LDNO and embedded within the DNO Party's network.

Commented [JL14]: Amended by CD4-080 and CD4-167 comments in the Transition tranche (Typo - previously said Energy Data Market Specification).

<i>Term</i>	<i>Meaning</i>
end user	is a user, but excluding LDNOs.
excluded revenue	revenue from “Excluded Services” (as defined in the price control conditions).
Forecast Business Plan Questionnaire or FB PQ	the questionnaire that the DNO Party is required to submit under the Regulatory Instructions and Guidance issued by the Authority under the DNO Party's Distribution Licence.
GSP	grid supply point: where the network is connected to a transmission network.
HV	nominal voltages of at least 1kV and less than 22kV.
kV	Kilovolt (1,000 Volts): a unit of voltage.
kVAr	Kilo Volt Ampere reactive: a unit of reactive power flow.
kVArh	Kilo Volt Ampere reactive hour: a unit of total reactive power flow over a period of time.
kW	Kilowatt (1,000 Watts): a unit of power flow.
kWh	Kilowatt hour: a unit of energy.
LDNO	a licensed distribution network operator, meaning an IDNO Party or DNO Party operating an electricity distribution system outside of its Distribution Services Area.
load factor	for a user category, average load divided by maximum aggregate load.
LV	nominal voltages of less than 1kV.

<i>Term</i>	<i>Meaning</i>
LV Mains	LV distributing mains where: <ul style="list-style-type: none"> (a) the upper boundary is at the secondary side (LV) of a distributor transformer; and (b) the lower boundary is the point of connection associated with the LV service.
LV Services	the service line from the LV main to the DNO's protection device situated upon the customer's premises, including the joint and associated components connecting the service line to the distributing main.
Measurement Class	has the meaning given to that expression in the BSC.
modern equivalent asset and modern equivalent asset value	is a reference to the cost of replacing an asset at the time of the calculation.
MPAN	the unique number identifying a particular Metering Point or Metering System.
MVA	Mega Volt Ampere (1,000 kVA): a unit of network capacity.
MW	Megawatt (1,000 kW): a unit of power flow.
MWh	Megawatt hour (1,000 kWh): a unit of energy.
network	the DNO Party's Distribution System within the DNO Party's Distribution Services Area.
network level	the network is modelled as a stack of circuit and transformation levels between supplies at LV and the transmission network. A network level is any circuit or transformation level in that stack. Additional network levels are used for transmission exit and for LV and HV customer assets.

<i>Term</i>	<i>Meaning</i>
network model	a costed design for a 500 MW extension to the DNO Party's network, as described in paragraph 16.
peaking probability	is the peaking probability described in paragraph 49.
power factor	the ratio of energy transported (kW) to network capacity used (kVA).
portfolio tariff	a tariff for use of the DNO Party's network by an LDNO where charges are based on flows out of/into the LDNO's electricity distribution system from its end users or further nested networks.
price control conditions	the charge restriction conditions contained as special conditions within the DNO Party's Distribution Licence.
profile class	has the meaning given to that expression in the Balancing and Settlement Code.
regulatory asset value	is the DNO Party's regulatory asset value as described in the Regulatory Instructions and Guidance issued by the Authority under the DNO Party's Distribution Licence.
Related MPAN	has the meaning given to the expression "Related Metering Points" in the Retail Energy Code.
RRP	regulatory reporting pack, a dataset produced each year by each DNO Party for the Authority.
service model	a costed design for the typical dedicated assets of a category of network users.
standing charge	any fixed or capacity charge that does not depend on actual use of the network.
Supercustomer	in relation to billing, is billing by <u>using aggregated data, as described in paragraph 128.</u> Settlement Class.

<i>Term</i>	<i>Meaning</i>
Supplier of Last Resort	a supply licensee to which a Last Resort Supply Direction applies, where Last Resort Supply Direction has the meaning given to that expression in the Supply Licence.
system simultaneous maximum load	the maximum load for the GSP Group as a whole.
time pattern regime or TPR	means a code that is used to identify the switching times of a meter register.
unit	where the context permits, the word unit refers to kWh.
unit rate	a charging or payment rate based on units distributed or units generated. Unit rates are expressed in p/kWh. Tariffs applied to multi-rate meters and/or using several time bands for charging have several unit rates.
user	refers to customers (whether demand customers or generators) and (where relevant) LDNOs.

SCHEDULE 19 – PORTFOLIO BILLING

1. APPLICATION OF THIS SCHEDULE

- 1.1 Notwithstanding Clause 36.3, this Schedule applies to, and is binding between, each DNO Party (for the one part) and each EDNO (for the second part).
- 1.2 This Schedule sets out the process for determining the data by reference to which the Use of System Charges payable by the EDNO to the DNO Party are to be calculated.
- 1.3 In this Schedule, an “**Embedded Distribution Network Operator**” or “**EDNO**” is, in respect of each DNO Party:
- (a) any IDNO Party; or
 - (b) any DNO Party acting outside of that DNO Party’s Distribution Services Area,
 - (c) which (in each case) has a Distribution System within a GSP Group associated with that DNO Party.

In this Schedule, a reference to the EDNO’s “**Connectees**” shall only be a reference to those Connectees to the Distribution Systems referred to in Paragraph 1.3 (and shall not include any Connectees to other Distribution Systems of the EDNO).

- 1.4 The Use of System Charges calculated in accordance with this Schedule shall be payable by the EDNO in accordance with Clause 44, and shall be subject to Clause 43.7 and paragraph 2 of Schedule 4 (as if the references to the User in those Clauses and that Schedule were to the EDNO).

2. AGGREGATED DEMAND DATA

- 2.1 In order to calculate the Use of System Charges attributable to the EDNO’s aggregated settled demand Connectees, the DNO Party will use the data provided to it by the SVAA ~~pursuant to section S and BSCP508 of the BSC.~~
- 2.2 Where a subsequent Settlement Run indicates that, as a result of such Settlement Run, the Use of System Charges are different from those previously billed, the DNO Party

shall calculate such difference and the interest thereon, and shall submit an invoice for such difference and interest as soon as is reasonably practicable after such Settlement Run. Such interest shall be calculated in accordance with the provisions of Schedule 3 (as if the invoice under Paragraph 2.1 was an Initial Account, and as if the invoice under this Paragraph 2.2 was a Reconciliation Account under Clause 20.4).

- 2.3 The DNO Party shall identify to the EDNO the amount of each such invoice which relates to each Settlement Run, broken down by Settlement Code.

3. SITE SPECIFIC DATA

- 3.1 In order to calculate the Use of System Charges attributable to the EDNO's site specific Connectees, the DNO Party will use data contained in the report provided by the EDNO pursuant to Paragraph 3.2 (subject to any revisions to reflect errors in such reports identified by the DNO Party pursuant to Paragraph 5).
- 3.2 The EDNO shall provide a report to the DNO Party, on or before the 15th day of each month, based on the amounts invoiced to Supplier/CVA Registrants by the EDNO pursuant to Clause 21 in respect of its Connectees, including all relevant data not previously reported to the DNO Party (and any adjustments to data previously reported). Where revised data is received by the EDNO and rebilled, a credit row and new debit row shall be added and reported in the spreadsheet under Paragraph 3.4.
- 3.3 The report shall contain the following data items in the following sequence for each invoice raised in respect of a half-hourly-settled Connectee:

- (a) the Market Domain I.D. or for MHHS the Market Participant ID of the EDNO;
- (b) the GSP Group code of the DNO Party;
- (c) the invoice reference number;
- (d) the unique site reference of the connection within the EDNO Distribution System;
- (e) the number of MPANs covered by the invoice;

(f) a list of the MPANs covered by the invoice (to be set out in accordance with Paragraph 3.5);

(g) the month and year of the consumption/production covered by the invoice;

(h) the Line Loss Factor Class Id (as defined in the Energy Market Data Specification) for each MPAN covered by the invoice (being, for each MPAN, the “LLFC Id”) or for MHHS the DUoS Tariff ID for each MPAN covered by the invoice;

(i) the fixed charge units (in days) covered by the invoice;

(j) the units (in kWh) consumed/produced during the DNO Party’s super red, red or black charging time bands, for the MPANs and in the period covered by the invoice;

(k) the units (in kWh) consumed/produced during the DNO Party’s amber or yellow charging time band, for the MPANs and in the period covered by the invoice;

(l) the units (in kWh) consumed/produced during the DNO Party’s green charging time band, for the MPANs and in the period covered by the invoice;

(m) the chargeable agreed capacity (in kVA) for the MPANs covered by the invoice;

(n) the chargeable excess capacity (in kVA) for the MPANs covered by the invoice;
and

(o) the chargeable reactive power units (in kVArh) for the MPANs covered by the invoice.

3.4 The report referred to in Paragraph 3.3 shall be provided in Excel 2003 spreadsheet format using the template in Appendix A to this Schedule 19, with each data item recorded in a separate column and row of the spreadsheet, all within the same tab.

3.5 Where a single invoice is in respect of multiple MPANs, the EDNO shall:

(a) include the rows for such invoices before the rows for single-MPAN invoices;

(b) include an initial row identifying the lead MPAN, with the remaining columns of that row populated with the invoice data for the MPANs collectively;

(c) include in the immediately following row(s) details for each of the other MPAN(s) covered by the invoice, and with the remaining columns of the row(s) populated with a zero; and

(d) in the case of a subsequent credit and/or rebill for some or all of those MPANs, quote the same lead MPAN on the first row.

3.6 Where any data item was not present or had a value of zero in the invoice raised, the report shall show zero for that data item.

3.7 Where there are no half-hourly-settled Connectees, the EDNO shall submit a nil return.

4. MPAN REPORT

4.1 On or before the 15th day of each month, the EDNO shall send to the DNO Party a list of the EDNO's MPANs for site specific half-hourly settled Connectees (including pseudo half-hourly metered UMS), together with the following information (in separate columns) for each such MPAN (as at the start of that month):

- (a) its trading status;
- (b) the date from which such trading status has been effective;
- (c) its energisation status; and
- (d) the date from which such energisation status has been effective.

4.2 Where there are no half-hourly-settled Connectees, the EDNO shall submit a nil return.

5. AUDIT

5.1 Upon not less than 15 Working Days' prior written notice, the DNO Party shall have the right to inspect and audit the consumption data and billing records of the EDNO relating to invoices referred to in Paragraph 3 or to check the accuracy of the LLFC Id [or for MHHS DUoS Tariff ID](#) determination under Paragraph 6.5. The EDNO shall ensure that all such data and billing records are maintained in accordance with customary recordkeeping and accounting standards.

