

Short Notice Additional Comms Hub Orders  
Proposed amendments to NETMAD  
Draft: 17 January 2025

**Additional Definitions for Clause 2 of the NETMAD:**

|                                                  |                                                                                                                                                 |
|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CH Additional Short Notice Order (CHASNO)</b> | means an order for additional Communications Hubs for the 2G/3G Central and 2G/3G South Regions that satisfies the requirements of Clause 12.2. |
| <b>Short Notice Delivery Month</b>               | has the meaning given to that expression in Clause 11.2(a).                                                                                     |

**Additional Clauses for the NETMAD:**

**11 Directions in respect of Additional CHs**

- 11.1 The Secretary of State may from time to time direct the DCC to take steps to prepare to make available for delivery additional Single Band Communications Hubs for the 2G/3G Central and 2G/3G South Regions.
- 11.2 For each and every such direction (if any), the Secretary of State will:
- (a) specify the calendar month or months in which the DCC is to take steps to prepare to make additional Single Band Communications Hubs available for delivery (each such month being the “**Short Notice Delivery Month**”); and
  - (b) specify the number of additional Single Band Communications Hubs which the DCC is to take steps to prepare to make available for delivery in the Short Notice Delivery Month.
- 11.3 The Secretary of State may not give a direction under Clause 11.1 prior to 1 April 2025, and may not give a direction under Clause 11.1 after 15 September 2025.
- 11.4 The Secretary of State may not give a direction under Clause 11.1 in respect of a given Short Notice Delivery Month after the 15<sup>th</sup> day of the month ending seven months before the start of the Short Notice Delivery Month. By way of example, a direction for deliveries in December 2025 may not be given after 15 April 2025.

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- 11.5 For each and every direction (if any) given by the Secretary of State under Clause 11.1, the DCC shall take all reasonable steps to prepare to make available for delivery in the specified Short Notice Delivery Month the additional number of Single Band Communications Hubs specified in the direction.
- 11.6 It is acknowledged that the DCC may incur additional costs in complying with Clause 11.5 (as to which, see Clause 14). The DCC shall take all reasonable steps to minimise and mitigate these additional costs.
- 11.7 For clarity, the additional Single Band Communications Hubs referred to in Clause 11.4 are in addition to the Communications Hubs which the DCC is obliged to deliver in response to Communications Hub Orders made under Section F5 (SMETS2+ Communications Hub Forecasts & Orders).

## **12 Short Notice Additional CH Orders**

- 12.1 Each Party may submit a CH Additional Short Notice Order (CHASNO) in accordance with the requirements of Clause 12.2.
- 12.2 Each CHASNO must:
- (a) only specify Single Band Communications Hubs for the 2G/3G Central or 2G/3G South Region and only specify delivery in a Short Notice Delivery Month;
  - (b) be submitted by no later than the end of the month that ends three months before the start of the Short Notice Delivery Month (so, by way of example, an order for deliveries in December 2025 must be made by the end of August 2025);
  - (c) be submitted to the DCC in accordance with any reasonable variations to the normal arrangements for Communications Hub Orders as the DCC may reasonably notify to Parties in advance; and
  - (d) (subject to (a)-(c) above) otherwise be submitted in accordance with the requirements of Section F5.8 (Communications Hub Orders).
- 12.3 No Party may submit more than one CHASNO for each Short Notice Delivery Month.

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- 12.4 For clarity, the number of Communications Hubs ordered by a Party under a CHASNO is in addition to the number of Communications Hubs (if any) ordered by that Party under Section F5 (SMETS2+ Communications Hub Forecasts & Orders).
- 12.5 For each Short Notice Delivery Month, the DCC shall, at least [5] Working Days prior to the last day by which a CHASNO may be made in respect of that month, notify the Parties of the total number of additional 2G/3G Communications Hubs that the DCC is likely to be able to deliver in that Short Notice Delivery Month, based on the number of Communications Hubs which the Secretary of State specified for that month in its direction under Clause 11, but also taking into account any other sources (including excess from previous Short Notice Delivery Months and refurbished Communications Hubs).

