SCHEDULE 8 – DEMAND CONTROL

1. INTRODUCTION

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

2. DEFINITIONS

2.1 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 integral to a Smart Metering System 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 believes is necessary and justifiable to maintain Security of Supply and other technical parameters. ~~a margin of 15% below the maximum capacity of the Distribution System supplying a group of Customers which the Company reasonably believes is necessary to maintain Security of Supply~~[RT1]~~.~~
Compliance Notice	means a notice issued to a Supplier pursuant to Paragraph 7~~6~~.6 and 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.~~
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.
Load Switching	means the switching of electrical loads in the premises of a Customer by means of a Switching Device. For the avoidance of doubt, such electrical loads may include (but shall not be limited to) space and water heating installations.
Load Switching Regime	means the time switching pattern and other material Load Switching characteristics of a Switching Device. 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 O~~o~~ffset and/or staggered switching, and load limiting features which allow remote interruption or reduction of Demand.
~~**Provisional SRN**~~	~~means a notice issued pursuant to Paragraph 6.1.~~
Network Capacity	means the Firm Capacity of the network in accordance with Energy Network Association Engineering Recommendation P2 (or such other planning standard as may be in force for the Company under Condition 24 of the Distribution Licence).
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 such that the Network Capacity is greater than or equal to the peak Demand. ~~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 7~~6~~.1.
Smart Metering System	has the meaning given to that term in the Smart Energy Code.
~~**SSC**~~	~~means Standard Settlement Configuration.~~
Supplier	means a person authorised to supply electricity pursuant to Section 6(1)(d) of the Act.
Switching Device	means equipment which switches or has the capability to undertake Load Switching. For the avoidance of doubt, such equipment may include (but shall not be limited to) radio teleswitches and/or Smart Metering Systems.
Total System	has the meaning given to that term in the Distribution Code.

3. GENERAL OBLIGATIONS[RT2]

3.1 The User shall use reasonable endeavours to ensure that it:

a) -does not introduce without notifying the Company ~~make any changes to SSCs existing Load Switching Regimes or make~~ new applications for Load Switching Regimes, in

order to prevent material adverse effects on Security of Supply and other technical parameters. 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. ; and

b) shall only install 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:; and

c) shall only install 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 Load Managed Areas in the following order: Provisional SRNadvisory notice, Load Managed Area notice,Firm SRN, and Emergency SRN, and (ii) normally not to issue a notice for a relevant geographic area within 20 Working Days of the Effective Date of the last notice for that area. Version 6.2

3A OBLIGATRIONS SPECIFIC TO SMART METERING SYSTEMS

3A.1 The User shall use reasonable endeavours to ensure that, when 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. CONSULTATION

4.1 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.

4.2 The Company may at any time issue an advisory notice to all Users 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 ~~a reduction in~~ limiting the coincidence of Demand by adopting Customer Demand management to control the ~~timing of load~~ Load ~~switching~~Switching Regimes; or

(b) reasonably believes that such reinforcement or extension would be avoided ~~through a reduction in~~ or deferred through limiting the coincidence of Demand by Suppliers adopting Customer Demand management to control ~~the timing of load~~ Load ~~switching~~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 map, postcode or such other method as the Company considers reasonable;

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

(i) changes to ~~SSCs~~ Load Switching Regimes in force at particular Metering Points induced 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 reasonability be expected to increase the coincidence of Demand to such an extent that Security of Supply may be threatened; and

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

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) ~~Provisional SRNs, Firm~~ SRNs and Emergency SRNs may be issued in respect of that area;

(c) any future changes to ~~SSCs~~ Load Switching Regimes 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 ~~SSCs~~ Load Switching Regimes 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 Supplier, be at the relevant Supplier's cost.

(e) where the User is replacing a 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 Switching Device, are replicated on the new Switching Device; and

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

6. NOT USED~~PROVISIONAL SECURITY RESTRICTION NOTICES~~

~~6.1 The Company may from time to time issue a Provisional Security Restriction Notice where in the Company's opinion the changes to SSCs in force at 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 so as to materially infringe the Capacity Headroom of such area since the issue of that notice.~~

~~6.2 A Provisional SRN shall be sent to the User, all other Suppliers and the Authority. Version 6.2~~

~~6.3 A Provisional SRN 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 map, postcode or such other method as the Company considers reasonable;~~

~~(b) the time or times of day during which Capacity Headroom has been infringed from the Effective Date of the Load Managed Area Notice; and~~

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

~~6.4 The Company and the User acknowledge and agree that the issue of a Provisional SRN constitutes notice that:~~

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

~~(b) Firm SRNs and 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 Provisional SRN;~~

~~(c) any future changes to SSCs 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 SSCs referred to in Paragraph 6.4(c) will, if requested by the Company pursuant to Paragraph 7.5 or 8.5 or if made voluntarily by a Supplier, be at the relevant Supplier's cost~~.

