

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. 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);
- (ii) Settlement Class MSiD Count (for each Primary NDNO); and
- (iii) Settlement Class Unit Count (this being the average number of units for that Settlement Class multiplied by the Settlement Class MSiD Count 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 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 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

- 6.1 Subject to paragraph 6.4, the Primary EDNO shall use the Secondary NDNO's LLFC Id description contained in Market Domain Data (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, it shall (within 15 Working Days of the same being published in the Market Domain Data) notify the Primary NDNO of the new or changed LLFC Id.
- 6.3 Where the Secondary NDNO has introduced new or changed LLFC 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 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 that should most reasonably apply.
- 6.5 The LLFC Id 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 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.