

ELECTRICITY DEFINITIONS

This is a complete list of definitions that are used across all of our product offerings for electricity supply contracts. Please note that some may not apply to your contract.

Act means the Electricity Act 1989.

Advanced Meter means equipment to allow automated meter reads to be taken, including all ancillary equipment.

Affiliate means a company which directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with a Party. For this purpose “control” means the direct or indirect ownership of in aggregate fifty per cent (50%) or more of voting capital.

Ancillary Services has the meaning given to it in the Grid Code.

Base Load Block means a volume of electricity where the number of megawatts is consistent throughout all Settlement Periods within the relevant period.

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.

Business Day means any day other than a Saturday or a Sunday and which is not a public holiday in England and Wales.

Capacity Market means the Capacity Market scheme established under the Energy Act 2013, Electricity Capacity Regulations (2014) and other secondary legislation.

Charges means each of the prices and charges set out in Clause 3.1 or 3.2, as applicable.

Clause means a clause of the Terms and Conditions.

Climate Change Levy or **CCL** means the levy introduced by Schedule 6 of the Finance Act 2000 and the Climate Change Levy (General) Regulations 2001.

Competent Authority means the Gas and Electricity Markets Authority, Ofgem or any governmental, regulatory or statutory person which has jurisdiction in respect of the Customer, the Supplier, other Electricity Suppliers, Distribution or Transmission System Operators or the subject matter of the Contract or any Industry Code.

Confirmation means a confirmation of the terms of an Instruction to Fix (or Instruction to Refloat) in the form of a

standard email sent either by DONG Energy or the Trading Desk (as applicable).

Connection Agreement means an agreement between the Customer and the relevant Distribution System Operator or Transmission System Operator governing the terms of the connection of the relevant Supply Point(s) to the Distribution System or Transmission System.

Contract Duration means the intended period between the Start Date and the End Date, subject to any delay to the Start Date or early termination in accordance with the Contract.

Contract means the Offer and attached Schedules, Terms and Conditions, Hedging Procedure and these definitions, as made between the Customer and Supplier.

Contract Year means a period of twelve (12) months commencing on the Start Date or any anniversary thereof.

Contracts for Difference means the Contracts for Difference scheme established under the Energy Act 2013 to support low carbon generation.

CUSC means the Connection and Use of System Code and the CUSC Framework Agreement established pursuant to the National Electricity Transmission System Operator Licence.

Customer's Representative means a representative of the Customer who is authorised to issue or receive notices and/or instructions on the Customer's behalf, who shall be the person or company listed in the Offer or such other representative as the Customer confirms to the Supplier in writing.

Daily Charge means the daily standing charge applicable on each day from the Start Date to the End Date, as set out in Schedule 3.

Data Aggregator means a qualified person appointed to carry out the aggregation of data from meters for the purposes of the BSC.

Data Collector means a qualified person appointed to retrieve, validate and process data from meters for the purposes of the BSC.

DCUSA or Distribution Connection and Use of System Agreement means the agreement of that name which permits (among other things) the Supplier's use of a Distribution System for supply of electricity to the Customer at a Supply Point.

De-energise means the movement of any switch or the removal of any fuse or the taking of any other step which has the effect of no electrical current being able to flow between the Distribution System and a Supply Point, and the expressions "De-energised" and "De-energisation", shall be construed accordingly.

Deemed Contract means the deemed rate electricity contract available on the Supplier Website and on request, as may be updated from time to time.

Deemed Rates means the rates available on the Supplier Website and on request and paid by the Customer for any supplies of electricity made to the Customer after the termination or expiry of the Contract.

Default Index means the index identified in the Offer under the field "Default Index".

Disconnection means the removal of any cable or other equipment such that a Supply Point is no longer connected to the Distribution System, and the expressions "Disconnected" and "Disconnect" shall be construed accordingly.

Distribution Code means the distribution code as defined in the Supplier's Supply Licence.

Distribution Losses means the amount of electricity that is lost on the Distribution System to deliver the electricity at the Supply Point.

Distribution System means the relevant Distribution System Operator's system for distributing electricity to a Supply Point.

Distribution System Operator means, in respect of a Supply Point, the holder of a licence under section 6(1)(c) of the Act to distribute electricity in the area where the Supply Point is located.

Distribution Use of System Charges means the distribution charges levied by the Distribution System Operator for the use of a Distribution System (excluding connection charges).

Electricity Arbitration Association means the unincorporated members' club known as the Electricity Supply Industry Arbitration Association.

Electricity Price means the price for electricity set out in Schedule 4.

Electricity Supplier means a person holding a licence granted under section 6(1)(d) of the Act.

End Date means the date specified in the Offer (as may be extended in line with Clause 1.3) or, if earlier, the date of termination of the Contract in line with its terms.

Evergreen means a Contract that is indicated as Evergreen in the Offer, in which case the Term is determined in accordance with Clause 1.3.

Fixed Period means the period for which a Charge is fixed at a price, as indicated in the Offer (for Supplier Charges, Daily Charge or Charges that form part of the Electricity Price) or in Schedule 3 (for Third Party Charges).

Fixed Price Contract means a contract with a fixed Electricity Price, as identified in the Offer.

Flexible Price Contract means a contract with a flexible Electricity Price, as identified in the Offer.

Forecast Consumption means the total quantity (in kWh) of electricity forecast to be supplied in a period to all of the Supply Points, derived from the forecast of supply set out in Schedule 2 and in accordance with Clause 11.

Grid Code means the Grid Code as defined in the Supply Licence.