5.2 The DNO Party shall only be entitled to exercise such right for the purposes of verifying the accuracy and completeness of the reports provided under Paragraph 3 or to check the LLFC Id or for MHHS DUoS Tariff ID determination under Paragraph 6.5, and shall only use the data obtained for those purposes.

5.3 The EDNO will allow the duly authorised representatives and auditors of the DNO Party who are to undertake any inspection or audit in accordance with this Paragraph 5 all reasonable assistance and adequate facilities for the proper exercise of such inspection or audit.

6. LINE LOSS FACTOR CLASS OR DUOS TARIFF ID

6.1 Subject to paragraph 6.5, the DNO Party shall use the EDNO's LLFC Id description contained in the Market Domain Data or for MHHS the EDNO's DUoS Tariff ID contained in the Industry Standing Data (each as defined in the BSC) to enable the DNO Party to identify the voltage of connection of the EDNO's Connectee and the voltage of connection of the EDNO's Distribution System, and shall notify the EDNO which of the DNO Party's charges will be applied by the DNO Party in respect of each Connectee for the purposes of the Use of System Charges the DNO Party levies on the EDNO.

6.2 Where the EDNO introduces new LLFC Ids or DUoS Tariff IDs, or changes the use of existing LLFC Ids or DUoS Tariff IDs, it shall (within 15 Working Days of the same being published in the Market Domain Data or in the Industry Standing Data) notify the DNO Party of the new or changed LLFC Id or DUoS Tariff ID.

6.3 Where the EDNO has introduced new or changed LLFC Ids or DUoS Tariff IDs, the EDNO shall notify the DNO Party which of the DNO Party's charges the EDNO believes should apply in respect of the affected Connectees. The DNO Party shall nevertheless apply the charges as it considers appropriate, but any dispute regarding invoices shall be determined in accordance with Schedule 4.

6.4 Where the DNO Party alters the way in which it translates the EDNO's LLFC Ids or DUoS Tariff IDs into the DNO Party's charges, the DNO Party shall advise the EDNO of the change within 15 Working Days after such change.

- 6.5 Where an EDNO has UMS Connectees, the EDNO shall apply a LLFC Id or DUoS Tariff ID that reflects the voltage of the Points of Connection on the EDNO's Distribution System (as referred to in Paragraph 1.3) that provide the majority (i.e. more than 50%) of energised domestic connections on that Distribution System. Where no Points of Connection provide the majority of energised domestic connections, the EDNO and DNO Party shall negotiate in good faith to determine the LLFC Id or DUoS Tariff ID that should most reasonably apply.
- 6.6 The LLFC Id or DUoS Tariff ID applying pursuant to Paragraph 6.5 will be applied to the entire portfolio of UMS Connectees on the EDNOs Distribution System that are registered under the same Standard Settlement Configuration.
- 6.7 The DNO Party shall have the right to review the data provided to it by the SVAA pursuant to Paragraph 2.1 for the purpose of verifying the accuracy of the LLFC Id or DUoS Tariff ID applied by the EDNO to its UMS Connectees.

7. NOTICES

- 7.1 The EDNO shall provide all reports and other information that it is required to provide to the DNO Party in accordance with this Schedule by email to an address specified to the EDNO by the DNO Party, as varied from time to time.

Appendix A

EDNO MPID	GSP	Invoice No.	Unique Site Ref. ²	No. of MPANs	MPAN	Consumption Month & Year	LLFC <u>or</u> <u>DUoS Tariff</u> <u>ID</u> EDNOs ³	Standing Charge Days	Red or Black or Super Red Units kWh	Amber or Yellow Units kWh	Green Units kWh	Charged Capacity kVA	Charged Excess Capacity kVA	Charged Reactive Units kVARh

² Where multi-MPANs are covered by the same invoice, the lead MPAN will always be on the first row which row will contain the data for the MPANs collectively, as described in Paragraph 3.5.

³ Notwithstanding Paragraph 3.5, where multiple MPANs covered by the same invoice have different LLFC Ids or DUoS Tariff IDs, the LLFC Id or DUoS Tariff ID for each MPAN shall be identified separately in the applicable row.

SCHEDULE 21-PORTFOLIO BILLING FOR NESTED NETWORKS

1. APPLICATION OF THIS SCHEDULE

1.1 Notwithstanding Clause 36.3, unless the Primary NDNO notifies the Secondary NDNO otherwise, this Schedule applies to, and is binding between, each Primary NDNO (for the one part) and each Secondary NDNO (for the second part).

1.2 This Schedule sets out the process for determining the data by reference to which the Use of System Charges payable by the Secondary NDNO to the Primary NDNO are to be calculated in respect of Nested Networks.

1.3 In this Schedule, unless the context otherwise requires:

“**Embedded Network**” means the Distribution System of an EDNO (as defined in Schedule 19 (Portfolio Billing)).

(a) “**NDNO**” means any DNO/IDNO Party whose Distribution System forms part of a Nested Network.

(b) “**Nested Network**” means, where there are one or more Distribution Systems connected downstream of an Embedded Network, the Embedded Network and each of those Distribution Systems.

(c) “**Primary NDNO**” means any NDNO that has installed assets that change the network level (as defined in Schedule 16 (Common Distribution Charging Methodology)).

(d) “**Secondary NDNO**” means any NDNO whose Distribution System forms part of a Nested Network connected downstream from the Primary NDNO.

1.4 In this Schedule, a reference to the Secondary NDNO’s “Connectees” shall only be a reference to those Connectees to the Distribution Systems referred to in Paragraph 1.3 (e) (and shall not include any Connectees to other Distribution Systems of the Secondary NDNO).

1.5 The Use of System Charges calculated in accordance with this Schedule shall be payable by the Secondary NDNO in accordance with Clause 44, and shall be subject to

Clause 43.7 and paragraph 2 of Schedule 4 (as if the references to the User in those Clauses and that Schedule were to the Secondary NDNO and references to the Company in those Clauses and that Schedule were to the Primary NDNO).

2. **AGGREGATED DATA**

- 2.1 In order to calculate the Use of System Charges attributable to a Secondary NDNO's aggregated settled Connectees, the Primary NDNO will use data contained in the report provided by the Secondary NDNO pursuant to Paragraph 2.3 (subject to any revisions to reflect errors in such reports identified by the Primary NDNO pursuant to Paragraph 5).
- 2.2 The Secondary NDNO shall provide a report to each Primary NDNO, within 5 Working Days of receiving relevant consumption data for the aggregated Connectees on the Secondary NDNO's Distribution System that are connected (either directly or indirectly via another NDNO's Distribution System) to the Primary NDNO's Distribution System, including all relevant data not previously reported to the Primary NDNO (and any adjustments to data previously reported).
- 2.3 The report shall be derived from the Use of System Charge received from the DNO Party as a consequence of the data provided to the DNO Party under paragraph 2 of Schedule 19 and shall contain the following data items in the following sequence in respect of aggregated Connectees:
- (a) the Market Domain I.D. or for MHHS the Market Participant ID of the Secondary NDNO;
 - (b) the GSP Group code of the DNO Party;
 - (c) the name or other reference identifying the Secondary NDNO Distribution System;
 - (d) the month of consumption covered by the report;
 - (e) the voltage at which the Secondary NDNO's Distribution System is connected to the Primary NDNO's Distribution System (or any other Distribution System forming part of the same Nested Network); and

(f) for each Settlement Run the:

- (i) Settlement Class (comprising Line Loss Factor Class Id, Profile Class, Standard Settlement Configuration Id and the Time Pattern Regime) or for MHHS the DUoS Tariff ID;
- (ii) Settlement Class MSiD Count or Daily Tariff Number of MSIDs, as applicable (for each Primary NDNO); and
- (iii) Settlement Class Unit Count or Daily Uncorrected Volume for Charge Band, as applicable (this being the average number of units for that Settlement Class or DUoS Tariff ID, as applicable multiplied by the Settlement Class MSiD Count or Daily Tariff Number of MSIDs, as applicable, for each Primary NDNO);

and where there are no billable aggregated Connectees a nil return shall be provided.

- 2.4 The report referred to in Paragraph 2.3 shall be provided in Excel 2003 format with each data item in a separate column.

3. SITE SPECIFIC DATA

- 3.1 In order to calculate the Use of System Charges attributable to a Secondary NDNO's site specific settled Connectees, the Primary NDNO will use data contained in the report provided by the Secondary NDNO pursuant to Paragraph 3.2 (subject to any revisions to reflect errors in such reports identified by the Primary NDNO pursuant to Paragraph 5).
- 3.2 The Secondary NDNO shall provide a report, in the same data format as that referred to in paragraph 3.3 of Schedule 19, to each Primary NDNO, on or before the 15th day of each month, based on the amounts invoiced to Supplier/CVA Registrants by the Secondary NDNO pursuant to Clause 21 in respect of its Connectees on the Secondary NDNO's Distribution System that are connected (either directly or indirectly via another NDNO's Distribution System) to the Primary NDNO's Distribution System, including all relevant data not previously reported to the Primary NDNO (and any adjustments to data previously reported).

- 3.3 The report referred to in Paragraph 3.2 shall be provided in Excel 2003 format with each data item in a separate column.

4. MPAN REPORT

- 4.1 On or before the 15th day of each month, the Secondary NDNO shall send to the Primary EDNO a list of the Secondary NDNO's MPANs for site specific settled Connectees (including pseudo site specific metered UMS), together with (in a separate column) the trading status, energisation status and their effective from dates for each MPAN as at the start of that month.

5. AUDIT

- 5.1 Upon not less than 15 Working Days' prior written notice, the Primary NDNO shall have the right to inspect and audit the consumption data and billing records of the Secondary NDNO relating to the invoices referred to in Paragraph 2 and Paragraph 3 or to check the accuracy of the LLFC Id or for MHHS the DUoS Tariff ID determination under Paragraph 6.4. The Secondary NDNO shall ensure that all such data and billing records are maintained in accordance with customary record keeping and accounting standards.
- 5.2 The Primary NDNO shall only be entitled to exercise such right for the purposes of verifying the accuracy and completeness of the reports provided under Paragraph 2 and Paragraph 3 or to check the LLFC Id or for MHHS the DUoS Tariff ID determination under Paragraph 6.4 and shall only use the data obtained for those purposes.
- 5.3 The Secondary NDNO will allow the duly authorised representatives and auditors of the Primary NDNO who are to undertake any inspection or audit in accordance with this Paragraph 5, all reasonable assistance and adequate facilities for the proper exercise of such inspection or audit.