### **13 Processing of CHASNOs by DCC**

- 13.1 As soon as reasonably practicable after the last date for which a CHASNO may be submitted in relation to a Short Notice Delivery Month, the DCC shall determine:
- (a) the total number of additional Communications Hubs that have been ordered under Clause 12 for delivery in that Short Notice Delivery Month; and
  - (b) the total number of additional 2G/3G Single Band Communications Hubs that the DCC is likely to be able to deliver in that Short Notice Delivery Month, based on the number of Communications Hubs which the Secretary of State specified for that month in its direction under Clause 11, but also taking into account any other sources (including excess from previous Short Notice Delivery Months and refurbished Communications Hubs).

#### **Sufficient CHs are Available**

- 13.2 If, for a Short Notice Delivery Month, the number of Communications Hubs determined under Clause 13.1(a) is less than or equal to the number determined as available under Clause 13.1(b), then the DCC shall treat each and every CHASNO as a Valid Communications Hub Order and shall deliver the ordered Communications Hubs in accordance with this Code.

**Insufficient CHs are Available**

13.3 If, for a Short Notice Delivery Month, the number of Communications Hubs determined under Clause 13.1(a) is greater than the number determined as available under Clause 13.1(b), then the DCC shall adjust the CHASNOs for that month in accordance with the following steps:

- (a) first, if two or more orders were made by Parties in the same Voting Group (Affiliates in the same Party Category), then those orders shall be aggregated and treated as a single CHASNO for the purposes of this Clause 13.3;
- (b) then, if one or more orders is for a number of Communication Hubs which exceeds the number determined under Clause 13.1(b), then the number ordered in each such CHASNO shall be reduced to a number equal to the number determined as available under Clause 13.1(b);
- (c) then, if one or more orders is for a number of Communication Hubs which exceeds 25% of the number determined as available under Clause 13.1(b), then each such order shall be scaled down pro-rata (but not below 25% of the number available) until either: (i) the aggregate number of Communications Hubs under all of the orders and scaled-down orders is equal to the number determined as available; or (ii) all of the scaled-down orders have reached the 25% floor;
- (d) then, if (c)(i) above applies, no further adjustment is needed, but if (c)(ii) above applies, all of the orders (both those scaled-down under (c) and those not scaled-down under (c)) shall be scaled down pro-rata to match (in aggregate) the number of additional Communications Hubs determined as available;
- (e) then, where two or more CHASNOs have been treated as a single CHASNO in accordance with (a) above, the adjusted number of Communications Hubs allocated to that CHASNO shall be split between the original CHASNOs pro-rata to the number of Communications Hubs ordered under the original CHASNOs; and
- (f) finally, if necessary, a further adjustment will be made to each CHASNO by rounding (up or down) any non-integer numbers of pallet layers.

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- 13.4 Where Clause 13.3 applies to a Short Notice Delivery Month, the DCC shall treat each and every CHASNO as adjusted under Clause 13.3 as a Valid Communications Hub Order and shall deliver the ordered Communications Hubs in accordance with this Code.

## **14 Charging Methodology**

- 14.1 For each and every Communications Hubs delivered to a Party under Clause 13, the DCC shall charge the Party an Explicit Charge, as follows:
- (a) the amount of the Explicit Charge shall be the cost (per Communications Hub) of the airfreight which DCC incurs in respect of the additional Communications Hubs (capped at the amount which the DCC must notify to Parties prior to 1 April 2025, excluding VAT); and
  - (b) the Explicit Charge Metric shall be the number of Communications Hubs delivered.
- 14.2 Save in respect of those costs charged under Clause 14.1, any and all costs incurred by the DCC in respect of directions under Clause 12 and/or CHASNOs shall be charged via the Fixed CH Charges.
- 14.3 For clarity, whether or not these costs constitute Allowed Revenue shall be determined in accordance with the revenue restriction conditions of the DCC Licence.