7. ~~FIRM~~ SECURITY RESTRICTION NOTICES

7.1 The Company may from time to time issue a ~~Firm~~ Security Restriction Notice where in the Company's opinion:

(a) the changes to ~~SSCs~~ existing Load Switching Regimes in force at particular Metering Points; and/or

(b) new applications for 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.

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

7.3 A ~~Firm SRN~~ 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 map, postcode or such other method as the Company and the Supplier considers reasonable;

(b) the time or times of day during which Capacity Headroom [RT3]is infringed and into which Demand cannot be moved or added~~as a result of changes to switching times by Suppliers~~;

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

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

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

(a) any modifications of Customer Demand induced by changes to ~~SSCs~~ 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~~Firm SRN~~;

(c) any future changes to Load Switching Regimes and/or the Randomised Offset Limit ~~SSCs~~ 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 ~~SSCs~~ 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 Supplier, be at the relevant Supplier's cost.

7.5 This Paragraph 7.5 applies where the Company, having issued a Security Restriction Notice~~Firm SRN~~, reasonably believes that Load Switching Regimes and/or the Randomised Offset Limit ~~SSCs~~ allocated in respect of the Customers of a Supplier since the Effective Date of the relevant Load Managed Area Notice ~~or Provisional SRN~~ have materially contributed to

the risk to Security of Supply in respect of which the Security Restriction Notice ~~Firm SRN~~ has been issued.

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

(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 ~~SSCs~~ in force at particular Metering Points in the area designated in the Security Restriction Notice ~~Firm SRN~~ to the Load Switching Regimes~~SSCs~~ for the relevant Metering Points at the Effective Date of the relevant Provisional SRN (or, where the Company reasonably believes that it is necessary, to such other Load Switching Regimes~~SSCs~~ 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 map, postcode or such other method as the Company and the Supplier considers reasonable;

(b) the time or times of day into which Demand cannot be moved or added~~as a result of changes to switching times by Suppliers~~;

(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 ~~by~~ be moved; and

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

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 ~~SSCs~~ 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 ~~SSCs~~ in force at particular Metering Points in that area may be subject to reversion to the Load Switching Regimes~~SSCs~~ for the relevant Metering Points at the Effective Date of the Emergency SRN, or to such other Load Switching Regimes~~SSCs~~ as shall not have a materially adverse effect on Security of Supply; and

(c) any changes to switching times in order to effect changes to Load Switching Regimes and/or the Randomised Offset Limit ~~SSCs~~ referred to in Paragraph 8.4(b) will, if requested by the Company, be at the relevant Supplier's cost.

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 ~~SSCs~~ allocated in respect of the Customers of a Supplier 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 Supplier, and a copy to the Authority, which notice shall require the Supplier:

(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 ~~SSC~~s in force at particular Metering Points in the area designated in the Emergency SRN to the Load Switching Regimes~~SSCs~~ for the relevant Metering Points at the Effective Date of the relevant ~~Firm SRN~~Security Restriction Notice (or, where the Company reasonably believes that it is necessary, to such other Load Switching Regimes~~SSCs~~ 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 Limit ~~SSC~~s in an area which is not a Load Managed Area or to Load Switching Regimes and/or the Randomised Offset Limit ~~SSCs~~ which have not been modified by the Supplier since the Effective Date of the current Load Managed Area Notice, then the reasonable cost ~~of Meter Operator Agent 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 as the Supplier.

9. CONFIDENTIALITY[RT4]

9.1 Any notice issued by either of the Company or the User pursuant to this Schedule 8 shall be confidential and neither of them shall pass on any information contained in such notice to any other person but shall only be able to say that there has been an incident on the Total System and (if known and if power supplies have been affected) an estimated time of return to service.

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 ~~Security Restriction Notice~~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[RT5]

12.1 The Company shall, no later than the later of six months after its Effective Date or six months after its last review, review every Load Managed Area Notice, ~~Provisional~~ SRN~~, Firm SRN~~ and Emergency SRN 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.

12.3 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 and provides the collated information to the User (where it is a Supplier Party) by 31 July of the relevant year. The collated information shall be provided free of charge, and shall be provided in an Electronic Format showing each relevant Postcode in one column with the applicable Alpha Identifier and MPAS ID in separate columns.

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 13.1 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 provided to the User during the July 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) "**Electricity Supply Emergency Code**" means the code of that name designated as such by the Secretary of State from time to time;

(d) "**Electronic Format**" means a DVD containing the relevant information in ".csv" format;

(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) "**MPAS ID**" means the unique two-digit number by which MPAS Providers are identified;

(g) "**Nominated Central Source**" means a person agreed between the majority of DNO/IDNO Parties for the purpose of this Paragraph 13; and

(h) "**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).