6. LINE LOSS FACTOR CLASS OR DUOS TARIFF ID

- 6.1 Subject to paragraph 6.4, the Primary EDNO shall use the Secondary NDNO's LLFC Id description contained in Market Domain Data or the Secondary NDNO's DUoS Tariff ID contained in Industry Standing Data (each as defined in the BSC) to enable

the Primary NDNO to identify the voltage of connection of the Secondary NDNO's Connectees and shall use the report outlined in Paragraph 2.3 to identify the voltage of the connection of the Secondary NDNO's Distribution System to the Primary NDNO's Distribution System, and shall notify the Secondary NDNO which of the Primary NDNO's charges will be applied by the Primary NDNO in respect of each Connectee for the purposes of the Use of System Charges the Primary NDNO levies on the Secondary NDNO.

- 6.2 Where the Secondary NDNO introduces new LLFC Ids or changes the use of existing LLFC Ids or DUoS Tariff IDs, it shall (within 15 Working Days of the same being published in the Market Domain Data or in the Industry Standing Data) notify the Primary NDNO of the new or changed LLFC Id or DUoS Tariff IDs.
- 6.3 Where the Secondary NDNO has introduced new or changed LLFC Ids or DUoS Tariff IDs, the Secondary NDNO shall notify the Primary NDNO which of the Primary NDNO's charges the Secondary NDNO believes should apply in respect of the affected Connectees. The Primary NDNO shall nevertheless apply the charges as it considers appropriate, but any dispute regarding invoices shall be determined in accordance with Schedule 4.
- 6.4 Where a Secondary NDNO has UMS Connectees, the Secondary NDNO shall apply a LLFC Id or DUoS Tariff IDs that reflects the voltage of the Points of Connection on the Secondary NDNO's Distribution System (as referred to in Paragraph 1.3) that provide the majority (i.e. more than 50%) of energised domestic connections on that Distribution System. Where no Points of Connection provide the majority of energised domestic connections, the Secondary NDNO and Primary NDNO shall negotiate in good faith to determine the LLFC Id or DUoS Tariff IDs that should most reasonably apply.
- 6.5 The LLFC Id or DUoS Tariff IDs agreed pursuant to Paragraph 6.4 will be applied to the entire portfolio of UMS Connectees to the Secondary NDNOs Distribution System that are registered under the same Standard Settlement Configuration.
- 6.6 The Primary NDNO shall have the right to review the data provided to it by the Secondary DNO pursuant to Paragraph 2.1 for the purpose of verifying the accuracy of

the LLFC Id or DUoS Tariff IDs applied by the Secondary NDNO to its UMS Connectees.

7. NOTICES

- 7.1 The Secondary NDNO shall provide all reports and other information that it is required to provide to the Primary NDNO in accordance with this Schedule by email to an address specified to the Secondary NDNO by the Primary NDNO, as varied from time to time.

SCHEDULE 32 – RESIDUAL CHARGING BANDS

1. SCOPE

- 1.1 Residual charges are levied once forward-looking charges have been applied, to ensure the DNO Party recovers the revenue allowed under the price control conditions.
- 1.2 In the case of Unmetered Supplies, all residual charges will be applied on a consumption basis, so premises which receive Unmetered Supplies are not subject to this Schedule.
- 1.2A Furthermore, premises with a Back-up Connection will not be subject to residual charges in respect of the Back-up Connection. One or more premises connected via a Back-up Connection will not be counted as a Single Site in their own right (and so cannot be assessed as a separate Final Demand Site for the purposes of residual charging), but those premises will still comprise or form part of the Single Site connected pursuant to the Connection Agreement governing the primary connection.
- 1.3 Subject to Paragraphs 1.2 and 1.2A, residual fixed charges will be applied to all premises other than Non-Final Demand Sites.
- 1.4 This Schedule describes how the charging bands for residual fixed charges are to be determined in respect of Non-Domestic Premises. Domestic Premises are allocated to a single charging band and are not therefore covered by this Schedule.
- 1.5 Non-Domestic Premises which are Final Demand Sites are divided into a number of groups as follows (as such groups are further described in Schedule 16 and Schedule 17 or 18):
- (a) Designated EHV Properties;
 - (b) Designated Properties connected at HV;
 - (c) Designated Properties connected at LV, with a Maximum Import Capacity as the basis for their current Use of System Charge; and
 - (d) Designated Properties connected at LV, without a Maximum Import Capacity as the basis for their current Use of System Charges.

- 1.6 Each of these groups will then be sub-divided into four charging bands based on the criteria set out in Paragraph 2.1.
- 1.7 These charging bands will be reviewed periodically and be implemented effective from the beginning of each onshore electricity transmission owner price control period.
- 1.8 This Schedule sets out:
- (a) the process for the initial determination of the charging bands for each group of Final Demand Sites to apply from 1 April 2022 to 31 March 2026 (see Paragraph 2);
 - (b) the process to be used to review and determine the charging bands for subsequent onshore electricity transmission owner price control periods (see Paragraph 3);
 - (c) the process for allocating Final Demand Sites to each of those charging bands (see Paragraph 4); and
 - (d) the processes via which a site can be moved from one charging band to another part way through an onshore electricity transmission owner price control period (see Paragraphs 5, 5A, 6 and 7).
- 1.9 The Use of System tariffs that will be applicable to each of the groups of Final Demand Sites identified under Paragraph 1.5 will be defined in Schedule 16, 17 or 18.
- 1.10 The DNO/IDNO Party will use the criteria in the table below to determine whether a Single Site is considered to be a Final Demand Site or a Non-Final Demand Site, and therefore whether or not to apply the residual fixed charge to that site.

Criteria	Meets the criteria	Outcome
DNO/IDNO Party has been provided with valid certification that a Single Site is a Non Final Demand Site	Yes	Single Site is a Non-Final Demand Site
	No	Single Site is a Final Demand Site

2. INITIAL DETERMINATION OF CHARGING BANDS

2.1 On or before 30 September 2020, each DNO/IDNO Party shall provide to the Banding Agent the following information (and shall take reasonable steps to ensure that such information is accurate):

(a) for each Final Demand Site within the groups identified in Paragraph 1.5(a), 1.5(b) or 1.5(c), the Maximum Import Capacity used as the basis for the Use of System Charge billed by the DNO/IDNO Party in August 2020, which will be in respect of the Maximum Import Capacity held as at July 2020; and

(b) for each Final Demand Site within the group identified in Paragraph 1.5(d):

(i) if half hourly settled, a calculated estimate of the annual metered import consumption prior to August 2020; or

(ii) if non-half hourly settled, the Estimated Annual Consumption from the August 2020 P0222 Report (or, if that is not available, the most recent Estimated Annual Consumption from an earlier P0222 Report).

2.2 On or before 31 October 2020, the Banding Agent shall provide to each DNO/IDNO Party the boundaries of each charging band for each of the groups of Final Demand Sites identified under Paragraph 1.5, such boundaries being at the 40th, 70th and 85th percentiles when all the Final Demand Sites in the given group (on a GB-wide basis) are listed in ascending order of Maximum Import Capacity or annual consumption (using the figures provided under Paragraph 2.1).

2.3 Each of these boundaries will then be rounded-up to the nearest kVA/kWh integer.

2.4 These rounded boundaries will then be used to identify four charging bands within each of the groups of Final Demand Sites identified under Paragraph 1.5 as follows:

(a) Residual Charging Band 1: where the Maximum Import Capacity or annual consumption (as applicable) is less than or equal to the 40th percentile band boundary;

(b) Residual Charging Band 2: where the Maximum Import Capacity or annual consumption (as applicable) is greater than the 40th percentile band boundary and less than or equal to the 70th percentile band boundary;

(c) Residual Charging Band 3: where the Maximum Import Capacity or annual consumption (as applicable) is greater than the 70th percentile band boundary and less than or equal to the 85th percentile band boundary; and

(d) Residual Charging Band 4: where the Maximum Import Capacity or annual consumption (as applicable) is greater than the 85th percentile band boundary.

2.5 On or before 31 December 2020, each DNO/IDNO Party shall provide each Supplier Party with a list of each and every MPAN associated with a Non-Domestic Premises that is connected to the DNO/IDNO Party's Distribution System, identifying the charging band to which each such MPAN has been allocated, the LLFC Id which is assigned to the MPAN, and the provisional LLFC Id which will be assigned to the MPAN with effect from 1 April 2022.

3. **REVIEW OF CHARGING BANDS**

3.1 On or before 31 March in the Regulatory Year (t-3) three years prior to the commencement of the onshore electricity transmission owner price control period (t), each DNO/IDNO Party shall provide to the Banding Agent the following information (and shall take reasonable steps to ensure that such information is accurate):

(a) for each Final Demand Site within the groups identified in Paragraph 1.5(a), 1.5(b) or 1.5(c), the Maximum Import Capacity used as the basis for the Use of System Charge billed by the DNO/IDNO Party in February of that Regulatory Year, which will be in respect of the Maximum Import Capacity held as at January in that Regulatory Year.

(b) for each Final Demand Site within the group identified in Paragraph 1.5(d):

- (i) if half hourly settled, a calculated estimate of the annual metered import consumption or for MHHS where available the Annual Consumption in the IF-040 Report prior to February of that Regulatory Year; or
- (ii) if non-half hourly settled, the Estimated Annual Consumption from the P0222 Report for the February of that Regulatory Year (or, if that is not available, the most recent Estimated Annual Consumption from an earlier P0222 Report).

- 3.2 On or before 30 April following the 31 March referred to in Paragraph 3.1, the Banding Agent shall provide to each DNO/IDNO Party the boundaries for each charging band for each group of Final Demand Sites on the same basis as that set out in Paragraph 2.2.
- 3.3 Each of these boundaries will be rounded-up on the same basis as that set out in Paragraph 2.3.
- 3.4 These rounded boundaries will then be used to identify four charging bands within each of the groups of Final Demand Sites identified under Paragraph 1.5 on the same basis as that set out in Paragraph 2.4.
- 3.5 On or before 30 June following the 31 March referred to in Paragraph 3.1, each DNO/IDNO Party shall provide each Supplier Party with a list of each and every MPAN associated with a Non-Domestic Premises that is connected to the DNO/IDNO Party's Distribution System, identifying the charging band to which each such MPAN has been allocated (in accordance with the allocation rules in Paragraph 4).
- 3.6 The charging bands revised in accordance with this Paragraph 3 will be applicable from the commencement of the next onshore electricity transmission owner price control period commencing after completion of the review under this Paragraph 3.