GSP Group Correction Factor has the meaning given to it in the BSC.

Hedges has the meaning given to it in Clause 21.1.

Hedging Procedure means the process for issuing Instructions to Fix or Refloat for electricity available on the Supplier Website as the Hedging Procedure v1.0 and on request.

Industry Code means the BSC, the Grid Code, the DCUSA, the Master Registration Agreement, the CUSC and any Connection Agreement, the Distribution Code, and any other agreement or code relevant to the sale or purchase of electricity or which affects the ability of the Supplier or the Customer to perform their respective obligations under the Contract.

Initial Period means the initial term of a Contract if it is Evergreen, as set out in the Offer and expressed as a number of Supply Months following the Start Date.

Instruction to Fix means an instruction issued by the Customer's Representative in accordance with the Hedging Procedure to buy a quantity of electricity.

Instruction to Refloat means an instruction issued by the Customer's Representative in accordance with the Hedging Procedure to sell a quantity of electricity that was previously the subject of an Instruction to Fix.

Legal Requirement means any Act of Parliament, statutory instrument, regulation, licence (including a Supply Licence) or act or decision of any Competent Authority.

Load Block Volume has the meaning given to it Clause 11.2.

Management Fee means the fee charged by the Supplier for providing the supply of Electricity which includes a charge for administration and cost of credit and is included in the Service Charges for Flexible Price Contracts and the Electricity Price for Fixed Price Contracts.

Master Registration Agreement or **MRA** means the agreement of that name dated 1 June 1998 which provides (among other things) the procedure for the Supplier's Registration as supplier in respect of any Supply Point.

Maximum Capacity means (i) in respect of each Supply Point which is directly connected to the Distribution System, the maximum import capacity notified by the Distribution System Operator in the Distribution Use of System Charges; or (ii) where a Supply Point is directly connected to a Transmission System, the Connection Site Demand Capability (as that term is defined in the CUSC) of a Supply Point.

Meter means the meter at a Supply Point, including any Advanced Meter, and any ancillary equipment.

Meter Examiner means a meter examiner appointed by the National Measurement and Regulation Office or otherwise in accordance with Schedule 7 of the Act.

Meter Operator means a Qualified person who has been appointed as a meter operator agent for the purposes of the BSC.

Monthly Invoice has the meaning given to it in Clause 6.1.

MPAN means a unique Meter Point Administration Number associated with a Supply Point.

Mutualisation Amount means a charge to recover from Electricity Suppliers the outstanding payments owed by a defaulting Electricity Supplier.

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.

Offer means the part of the Contract summarising the commercial terms and signed by the Customer and the Supplier.

Party means the Customer or the Supplier as the case may be and Parties means both of them.

Pass-Through Basis means the method of passing through charges set out in Clause 5.1.

Peak Load Block means a volume of electricity where the number of megawatts in each weekday Settlement Period from 7am to 7pm is the same.

Qualified has, in relation to a Meter Operator, Data Aggregator or Data Collector, the meaning given to that term in the BSC.

Regulations means the Electricity Safety, Quality and Continuity Regulations 2002 or any other regulations made under section 29 of the Act.

Relevant Date has the meaning given to it in Clause 7.1.

Renewable Source Electricity has the meaning given to it in paragraph 19 of Schedule 6 to the Finance Act 2000, as further clarified in regulation 47 of the Climate Change Levy (General) Regulations 2001.

Renewables Obligation means the obligation, introduced by the Renewables Obligation Order 2006 (SI 2006/1004) on Electricity Suppliers to ensure a proportion of their supply of electricity is from eligible renewable sources of electricity.

Residual Volume has the meaning given to it in Clause 11.2.

Schedule means a Schedule to the Offer.

Settlement Period has the meaning given to it in the BSC.

Start Date means the date specified in the Offer.

Supplier Charges means the charges set out in the Offer.

Supplier Website means the website at <http://www.dongenergy.co.uk/energyforbusiness> or other websites of the Supplier.

Supply Licence means a licence granted under section 6(1)(d) of the Electricity Act.

Supply Month means any month in which the Supplier supplies electricity to any Supply Point under the Contract (or any part of a month if the Supplier does not supply electricity for the entire month).

Supply Point means each point of connection listed in Schedule 1, at which the supply of electricity may flow

between a Distribution System or Transmission System and the Meter, equipment or lines at the Customer's premises.

System Price means the System Buy Price (if buying) and System Sell Price (if selling), each as defined in the BSC and includes any replacement imbalance price under the BSC if the System Buy Price or System Sell Price are no longer used.

Tax or Taxes has the meaning given to it in Clause 6.2.

Term means the term of the Contract, from the date of signature to the End Date.

Terms and Conditions means the terms and conditions of supply of electricity identified in the Offer and available on the Supplier Website and on request.

Third Party Charges means any charges set out in Schedule 3 and all other charges levied by Competent Authorities or industry bodies in respect of the electricity supplied to the Supply Points. Charges that are described as "pass-through" in Schedule 3 are indicative at the date of this Contract and will be passed-through in accordance with Clause 5.1.

Trading Desk means the trading desk run by DONG Energy Sales & Service A/S, or any other Affiliate of the Supplier.

Transmission Losses means the amount of electricity that is lost on the Transmission System to deliver the electricity at the Supply Point.

Transmission System means a system of the type described in section 4(4) of the Act.

Transmission System Operator means the operator of a Transmission System.

Use of System Agreement means an agreement between the Supplier and the Distribution System Operator governing the Supplier's use of the Distribution System.