

## **K11 DEFINITIONS**

K11.1 In this Charging Methodology, 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:

<b>Allowed Revenue</b>	has the meaning given to that expression in the revenue restriction conditions of the DCC Licence.
<b>Alt HAN Charging Group</b>	has the meaning given to that expression in Section K3.10.
<b>Alt HAN Charging Group Weighting Factors</b>	has the meaning given to that expression in Section K3.15.
<b>Alt HAN Cost Domestic Allocation</b>	has the meaning given to that expression in Section K3.17.
<b>Alt HAN Costs</b>	has the meaning given to that expression in Section Z6.1.
<b>Alt HAN Fixed Revenue</b>	has the meaning given to that expression in Section K3.7.
<b>Alt HAN Inventory</b>	has the meaning given to that expression in Section Z6.1.
<b>AltHANCo</b>	has the meaning given to that expression in Section Z6.1.
<b>Central Point-to-Point Alt HAN Equipment</b>	has the meaning given to that expression in Section Z6.1.
<b>Central Shared Solution Alt HAN Equipment</b>	has the meaning given to that expression in Section Z6.1.
<b>Charging Group</b>	has the meaning given to that expression in Section K3.10.

<b>Charging Group Weighting Factor</b>	has the meaning given to that expression in Section K3.13.
<b>Charging Period</b>	means, in respect of each month (the ‘current month’), the period from the start of the 16 <sup>th</sup> day of the previous month to the end of the 15 <sup>th</sup> day of the current month.
<b>CH Charging Group</b>	has the meaning given to that expression in Section K3.9.
<b>CH Charging Group Weighting Factor</b>	has the meaning given to that expression in Section K3.14.
<b>Compliant Party</b>	means, in respect of any Event of Default giving rise to an Unrecovered Bad Debt Payment, all of the Parties other than: (a) the Defaulting Party in respect of that Event of Default; and (b) the Defaulting Party in respect of any other Event of Default giving rise to an Unrecovered Bad Debt Payment that is calculated under Section K9.4 during the same month as the Unrecovered Bad Debt Payment to which reference is first made in this definition.
<b>Elective Charges</b>	means the Charges payable in respect of Elective Communication Services.
<b>Enrolled Smart Metering System</b>	means a Smart Metering System that has been Enrolled.
<b>Estimated Allowed Revenue</b>	has the meaning given to that expression in Section K2.1.
<b>Estimated Elective Service Revenue</b>	has the meaning given to that expression in Section K2.3.
<b>Estimated Explicit Charges Revenue</b>	has the meaning given to that expression in Section K2.5.

<b>Estimated Fixed Charges Revenue</b>	has the meaning given to that expression in Section K2.6.
<b>Explicit Charges</b>	means the Charges calculated in accordance with Section K7, and payable in respect of the Explicit Charging Metrics.
<b>Explicit Charging Metrics</b>	has the meaning given to that expression in Section K7.
<b>Fixed Alt HAN Charges</b>	means the Charges calculated in accordance with Section K5A or K6B (as applicable).
<b>Fixed CH Charges</b>	means the Charges calculated in accordance with Section K6A.
<b>Fixed Charges</b>	means the Charges calculated in accordance with Section K4, K5 or K6 (as applicable).
<b>HAN Variant</b>	for the purposes of this Section K there shall be only two HAN Variants: Single Band and Dual Band, as further described in Appendix I (CH Installation and Maintenance Support Materials).
<b>Liability Event</b>	means an event as a result of which either:  (a) the DCC has a net liability to the DCC Service Providers collectively (excluding in respect of charges arising in the ordinary course of events); or  (b) the DCC Service Providers collectively have a net liability to the DCC (excluding in respect of service credits or liquidated damages arising from poor service performance).

**Liability Sum**

means, in respect of a Liability Event as a result of which:

- (a) the DCC owes a net liability to the DCC Service Providers collectively, the amount of such net liability (having taken into account amounts recoverable by the DCC in respect of that Liability Event otherwise than pursuant to this Charging Methodology, including amounts recoverable from other Parties as a result of any breach of this Code by such Parties which caused or contributed to that Liability Event), but only to the extent that the DCC estimates that such net liability will be recoverable by the DCC as Allowed Revenue; or
- (b) the DCC Service Providers collectively owe a net liability to the DCC, the net amount actually received by the DCC in respect of such net liability (having taken into account amounts owed by the DCC to other Parties and to third parties in respect of that Liability Event otherwise than pursuant to this Charging Methodology), but only to the extent that the DCC estimates that such net liability will reduce the Allowed Revenue that the DCC could otherwise recover by way of the Charges (which net amount will be expressed as a negative number).

**Liability Payment**

has the meaning given to that expression in Section K9.6 (expressed as a negative number in the case of negative Liability Sums).

**Mandated Smart Metering System**

means, from time to time, each MPAN or MPRN associated with a Domestic Premises (regardless of

whether or not a Smart Metering System has been installed or Enrolled), but excluding:

- (a) those MPANs and MPRNs associated with premises in respect of which the DCC is exempted from the requirement to Enrol Smart Metering Systems in accordance with the Statement of Service Exemptions; and
- (b) those MPANs that do not have the status of “traded” (as identified in the MRA) and those MPRNs that do not have a status that indicates that gas is off-taken at the supply point (as identified in the UNC).

<b>National Fixed Revenue</b>	has the meaning given to that expression in Section K3.7.
<b>Opted-out Alt HAN Equipment</b>	has the meaning given to that expression in Section Z6.1.
<b>Regional Communications Hub Device Revenue</b>	has the meaning given to that expression in Section K3.9.
<b>Regional Communications Hub Fixed Revenue</b>	has the meaning given to that expression in Section K3.9.
<b>Regional Fixed Revenue</b>	has the meaning given to that expression in Section K3.9.
<b>Regulatory Year</b>	means (subject to Section K9.3) a period of twelve months beginning at the start of 1 April in any calendar year and ending at the end of 31 March in the next following calendar year; provided that a Regulatory Year will end and a new one will commence simultaneously with both the commencement and the end of the UITMR Period.

<b>Test CH Services</b>	means the Services provided under Section F10 (Test Communications Hubs).
<b>UITMR Period</b>	<p>means the period, covering User integration testing and the mass rollout period, which for these purposes:</p> <p>(a) commences at the start of the month in which the DCC is first obliged to make regular monthly payments to one or more of the DCC Service Providers; and</p> <p>(b) ends <u>on 31 March 2021</u><del>at the end of the date referred to in paragraph 1 of Condition 39 of the Electricity Supply Licences.</del></p>
<b>Unrecovered Bad Debt Payment</b>	has the meaning given to that expression in Section K9.4.
<b>Weighting Factor</b>	means the Charging Group Weighting Factor, the CH Charging Group Weighting Factor or the Alt HAN Charging Group Weighting Factor.