4. ALLOCATION OF CUSTOMERS TO CHARGING BANDS BY DNO/IDNO PARTIES

- 4.1 For Final Demand Sites within the groups identified in Paragraph 1.5(a), 1.5(b) or 1.5(c), each DNO/IDNO Party shall allocate its Final Demand Sites to the relevant charging band based on the following criteria (subject to Paragraph 4.2A):
- (a) if 24 months of data is available, the average Maximum Import Capacity over that period; or if not available
 - (b) allocation to a charging band will be based on the following criteria:
 - (i) the average of Maximum Import Capacity over that period for which data is available; or

- (ii) if no such data is available, other available information that is appropriate for a typical profile of a similar site to best estimate the expected demand of the Final Demand Site.

4.2 For Final Demand Sites within the group identified in Paragraph 1.5(d), each DNO/IDNO Party shall allocate its Final Demand Sites to the relevant charging band based on the following criteria (subject to Paragraph 4.2A):

(a) for a Final Demand Site that is half hourly settled:

- (i) if 24 months of data is available, the average annual import consumption based on metered data over the 24 months; or if not available
- (ii) when a minimum of 12 months of data is available, the average annual import consumption over the period for which metered data is available or for MHHS where available the Annual Consumption in the IF-040 Report; or if not available
- (iii) other available information that is appropriate for a typical profile of a similar site to best estimate the expected annual import consumption of the Final Demand Site.

(b) for a Final Demand Site that is non-half hourly settled:

- (i) the most recent Estimated Annual Consumption for that Final Demand Site; or if not available
- (ii) the Default Estimated Annual Consumption for that class of Final Demand Site; or if not available
- (iii) other available information that is appropriate for a typical profile of a similar site to best estimate the expected annual import consumption of the Final Demand Site.

4.2A If a Final Demand Site has been reallocated to a different charging band in accordance with Paragraph 6.1 or 7.17 with effect from a time which falls within the 24 months before the time of the assessment under Paragraph 4.1 or 4.2, then the time period used for the purposes of such assessment shall be the time since the date when the last band reallocation became effective.

- 4.3 Each Final Demand Site will be allocated in accordance with Paragraphs 4.1 to 4.2A to the charging band where its capacity or consumption (as applicable) is greater than the minimum threshold for that charging band, and less than or equal to the maximum threshold for that charging band (as determined under Paragraph 2 or 3).
- 4.4 The allocation of each Final Demand Site will be re-assessed by the DNO/IDNO Party prior to the start of each onshore electricity transmission owner price control period, following the relevant review under Paragraph 3.
- 4.5 Subject to Paragraphs 4.6 and 5A, Final Demand Sites will remain in a charging band for the duration of the onshore transmission owner price control period, subject to any exceptional circumstances as defined in Paragraph 6 and/or a successful dispute as defined in Paragraph 7.
- 4.6 During the period to 31 October 2021, a site may be re-classified as a Final Demand Site (from a Non-Final Demand Site) or as a Non-Final Demand Site (from a Final Demand Site) in accordance with Paragraph 5.

5. TRANSITIONAL PERIOD AS A RESULT OF A RE-CLASSIFICATION OF A SINGLE SITE

- 5.1 Subject to Paragraph 5.3, a DNO/IDNO Party shall no longer treat a Single Site as a Final Demand Site (and shall re-classify it as a Non-Final Demand Site) if the DNO/IDNO Party has, by no later than 31 July 2021, been provided with the certification necessary to satisfy the definition of a Non-Final Demand Site.
- 5.2 Subject to Paragraph 5.3, a DNO/IDNO Party shall no longer treat a Single Site as a Non-Final Demand Site (and shall re-classify it as a Final Demand Site) if the DNO/IDNO Party has not, by 31 July 2021, been provided with the certification necessary to satisfy the definition of a Non-Final Demand Site.
- 5.3 Where Paragraph 5.1 or 5.2 applies, the DNO/IDNO Party will notify the relevant Customer's import/export Registrant(s) of the re-classification and the new charging band by 31 August 2021. A Customer, its Registrant or an agent authorised to act on the Customer's behalf (in each such case, the 'appointed agent') can challenge the new charging band by notifying the DNO/IDNO Party of such challenge by no later than 30

September 2021. Where a DNO/IDNO Party and the Customer (or its appointed agent) cannot come to an agreement with respect to the new charging band by 31 October 2021, then the charging band determined by the DNO/IDNO Party shall be used (subject to Paragraphs 5A, 6 and/or 7).

5A. RE-CLASSIFICATION OF A SINGLE SITE

5A.1 A DNO/IDNO Party shall no longer treat a Single Site as a Final Demand Site (and shall re-classify it as a Non-Final Demand Site) if the DNO/IDNO Party at any time has been notified that the Single Site is an Eligible Services Facility and has been provided with the certification necessary to satisfy the definition of a Non-Final Demand Site.

5A.1A For premises with a Back-up Connection which were previously treated as a separate Final Demand Site (in addition to being treated as comprising or forming part of another Final Demand Site pursuant to the primary connection), where the evidence necessary to satisfy the definition of a Back-up Connection has been provided to and accepted by the DNO/IDNO Party, no residual charges shall apply to those premises in respect of the Back-up Connection.

5A.2 Where Paragraph 5A.1 or 5A.1A applies the:

(a) DNO/IDNO Party will notify the relevant Customer's import/export Registrant(s) of the re-classification by the end of the following month;

(b) re-classification shall apply from the next billing period; and

(c) the Registrant may be eligible for a rebate (applied from the date on which the DNO/IDNO Party received the necessary certification under Paragraph 5A.1 or the necessary evidence under Paragraph 5A.1A).

**6. EXCEPTIONAL CIRCUMSTANCES AND ANNUAL ALLOCATION
REVIEW RESULTING IN RE-ALLOCATION TO A DIFFERENT BAND WITHIN A
PRICE CONTROL PERIOD**

Exceptional circumstances

6.1 A Final Demand Site may be reallocated to a different charging band if one or more of the following criteria apply (following the Final Demand Site's allocation to a charging band under Paragraph 4):

(a) the voltage of connection of the Final Demand Site changes;

(b) the Final Demand Site has a change of use or change of site configuration, and this is reflected by a significant change (as further described in Paragraph 6.3) to its:

(i) Maximum Import Capacity; or

(ii) forecast annual consumption;

(c) the Final Demand Site moves from one of the groups identified in Paragraph 1.5 to another, and as a result it becomes a site for which the Maximum Import Capacity is to be used under Paragraph 2.1 (when annual consumption was previously to be used) or becomes a site for which annual consumption is to be used under Paragraph 2.1 (when Maximum Import Capacity was previously to be used); and/or

(d) the Final Demand Site is a Phased Capacity Site.

6.2 Where a Customer or its Registrant applies to the DNO/IDNO Party to have a Final Demand Site reallocated as described in Paragraph 6.1(b), such application must be accompanied by:

(a) for Paragraph 6.1(b)(i), a signed Connection Agreement for the Final Demand Site, and a signed letter from the Customer's company director (or equivalent) confirming exceptional and significant changes to the use of the site; or

(b) for Paragraph 6.1(b)(ii), a signed letter from the Customer's company director (or equivalent) confirming exceptional and significant changes to consumption

(including historical consumption) for the Final Demand Site and the reason for the change of use or change of site configuration.

6.3 The exceptional circumstances described in Paragraph 6.1(b) will be subject the following materiality threshold:

(a) (subject to Paragraph 6.3(b)) for Final Demand Sites allocated in accordance with Paragraph 4.1(a) or 4.1(b)(i), the Maximum Import Capacity at the Final Demand Site must have either increased or decreased by more than 50 percent in comparison to the Maximum Import Capacity of the Final Demand Site at the end of the period used for the purposes of such allocation (and the average Maximum Import Capacity is not to be used as the comparator);

(b) for Final Demand Sites allocated in accordance with Paragraph 4.1(a) or 4.1(b)(i) and then re-allocated under Paragraph 6.1, the Maximum Import Capacity at the Final Demand Site must have either increased or decreased by more than 50 percent in comparison to the Maximum Import Capacity of the Final Demand Site at the end of the period used for the purposes of such re-allocation (and the average Maximum Import Capacity is not to be used as the comparator);

(c) Final Demand Sites allocated in accordance with Paragraph 4.1(b)(ii) may only be re-allocated under Paragraph 6.1 following their re-allocation under Paragraph 6.7, and only if the Maximum Import Capacity at the Final Demand Site has either increased or decreased by more than 50 percent in comparison to the Maximum Import Capacity of the Final Demand Site at the end of the period used for the purposes of such re-allocation (and the average Maximum Import Capacity is not to be used as the comparator); and/or

(d) for Final Demand Sites allocated under Paragraph 4.2 (whether or not re-allocated under this Paragraph 6), the forecast annual consumption at the Final Demand Site must have increased or decreased by more than 50 percent in comparison to the consumption which was used for the purposes of the allocation which the applicant is seeking to have changed.

6.4 Reallocation of a Final Demand Site to a different charging band may result in the Registrant for the Final Demand Site being either eligible for a rebate (which shall be backdated to the time when the request was received) or subject to an additional charge

(which shall be backdated to the date on which the DNO/IDNO Party notified the Registrant of the charge's application). The revised charging band will be applied from the next billing period.

- 6.4A Where Paragraph 6.1(d) applies, the DNO/IDNO Party shall, each time that the Maximum Import Capacity of the Phased Capacity Site is increased, re-allocate the Final Demand Site based on the revised Maximum Import Capacity.

Annual allocation review of new Final Demand Sites including those allocated based on no recorded data

- 6.5 Subject to Paragraph 6.6, each September, each DNO/IDNO Party shall review the allocation of all Final Demand Sites allocated to a charging band in accordance with Paragraph 4.1(b)(ii), Paragraph 4.2(a)(iii), Paragraph 4.2(b)(ii) and Paragraph 4.2(b)(iii). This is known as the “Annual Allocation Review” and may result in a Final Demand Site being reallocated from its current charging band (the “Old Charging Band”) to a new charging band (the “New Charging Band”). The Annual Allocation Review does not apply to Phased Capacity Sites.
- 6.6 Without prejudice to Paragraph 6.1, once each Final Demand Site has been allocated in accordance with Paragraph 4, it will be subject to the Annual Allocation Review only once.
- 6.7 For Final Demand Sites allocated in accordance with Paragraph 4.1(b)(ii), and where a Final Demand Site has a minimum of 12 months of Maximum Import Capacity data up to and including 30 June of that year, the Final Demand Site will be reallocated based on the average Maximum Import Capacity over that period.
- 6.8 For Final Demand Sites allocated in accordance with Paragraph 4.2(a)(iii), and where a Final Demand Site has a minimum of 12 months metered import consumption data up to and including 30 June of that year, the Final Demand Site will be reallocated based on the average annual import consumption over that period.
- 6.9 For Final Demand Sites allocated in accordance with Paragraph 4.2(b)(ii) or Paragraph 4.2(b)(iii), and where a Final Demand Site has an Estimated Annual Consumption which is not a Default Estimated Annual Consumption from a P0222 Report up to and

including May of that year, the Final Demand Site will be reallocated based on the most recent Estimated Annual Consumption which is not a Default Estimated Annual Consumption.

- 6.10 On or before 15 September of the Annual Allocation Review, the DNO/IDNO Party shall provide each Supplier Party with a list of each and every MPAN associated with a Non-Domestic Premises that is connected to the DNO/IDNO Party's Distribution System that has been reallocated to a New Charging Band as a result of the Annual Allocation Review, identifying the Old Charging Band and New Charging Band to which each such MPAN has been allocated, and the LLFC Id or for MHHS the DUoS Tariff ID which is assigned to the MPAN.
- 6.11 Reallocation of a Final Demand Site to a New Charging Band may result in the Registrant for the Final Demand Site being either eligible for a rebate or subject to an additional charge both of which shall be backdated to the date on which the Final Demand Site was first charged the Old Charging Band residual fixed charge. The New Charging Band will be applied from the next billing period.

7. DISPUTES

Initial Notification

- 7.1 Each DNO/IDNO Party shall take reasonable steps to ensure that each Final Demand Site is allocated to the correct charging band (as determined in accordance with this Schedule).
- 7.2 Where the Customer or its Registrant or an agent authorised to act on the Customer's behalf (in either case, being the 'appointed agent'), has contacted a DNO/IDNO Party with sufficient information disputing the allocation to a charging band of a Customer's Final Demand Site, then that DNO/IDNO Party shall be required to investigate. Such an investigation shall be carried out using the information provided by the Customer or its appointed agent and the information available to the DNO/IDNO Party. The DNO/IDNO Party will initiate good faith negotiations with any such Customer or its appointed agent to find a resolution to the dispute.

Formal Dispute Notice

- 7.3 Where a DNO/IDNO Party and the Customer or its appointed agent cannot come to an agreement with respect to a Final Demand Site's allocation to a charging band, then the Customer or its appointed agent may send a formal dispute notice (a "**Dispute Notice**") to the Secretariat, which shall:
- (a) be in the format of any proforma made available for such purpose on the Website; and
 - (b) contain a detailed description of the Customer's case for why the Final Demand Site should be reallocated to a different charging band, including reasonable evidence to support the dispute.
- 7.4 Where the Secretariat receives a Dispute Notice, it shall within two Working Days, issue the Dispute Notice to the relevant DNO/IDNO Party. Upon receipt of the Dispute Notice, the relevant DNO/IDNO Party shall provide its case for why the Final Demand Site should not be reallocated, and shall send this to the Secretariat within 10 Working Days.
- 7.5 Following receipt of the relevant section of the Dispute Notice completed by the DNO/IDNO Party, the Secretariat shall issue the whole Dispute Notice to both parties to the dispute and request that the Customer or its appointed agent provide confirmation that it wishes to progress the dispute to the Disputes Committee. Upon issuing the whole Dispute Notice, the Secretariat shall notify each recipient that progression to the Disputes Committee is subject to such confirmation, which is time limited to 10 Working Days. If no such confirmation is received by the Secretariat within such period, the Secretariat shall not put the dispute before the Disputes Committee and the dispute shall be considered closed.
- 7.6 Any additional information received from either party to the dispute as a consequence of the information shared under Paragraph 7.5 will be added by the Secretariat to the Dispute Notice for consideration by the Disputes Committee.

Disputes Committee

- 7.7 The Panel shall establish a Working Group to be known as the Disputes Committee for the purpose of facilitating the resolution of an unresolved disputes between DNO/IDNO Parties and Customers or their appointed agents. The remit of the Disputes Committee shall only be in respect of Dispute Notices for which confirmation has been received in accordance with Paragraph 7.5.
- 7.8 The Disputes Committee shall consist of:
- (a) three individuals elected by the DNO/IDNO Parties, each with an alternate
 - (b) three individuals elected by the Supplier Parties, each with an alternate,
 - (c) any additional individuals appointed by the Authority in accordance with Paragraph 7.9; and
 - (d) any of the currently serving Panel Members but only acting in that capacity when called upon by a member of the Disputes Committee or the Secretariat to act in the capacity of a reserve member, where a scheduled meeting of the Disputes Committee would not otherwise be quorate.
- 7.9 Where at any time, the Authority considers that there is a class or category of person having an interest in the distribution of electricity in Great Britain whose interests are not adequately represented in the composition of the Disputes Committee at that time, and whose interests would be better represented if a particular individual was appointed as an additional Disputes Committee member, the Authority may (by notice to the Panel and the Secretariat) appoint that particular individual as a Disputes Committee member. The Authority may, at any time thereafter by notice to the Panel and the Secretariat, remove that individual from the Disputes Committee.
- 7.10 The following persons shall be entitled to attend and speak (but not vote) at any meeting of the Disputes Committee:
- (a) one person appointed from time to time, by notice to the Secretariat, by the Authority; and

(b) one person appointed from time to time, by notice to the Secretariat, by the Consumer Body (Citizens Advice and Citizens Advice Scotland acting together to jointly appoint one person).

7.11 Dispute Committee members and their alternates:

(a) shall be elected in accordance with the provisions for the election of Panel Members, except where such provisions could only apply to the election of the Panel Members themselves; and

(b) shall be subject to the same term of office and removal of office process and timeline as that of the Panel Members.

Meetings of the Disputes Committee

7.12 All meetings of the Disputes Committee shall be convened by the Secretariat in accordance with the Dispute Committee's terms of reference.

7.13 The notice of each Disputes Committee meeting shall contain the time, date and venue and/or teleconference/web conference details, and an agenda and any supporting papers for, the relevant meeting (including the Dispute Notice). The Secretariat shall circulate amendments to the agenda where necessary.

7.14 For a meeting of the Disputes Committee to be quorate, a minimum of three members must attend, at least one of whom must have been elected by the Supplier Parties and at least one of whom must have been elected by the DNO/IDNO Parties; and all of whom must be independent of the dispute (meaning that none of the parties to the dispute are a Related Person of the member).

7.15 A decision to reallocate a Final Demand Site from one charging band to another requires a vote in favour by a simple majority of the Disputes Committee members who vote at the meeting. Such a decision shall be binding for the purposes of this Agreement, but is without prejudice to any statutory rights that the Customer may have.

7.16 The data on the Dispute Notice is confidential and can only be viewed by the Disputes Committee, the DNO/IDNO Party which the dispute is against, the Customer (and/or its appointed agent) which raised the dispute, the Secretariat, and the Authority.

7.17 Where the decision of the Disputes Committee is that a Final Demand Site be reallocated from one charging band to another, the Registrant for the Final Demand Site will be eligible for a rebate. The rebate for that Final Demand Site will be backdated to the time when the analysis shows that the Customer was first charged the incorrect residual fixed charge, up to a maximum of six years (five years in Scotland). The revised charging band will be applied from the next billing period.

8. DEFINITIONS

- 8.1 Words beginning with a capital letter that are not otherwise defined in this Schedule have the meanings given to them in Clause 1 of the main body of this Agreement, and the rules of interpretation set out in that Clause 1 also apply.
- 8.2 In this Schedule, unless the context otherwise requires, the expressions below shall have the meanings set out below:

Active Power	the product of the voltage, current and cosine of the phase angle between them, measured in watts.
Ancillary Services	has the meaning given to that term in the CUSC.
<u>Annual Consumption</u>	<u>has the meaning given to the term on the Energy Market Data Specification</u>
Back-up Connection	means a back-up connection to the DNO/IDNO Party's Distribution System which can only be used at times when the capacity provided via another (primary) connection to the DNO/IDNO Party's Distribution System is unavailable. The back-up connection must not be capable of being used in parallel with the primary connection, and the back-up connection must be for the same or a smaller capacity than the primary connection (when the back-up connection capacity is aggregated with the capacity of any and all other

	back-up connections associated with the same primary connection). A connection shall only be classified as a Back-up Connection if the Customer has provided the DNO/IDNO Party with clear supporting documentary evidence to the reasonable satisfaction of the DNO/IDNO Party.
Balancing Services	has the meaning given to that term in the National Electricity Transmission System Operator Licence.
Banding Agent	is the National Electricity Transmission System Operator or its appointed agent, as notified by the National Electricity Transmission System Operator to the DNO/IDNO Parties from time to time.
Customer	for each Single Site, is either the user as described in Schedule 16, or the EHV Customer as described in Schedule 17 and Schedule 18.
Default Estimated Annual Consumption	has the meaning to that term in the Balancing & Settlement Code.
Disputes Committee	is the committee established under Paragraph 7.7.
Estimated Annual Consumption or EAC	as the meaning to that term in the Balancing & Settlement Code
Electricity Storage	is the conversion of electrical energy into a form of energy which can be stored, the storing of that energy, and the subsequent reconversion of that energy back into electrical energy.
Electricity Generation	is the process of generating electricity.

Eligible Services	shall mean any Balancing Services or Ancillary Services which imports or exports Reactive Energy but does not result in the production or export of any Active Power to the DNO/IDNO Party's Distribution System.
Eligible Services Facility	means a Single Site that can only and solely provide Eligible Services to the National Electricity Transmission System Operator and does not undertake Electricity Storage or Electricity Generation or consume any Active Power other than for the provision of the Eligible Services.
Final Demand	means electricity which is consumed other than for the purposes of generation or export onto the electricity network.
<u>IF-040 Report</u>	<u>is the IF-040 Report 'Notification of Annual Consumption' produced and submitted by the Market-wide Data Service in accordance with BSCP703</u>
LLFC Id	has the meaning given in the Energy Market Data Specification to the expression ' Line Loss Factor Class Id '.
Non-Domestic Premises	means premises which are not Domestic Premises.
Non-Final Demand Site	is a Single Site: (a) at which either or both Electricity Storage and/or Electricity Generation occurs (whether the facility(ies) at the site are operating or being commissioned, repaired or decommissioned), and that has an export

	<p>Metering Point or Metering System and an import Metering Point or Metering System with associated metering equipment which only measures export from Electricity Storage and/or Electricity Generation and import for or directly relating to Electricity Storage and/or Electricity Generation (and not export from another source and/or import for another activity); or</p> <p>(b) which is an Eligible Services Facility;</p> <p>and (in the case of either (a) or (b)):</p> <p>(i) if registered in MPAS, is subject to certification from a Supplier Party that the site meets the criteria in paragraph (a) or (b) above, which certificate has been provided to the DNO/IDNO Party; or</p> <p>(ii) if registered in CMRS, is subject to certification from the Customer (or its CVA Registrant) that the site meets the criteria in paragraph (a) or (b) above, which certificate has been provided to the DNO/IDNO Party.</p>
P0222 Report	<p>is the P0222 'EAC Data to Distributor Data Report' as set out in Balancing and Settlement Code Procedure (BSCP) 505 'Non Half Hourly Data Aggregation For SVA Metering Systems Registered in SMRS'.</p>
Phased Capacity Site	<p>means a Final Demand Site whose Maximum Import Capacity will change in line with a</p>

	development phase as agreed with the DNO/IDNO Party.
Reactive Energy	has the meaning given to that term in the Balancing and Settlement Code.
Registrant	for each Metering Point or Metering System, the Supplier Party or CVA Registrant that is Registered for that Metering Point or Metering System.
Single Site	means one or more Non-Domestic Premises that are connected to the DNO/IDNO Party's Distribution System pursuant to a single Connection Agreement (whether a Bespoke Connection Agreement or one created via the National Terms of Connection). In making this assessment, the Connection Agreements for Back-up Connections will be disregarded, so that: (a) premises with a single Connection Agreement which is not for a Back-up Connection and one or more Connection Agreements which are for Back-up Connections will be treated as a Single Site; and (b) premises connected pursuant to the Connection Agreement governing the Back-up Connection will not be treated as a separate Single Site (but will still comprise or form part of the Single Site connected pursuant to the Connection Agreement governing the primary connection).

SCHEDULE 33 – DISCONNECTIONS

1. INTRODUCTION

Purpose

- 1.1 This Schedule sets out the processes that DNO/IDNO Parties and Supplier Parties shall undertake in order to ensure that disconnection of one or more Metering Points will result in a successful De-registration of a Metering Point.

Scope and Objectives

- 1.2 The scope of this Schedule is limited to governance and procedures related to the carrying out of Physical Disconnections and Logical Disconnections, and subsequent De-registration of Metering Points, save where the affected Metering Points relate to one or more Unmetered Supplies.
- 1.3 The objectives of this Schedule are to:
- (a) document procedures for the management of Physical Disconnections;
 - (b) document procedures for the management of Logical Disconnections;
 - (c) establish communication methods for the capture and transfer of information as required by DNO/IDNO Parties, Supplier Parties, and MPAS Providers to carry out disconnections and subsequent de-activation of Metering Points; and
 - (d) define the processes relating to the passing of data between parties in relation to disconnections.

Exclusions

- 1.4 The following are specifically excluded from the scope of this Schedule:
- (a) matters relating to the contractual arrangements between a DNO/IDNO Party and a Customer;
 - (b) any costs relating to asset recovery by a Supplier Party;
 - (c) private network disconnections; and

(d) matters relating to the disconnection of Unmetered Supplies that fall under the governance of the Balancing and Settlement Code (BSC), ~~including BSC Procedure 520.~~

Glossary of Terms

1.5 Words beginning with a capital letter that are not otherwise defined in this Schedule have the meanings given to them in Clause 1 of the main body of this Agreement, and the rules of interpretation set out in that Clause 1 also apply.

1.6 In this Schedule unless the context otherwise requires, the expressions below shall have the meanings set out below.

Active Green Deal Plan means a Green Deal Plan for which Green Deal Charges are scheduled or expected to be scheduled, as indicated by the fact that the associated Metering Point is indicated as being a Green Deal Metering Point.

Customer has the meaning given to that term in Paragraph 3.2 of this Schedule.

Data Flow has the meaning given to that term in the Energy Market Data Specification

Disconnection Programme means a situation in which multi-site Physical Disconnections at several sites are required to take place as part of a planned programme of works.

Green Deal means the green deal scheme established pursuant to Part 1, Chapter 1 of the Energy Act 2011

Green Deal Charges means payments required to be made under a Green Deal Plan by a Green Deal Bill Payer, as referred to in section 1(6) of the Energy Act 2011

Green Deal Metering Point	means any Metering Point where data items ‘GD MPAN ETD’ and ‘GD MPSAN EFD’ together indicate there is a Green Deal Plan in respect of the relevant premises
Green Deal Plan	has the meaning given to "green deal plan" in section 1(3) of the Energy Act 2011
Logical Disconnection	means the activities relating to the De-Registration of a Metering Point, where this is due to a change to the supply making one or more MPANs redundant.
Meter Serial Number	means the unique identifier for an individual meter point device.
Metering Point Agents	means a person appointed by a Supplier Party to act in any of the roles of Data Aggregator, Data Collector, or Meter Operator Agent in relation to a Metering Point.
Physical Disconnection	means the removal of the electrical supply to a Metering Point, including any activities required to make safe.
Section 80 Notice	means a notice of intended demolition made to a local authority in accordance with Section 80 of the Building Act 1984
Section 81 Notice	means a notice issued by a local authority in accordance with Section 81 of the Building Act 1984.
Secure Data Exchange Portal	has the meaning given to that term in the Retail Energy Code

2. CONTEXT

- 2.1 Where a person is seeking to commence demolition works to individual premises (one or many) or units, it is anticipated that they are likely to contact the relevant DNO/IDNO Party in the first instance in order to arrange for any residual electricity supply to be made safe.

- 2.2 A DNO/IDNO Party may decide to provide a quote and require to be paid for the work required in carrying out the Disconnection. In order to provide the quotation, the DNO/IDNO Party will need to collect and collate a variety of information.
- 2.3 There will also be instances whereby a person may first contact a Supplier Party directly, for example in relation to a single residential property. In these cases, the Supplier Party shall advise that person that the disconnection process is led by the DNO/IDNO Party, and may offer to take the relevant information from them and send it to that DNO/IDNO Party.
- 2.4 The intent of this Schedule is to provide a standard process such that each multi-site Disconnection Programme, single-site Physical Disconnection or any Logical Disconnection can be completed through key steps and information exchanges to ensure it is completed successfully for all impacted organisations.

3. PRINCIPLES

- 3.1 A Disconnection Programme relates to situations where more than one Physical Disconnection will be required.
- 3.2 It is expected that organisations initiating Disconnection Programmes via contact with the DNO/IDNO Party might include local authorities, social landlords, and building developers. For the purpose of this Schedule, these organisations and any property owner (or other person acting on their behalf) are collectively referred to as the “Customer”, meaning the person that is the requestor of the Disconnection(s).
- 3.3 In the event of a Disconnection Programme, it is anticipated that the DNO/IDNO Party will drive the process as the party with whom the Customer contracts and whom the Customer will pay to facilitate the physical work required to Disconnect the supplies.
- 3.4 The DNO/IDNO Party shall remain the primary point of contact with the Customer throughout the Physical Disconnections procedure, and shall ensure that the Supplier Party and other market participants are kept informed in accordance with relevant governance, including this Schedule.

- 3.5 Where the Customer contacts a Supplier Party first in respect of a Physical Disconnection, the Supplier Party shall advise the Customer that the process is led by the DNO/IDNO Party and may offer to collect the relevant information the DNO/IDNO Party needs and send it to them via a Data Flow.
- 3.6 Nothing in this Schedule shall relieve Parties of any of their obligations in respect of any Energy Code.
- 3.7 There are a number of key activities required in order to ensure that a disconnection is completed successfully. This Schedule sets out a logical set of steps, but recognises that some events may occur in parallel for instances both of Physical Disconnections and Logical Disconnections.
- 3.8 Parties shall provide a point of contact for this procedure, which may be their Contract Manager or such other named individual as that Party nominates.
- 3.9 Where personal data relating to a Customer is exchanged between Parties for the purposes of this Schedule, this shall be sent via the Secure Data Exchange Portal (except as otherwise stated in this Schedule).

4. SINGLE-SITE PHYSICAL DISCONNECTION

- 4.1 This procedure is used where a Physical Disconnection is required to take place at a single site, which may include more than one MPAN where associated Metering Points exist.

Step 1 - Customer requests disconnection

Step 1a - Customer contacts DNO/IDNO Party

- 4.2 Where the Customer contacts the relevant DNO/IDNO Party to agree the details of the Disconnection, and in order to ensure that the DNO/IDNO Party can provide information to the Supplier Party and schedule the work efficiently, the following shall be collected by the DNO/IDNO Party but may be collected prior to the sending of the D0352 Data Flow in relation to the planned Physical Disconnection:

- (a) address of the property;

(b) date from which the Customer will have responsibility for the site, if not already responsible;

(c) contact details for the Customer, including name and telephone number for both works relating to any meter asset removal and for site works to disconnect supply; and

(d) contact details for site access if different to those for the Customer.

4.3 The following additional information shall be provided prior to the sending of the D0352 Data Flow, but is not critical to begin the Disconnection process:

(a) MPAN (s) and Meter Serial Number(s), if known;

(b) planned demolition date;

(c) earliest dates for both meter removal and disconnection (if meter(s) at site); and

(d) whether any Active Green Deal Plans are associated with the Metering Point(s) at the property to be Disconnected.

4.4 Where the Customer is not the person responsible for the property at the time of initial contact, the DNO/IDNO Party may require that a letter of authority be provided. Any such letter shall:

(a) clearly identify the person(s) currently responsible for the property; and

(b) confirm the Customer's authority to act in relation to the Disconnection of the supplies.

4.5 Where the Customer is not the person responsible for the site, a DNO/IDNO Party shall be under no obligation to undertake any further activities in relation to the Disconnection unless and until the letter referred to in Paragraph 4.4 is provided.

4.6 Once all relevant information is received, the DNO/IDNO Party may provide a quote to the Customer within twenty (20) Working Days, in order to minimise delay to the process.

Step 1b - Customer contacts Supplier Party

4.7 Where the Customer has initially contacted the Supplier Party to arrange for a Disconnection to take place, that Supplier Party shall advise the Customer that the disconnections process is led by the DNO/IDNO Party, but they may offer to take information from the Customer and send it on to the DNO/IDNO Party and inform the Customer that the DNO/IDNO Party will contact them in due course to make arrangements for the Disconnection.

Step 2 - Supplier Party collects Customer information

4.8 Where it elects to obtain information from the Customer, the Supplier Party shall obtain:

- (a) the address of the property;
- (b) contact details for the Customer including name and telephone number for both works relating to any meter asset removal and for site works to disconnect supply;
- (c) MPAN (s); and
- (d) details of how the Customer wishes to be contacted.

4.9 The Supplier Party shall:

- (a) identify if an Active Green Deal Plan is associated with the relevant Metering Point and if so, shall advise the Customer that a Metering Point cannot be Disconnected where an Active Green Deal Plan is associated to it; and
- (b) identify if the relevant Metering Point is a Related Metering Point and if so, shall not un-relate the Metering Point as documented in the Retail Energy Code, until it has received a *D0352 Notification of Physical Disconnections* or the metering system has been removed.

Step 3 - Supplier Party sends Customer information to DNO/IDNO Party

4.10 Where it has collected the information set out in Paragraph 4.8 from the Customer, the Supplier Party shall send it to the DNO/IDNO Party within two (2) Working Days using the *D0132 Details of Disconnection of Supply* Data Flow.

Step 4 - DNO/IDNO Party confirms property and Metering Point(s) affected

4.11 Following either receipt of a D0132 *Details of Disconnection of Supply* Data Flow from the Supplier Party (whereby the DNO/IDNO Party shall attempt to contact the Customer within two (2) Working Days) or at the point the Customer contacts the DNO/IDNO Party directly, that DNO/IDNO Party shall obtain from its MPAS Provider confirmation of:

(a) addresses;

(b) MPAN (s) for the affected Metering Points (including any indicators of Active Green Deal Plans being associated to a Metering Point); and

(c) Supplier Parties impacted by the Disconnection.

4.12 Where the DNO/IDNO Party is not responsible for the affected Metering Point(s), and recognising that the supplies may be on a network which does not fall under Great Britain market arrangements, they shall inform the Customer and (to the extent that such information is available to it), provide information regarding the network operator whom the Customer will need to contact.

Step 5 - DNO/IDNO Party checks for Green Deal Plan(s)

4.13 Where an Active Green Deal Plan is associated to the relevant Metering Point, the DNO/IDNO Party shall inform the Customer of that fact, and that the person responsible for Green Deal Charges for that Green Deal Plan will need to contact the Green Deal Provider to arrange payment of any monies due before Disconnection can take place.

4.14 In this instance, the DNO/IDNO Party shall also advise the Customer that Disconnection(s) cannot take place until such time as no Active Green Deal Plan is associated to the relevant Metering Point(s).

Step 6 - DNO/IDNO Party agrees work required

4.15 A DNO/IDNO Party shall be entitled to agree any commercial arrangements with the Customer prior to any works commencing in relation to a Disconnection.

Step 7 - Cancellation of the Disconnection(s)

4.16 Where a Customer does not agree a contract with the DNO/IDNO Party or does not settle the quote, the DNO/IDNO Party shall be entitled to cancel the work to be carried out.

4.17 Where the details of a Disconnection request have previously been received via a D0132 *Details of Disconnection of Supply* Data Flow, and the DNO/IDNO Party decides not to proceed with the Disconnection, it shall inform the relevant Supplier Party(ies) within two (2) Working Days of cancellation using a D0262 *Rejection of Disconnection* Data Flow.

Step 8 - DNO/IDNO Party informs Supplier Party(s) of planned Disconnection

4.18 In order to allow that the Supplier Party(ies) affected by the planned Disconnection is able to make any required updates to bill payer accounts, and recover any assets as may be required, the DNO/IDNO Party shall send information relating to Disconnections to the relevant Supplier Party(ies) using a D0352 *Notification of Physical Disconnections* Data Flow.

4.19 The DNO/IDNO Party shall send the D0352 *Notification of Physical Disconnections* Data Flow to notify the Supplier Party of the planned disconnection date as soon as possible, and in any event no later than five (5) Working Days from the date a contractual agreement is in place between the Customer and the DNO/IDNO Party⁴.

4.20 Where the DNO/IDNO Party' records indicate any meters are still in situ, it shall ensure that the disconnection date is at least ten (10) Working Days after the date the D0352 *Notification of Physical Disconnections* Data Flow is sent. Where the DNO/IDNO Party' records indicate no meters are present, this advance notification of Disconnection may be reduced to five (5) Working Days.

4.21 For the avoidance of doubt, the DNO/IDNO Party shall assume that meters are at site if they are unable to verify previous removal.

Step 9 - Supplier Party receives notification of Disconnection

⁴ The contractual agreement begins once the disconnection date is agreed between both parties

4.22 On receipt of a D0352 *Notification of Physical Disconnections* Data Flow, a Supplier Party shall contact the DNO/IDNO Party via telephone or e-mail as soon as possible, and in any event within five (5) Working Days, if that Supplier Party's records indicate that:

- (a) any incorrect Metering Points have been identified for Disconnection; or
- (b) meters are still in situ, and it wishes to agree arrangements to obtain meter reads or asset.

4.23 If the relevant Metering Point is a Related Metering Point, a Supplier Party shall unrelate the Metering Point, as documented in the Retail Energy Code, prior to the disconnection date notified in the D0352 *Notification of Physical Disconnections* Data Flow.

Step 10 - Asset recovery

4.24 Where a Supplier Party wishes to obtain final meter readings and/or recover meter assets from the site, it shall do so prior to the disconnection date notified under Paragraph 4.20.

Step 11 - DNO/IDNO Party carries out Disconnection at site

4.25 Having issued appropriate notifications under Paragraph 4.18, the DNO/IDNO Party shall in the event of a Physical Disconnection carry out the physical site works to disconnect the Metering Point, and, although not obliged to do so, may, if practical, obtain a final meter reading and recover any assets remaining on-site.

Step 12 - DNO/IDNO Party updates counter parties

4.26 Once the disconnection is completed, the DNO/IDNO Party shall:

- (a) provide a notice to the Customer that the power has been safely Disconnected;
- (b) provide information to the relevant Meter Operator Agent regarding any assets recovered by the DNO/IDNO Party, and associated final reads;
- (c) verify that the relevant Metering Point is not a Related Metering Point. If it is not, provide:

- (i) ~~for non-MHHS A~~a notification to Supplier Parties that the Disconnection has been completed, using the D0125 *Confirmation of Disconnection of Supply* Data Flow, or other means as agreed; and
- (ii) a notification to its MPAS Provider that the Metering Point has been Disconnected (such notification to be made within five (5) Working Days of the date that the disconnection took place).

4.27 If the relevant Metering Point is still a Related Metering Point, contact the relevant Supplier Party to advise that the Metering Point has not been un-related as set out in Paragraphs 4.9(b) and 4.23.

Step 12A – MPAS sends notification of Disconnection

4.27A For MHHS MPANs, once MPAS has received the notification from the DNO/IDNO Party of the Disconnection it shall notify the Supplier Party in accordance with the BSC.

Step 13 - Supplier Party sends a Registration De-Activation Request to CSS Provider

4.28 Once the Supplier Party has been notified of the completed Disconnection it shall, in accordance with the Retail Energy Code, contact the DNO/IDNO Party if that Supplier Parties' records indicate that the Metering Point should not have been Disconnected and is still in use.

4.29 Where no issue is identified in accordance with Paragraph 4.28, the Supplier Party shall, on receiving notification of the completed Disconnection ~~from the DNO/IDNO Party~~, send a Registration De-Activation Request to the CSS Provider in accordance with the Retail Energy Code.

5. MULTI-SITE PHYSICAL DISCONNECTIONS

5.1 This procedure is used where a Disconnection Programme is carried out.

Step 1 - Customer requests disconnection

Step 1a - Customer contacts DNO/IDNO Party

5.2 Where the Customer contacts the relevant DNO/IDNO Party to agree details of a Disconnection Programme, and in order to ensure that the DNO/IDNO Party can

provide information to the affected Supplier Party(ies) and schedule the work efficiently, the following shall be collected by the DNO/IDNO Party at a date prior to commencement of any site works in relation to the planned Disconnection:

- (a) addresses of the properties;
- (b) date from which the Customer will have responsibility for the site, if not responsible;
- (c) contact details for the Customer, including name and telephone number for both works relating to any meter asset removal and for site works to Disconnect supplies; and
- (d) contact details for site access if different to those for the Customer.

5.3 The following information shall be obtained prior to the disconnections being finalised, but is not required to begin the disconnection process:

- (a) MPANs and Meter Serial Numbers, if known;
- (b) planned demolition date(s);
- (c) earliest dates for both meter removal and Disconnection (if meters at site);
- (d) any Section 80 Notice or Section 81 Notice issued in accordance with the Building Act 1984; and
- (e) whether any Active Green Deal Plans are associated with any of the Metering Points at properties to be Disconnected.

5.4 Where the Customer is not the person responsible for the sites at the time of initial contact, a DNO/IDNO Party may require that a letter of authority is provided. Any such letter (which may relate to an overall development programme that includes a site purchase and/or clearance) shall:

- (a) clearly identify the person(s) currently responsible for the property(ies); and
- (b) confirm the Customer's authority to act in relation to the Disconnection of the supplies.

5.5 Once all relevant information is received, a DNO/IDNO Parties may provide a quote to the Customer within twenty (20) Working Days, in order to minimise delay to the process.

Step 1b - Customer contacts Supplier Party

5.6 Where a Customer has initially contacted a Supplier Party to arrange for the Disconnections to take place, that Supplier Party shall advise the Customer that the disconnections process is led by the DNO/IDNO Party and refer the Customer directly to the relevant DNO/IDNO Party.

5.7 The Supplier Party shall:

(a) identify if an Active Green Deal Plan is associated with the relevant Metering Point and if so, shall advise the Customer that a Metering Point cannot be Disconnected where an Active Green Deal Plan is associated to it; and

(b) identify if the relevant Metering Point is a Related Metering Point and if so, shall not un-relate the Metering Point, as documented in the Retail Energy Code, until it has received a *D0352 Notification of Physical Disconnections* or the metering system has been removed.

Step 2 - DNO/IDNO Party confirms properties and Metering Points affected

5.8 At the point the Customer contacts the DNO/IDNO Party directly, that DNO/IDNO Party shall obtain, from its MPAS Provider confirmation of:

(a) addresses;

(b) MPANs for the affected Metering Points (including any indicators of Active Green Deal Plans being associated to any Metering Points); and

(c) Supplier Parties impacted by the Disconnection Programme.

5.9 Where the DNO/IDNO Party is not responsible for some or all of the affected Metering Points, and recognising that the supplies may be on a network which does not fall under Great Britain market arrangements, they shall inform the Customer and (to the extent that such information is available to it) provide information regarding the network operator whom the Customer will need to contact.

Step 3 - DNO/IDNO Party checks for Green Deal Plan(s)

- 5.10 Where an Active Green Deal Plan is associated to one or more relevant Metering Points, the DNO/IDNO Party shall inform the Customer of that fact, and that the person responsible for Green Deal Charges for that Green Deal Plan will need to contact the Green Deal Provider to arrange payment of any monies due before Disconnection can take place.
- 5.11 In this instance, the DNO/IDNO Party shall also advise the Customer that Disconnections cannot take place until such time as no Active Green Deal Plan is associated with the relevant Metering Point(s).

Step 4 - DNO/IDNO Party agrees work required

- 5.12 A DNO/IDNO Party shall be entitled to agree any commercial arrangements with the Customer prior to any works commencing in relation to a Disconnection Programme.

Step 5 - Cancellation of the disconnections

- 5.13 Where a Customer does not agree a contract with the DNO/IDNO Party or does not settle the quote, the DNO/IDNO Party shall be entitled to cancel the work to be carried out.

Step 6 - DNO/IDNO Party informs Supplier Party(ies) of planned disconnections

- 5.14 In order to allow that the Supplier Party(ies) affected by the planned disconnections are able to make any required updates to bill payer accounts, and recover any assets as may be required, the DNO/IDNO Party shall send information relating to the Disconnections to each relevant Supplier Party using a D0352 *Notification of Physical Disconnections* Data Flow.
- 5.15 The DNO/IDNO Party shall send the D0352 *Notification of Physical Disconnections* Data Flow to notify the Supplier Party of the planned disconnection date as soon as possible, and in any event no later than five (5) Working Days from the date a contractual agreement is in place between the Customer and the DNO/IDNO Party.
- 5.16 Where the DNO/IDNO Party' records indicate any meters are still in situ, it shall ensure that the disconnection date is at least 25 (twenty-five) Working Days after the date the

D0352 *Notification of Physical Disconnections* Data Flow is sent. Where the DNO/IDNO Party' records indicate no meters are present the advance notification of Disconnection may be reduced to five (5) Working Days.

- 5.17 For the avoidance of doubt, DNO/IDNO Parties shall assume that meters are at site if they are unable to verify previous removal.

Step 7 - Supplier Party receives notification of Disconnection

- 5.18 On receipt of a D0352 *Notification of Physical Disconnections* Data Flow, a Supplier Party shall contact the DNO/IDNO Party, via telephone or e-mail, as soon as possible and in any event within five (5) Working Days, if that Supplier Party's records indicate that:

- (a) any incorrect Metering Points have been identified for Disconnection;
- (b) meters are still in situ, and it wishes to agree arrangements to obtain meter reads or asset; or
- (c) there is any other relevant issue with any Metering Point.

- 5.19 If any relevant Metering Point is a Related Metering Point, a Supplier Party shall unrelate the Metering Point, as documented in the Retail Energy Code, prior to the disconnection date notified in the D0352 *Notification of Physical Disconnections* Data Flow.

Step 8 - Asset Recovery

- 5.20 Where a Supplier Party wishes to obtain final meter readings and/or recover meter assets from the site(s), it shall do so prior to the disconnection date(s) notified under Paragraph 5.15 of this procedure.

Step 9 - DNO/IDNO Party carries out Disconnections at site.

- 5.21 Having issued appropriate notices under Paragraph 5.14, the DNO/IDNO Party may carry out the physical site works to Disconnect the Metering Points and, although not obliged to do so, may, if practical, obtain final meter readings and recover any assets remaining on-site.

Step 10 - DNO/IDNO Party updates affected parties

- 5.22 Once the Disconnection is completed, the DNO/IDNO Party shall provide:
- (a) provide a notice to the Customer that the power has been safely Disconnected;
 - (b) provide information to the relevant Meter Operator Agent regarding any assets recovered by the DNO/IDNO Party, and associated final reads;
 - (c) verify that the relevant Metering Point is not a Related Metering Point. If it is not, provide:
 - (i) ~~For non-MHHS, A-a~~ notification to Supplier Party(ies) that the Disconnection has been completed, using the D0125 *Confirmation of Disconnection of Supply* Data Flow, or other means as agreed; and
 - (ii) a notification to its MPAS Provider that the Metering Point has been Disconnected (such notification to be made within five (5) Working Days of the date that the Disconnection took place).
- 5.23 If the relevant Metering Point is still a Related Metering Point, contact the relevant Supplier Party to advise that the Metering Point has not been un-related as set out in Paragraphs 5.7(b) and 5.19.

Step 10A – MPAS sends notification of Disconnection

5.23A For MHHS MPANs, once MPAS has received the notification from the DNO/IDNO Party of the Disconnection it shall notify the Supplier Party in accordance with the BSC.

Step 11 - Supplier Party sends a Registration De-Activation Request to CSS Provider

- 5.24 Once the Supplier Party has been notified of the completed Disconnection it shall, in accordance with the Retail Energy Code, contact the DNO/IDNO Party if that Supplier Parties’ records indicate that the Metering Point should not have been Disconnected and is still in use.
- 5.25 Where no issue is identified in accordance with Paragraph 5.24, the Supplier Party shall, on receiving notification of the completed Disconnection ~~from the DNO/IDNO Party~~, send a Registration De-Activation Request to the CSS Provider in accordance with the Retail Energy Code.

6. LOGICAL DISCONNECTIONS

6.1 This procedure is used where a Logical Disconnection is required.

Step 1 - Notifying the DNO/IDNO Party of a request for disconnection of supply

6.2 The Supplier Party shall:

(a) identify if an Active Green Deal Plan is associated with the relevant Metering Point. If so, the Supplier Party shall identify if another Metering Point exists at the property for the same Customer; and

- (i) if another Metering Point exists at the property for the same Customer, the Supplier Party shall arrange to transfer the Green Deal Plan to the other Metering Point as defined in the Retail Energy Code; or
- (ii) if no other Metering Point exists at the property for the same Customer, the Supplier Party shall not disconnect the Metering Point until such time as there is no Active Green Deal Plan associated with it; and

(b) identify if the relevant Metering Point is a Related Metering Point as the Supplier Party will need to un-relate the Metering Point as documented in the Retail Energy Code, before the DNO/IDNO Party can proceed with the disconnection request.

6.3 The Supplier Party shall ensure that there is no foreseeable future use for the Metering Point and in those circumstances shall request a Logical Disconnection via the relevant DNO/IDNO Party using a D0132 *Request for Disconnection of Supply* Data Flow.

6.4 The Supplier Party shall follow these principles when populating a D0132 *Request for Disconnection of Supply* Data Flow:

(a) the 'Disconnection Type' (Data Item J1648) shall be populated with a value of 'A' to indicate a Logical Disconnection (redundancy of an additional MPAN);

(b) any information that enables the DNO/IDNO Party to undertake their responsibilities, including the reason for the request, details of De-energisation works (where appropriate), and an explanation of why there is no foreseeable future

use for the Metering Point, shall be detailed in the Additional Information field (Data Item J0012); and

(c) the Appointment Date (Data Item J0174) should be the date that any additional MPAN was made redundant. The DNO/IDNO Party shall use this as the date of disconnection of the MPAN.

Step 2 - DNO/IDNO Party receives details of disconnection

6.5 Following receipt of a D0132 Data Flow requesting a Logical Disconnection, a DNO/IDNO Party shall respond to the Supplier Party within five (5) Working Days, either:

(a) For non MHHS, accepting the request using a D0125 *Confirmation of Disconnection of Supply* Data Flow, or other means as agreed; or

(b) rejecting the request using a D0262 *Rejection of Disconnection Data Flow*.

6.6 For the avoidance of doubt, the DNO/IDNO Party should always reject the disconnection request if the relevant Metering Point is a Related Metering Point, there is an Active Green Deal Plan associated with it, or MPAS indicates metering is still present.

Step 3 - DNO/IDNO Party notifies MPAS of disconnection

6.7 The DNO/IDNO Party shall issue a notification to its MPAS Provider within five (5) Working Days of confirming acceptance of the Supplier Party's request.

Step 3A – MPAS sends notification of Disconnection

6.7A For MHHS MPANs, once MPAS has received the notification from the DNO/IDNO Party of the Disconnection it shall notify the Supplier Party in accordance with the BSC.

Step 4 - Supplier Party sends Registration De-Activation Request to CSS Provider

- 6.8 The Supplier Party shall, on receiving notification of the accepted Disconnection ~~from the DNO/DNO Party~~, send a Registration De-Activation Request to the CSS Provider in accordance with the Retail Energy Code.

7. LOGICAL DISCONNECTIONS – BULK UPDATES

- 7.1 A bulk update will be deemed to be 50 or more requests at any one time per Supplier Party. That Supplier Party will then enter into a bi-lateral agreement with the appropriate Distribution Company. The Distribution Company will determine the progress of such a request based on the number of similar requests received at any given time. It is expected that the requesting Supplier Party will have carried out all the relevant checks as per an individual request as outlined in Paragraph 6 above prior to submitting a bulk request.