

Annex 11 – Legal Text: CMP335 Original – Section 3 & 11 changes

Section 11 changes - to add new definitions and edit (shown in ~~strikeout~~ and red) existing definitions

Term	Description
Base Value at Risk	the sum of HH Base Value at Risk , and the NHH Base Value at Risk , and FDSC Base Value at Risk and the UMS Base Value at Risk .
FDSC	shall mean the same as Final Demand Site Count
FDSC Forecast	The forecast, produced by The Company , of the FDSC .
FDSC Base Percentage	the % value for the relevant Security Period as specified in the table in paragraph 2A of Section 3, Appendix 2
FDSC Charges	that element of Transmission Network Use of System Demand Charges relating to Final Demand Site Count
FDSC Base Value at Risk	the sum as calculated in accordance with Paragraph 3.23.4a
Final Demand Site Count or FDSC	A count of individual Final Demand Sites for each Charging Band .
Indicative Annual FDSC TNUoS charge	The Company's forecast of the User's total FDSC Charges relating to a Financial Year
Indicative Annual UMS TNUoS charge	The Company's forecast of the User's total UMS Charges relating to a Financial Year
Reported Period(s) of Increase	the period of time during which a User's Demand and/or FDSC and/or Unmetered Supply Volume increased not being more than 20 Business Days , as notified to The Company under paragraph 3.223.7, or paragraph 3.223.8 or paragraph 3.23.8A
Transmission Network Use of System Demand Charges	that element of Transmission Network Use of System Charges relating to Demand , and Final Demand Sites and Unmetered Supply
UMS Base Percentage	the % value for the relevant Security Period as specified in the table in paragraph 2B of Section 3, Appendix 2
UMS Charges	that element of Transmission Network Use of System Demand Charges relating to Unmetered Supply .
UMS Base Value at Risk	the sum as calculated in accordance with Paragraph 3.23.4b
Unmetered Supply Volume	the amount of Energy associated with Unmetered Supply .
Unmetered Supply Volume Forecast	the forecast, produced by The Company , of the Unmetered Supply Volume .

Section 3 changes

PART II - USE OF SYSTEM CHARGES

PART IIA - GENERAL

3.9 USE OF SYSTEM CHARGES

- 3.9.1 Subject to the provisions of the **CUSC**, and any relevant **Bilateral Agreement**, together with the relevant **Charging Statements**, each **User** shall with effect from the relevant date set out in the relevant **Bilateral Agreement** (or in the **Use of System Supply Confirmation Notice**) be liable to pay to **The Company** the **Use of System Charges** in accordance with the **CUSC** calculated in accordance with the **Statement of Use of System Charges** and the **Statement of the Use of System Charging Methodology** and Standard Condition C13 of the **Transmission Licence**. **The Company** shall apply and calculate the **Use of System Charges** in accordance with the **Statement of Use of System Charges** and the **Statement of the Use of System Charging Methodology** and Standard Condition C13 of the **Transmission Licence**.
- 3.9.2 Each **User** shall, as between **The Company** and that **User**, in accordance with this Part II and Paragraph 6.6, be liable to pay to **The Company** (or **The Company** shall be so liable to pay to the **User**) the **Transmission Network Use of System Charges** and (if appropriate) the **STTEC** and **LDTEC Charge** in respect of its use of the **National Electricity Transmission System** applied and calculated in accordance with the **Statement of Use of System Charges** and **Statement of the Use of System Charging Methodology** and Standard Condition C13 of the **Transmission Licence**.
- 3.9.3 Except in respect of **Distribution Interconnector Owners** each **User** shall, as between **The Company** and that **User**, in accordance with this Part II and Paragraph 6.6, be liable to pay to **The Company** in respect of each **Settlement Day** the **Balancing Services Use of System Charges** calculated in accordance with the **Statement of the Use of System Charging Methodology**.
- 3.9.4 Each **User** shall, as between **The Company** and that **User**, provide **The Company** with **Security Cover** in respect of **Transmission Network Use of System Demand Reconciliation Charges**, **Transmission Services Use of System Charges** and **Balancing Services Use of System Charges** in accordance with Part III below.

- 3.9.5 The charges payable in relation to use of the **National Electricity Transmission System** may also include **One-off Charges** where those are to be payable by the relevant **User** as provided in the relevant **Bilateral Embedded Generation Agreement**. In that case, the relevant provisions of Section 2 will apply to that **User** in relation to the **One-off Charges**.
- 3.9.6 Where a **User's** connection to the **National Electricity Transmission System** involves the connection of an **Offshore Transmission System** to a **Distribution System**, the **ET Use of System Charges** shall be payable by the **User** in an amount, manner and timing that reflects **The Company's** obligation to the **ET Interface Operator** for the charges for connection to and use of that **Distribution System**. These will be specified, to the extent practicable, in the **User's Bilateral Connection Agreement**.

PART IIB – TRANSMISSION NETWORK USE OF SYSTEM CHARGES

3.10 DEMAND FORECAST DATA REQUIREMENTS

- 3.10.1 On or before the end of the second week of December in each **Financial Year**, each **User** shall supply **The Company** with such data as described under Section 3.10 as **The Company** may from time to time reasonably request to enable **The Company** to calculate the tariffs for the **Transmission Network Use of System Charges** pursuant to the **Charging Statements** for the **Financial Year** to which the data relates.
- 3.10.2 On or before the 10th day of March in each **Financial Year**, each **User** shall supply **The Company** on **The Company's** reasonable request with its **Demand Forecast** for the following **Financial Year** pursuant to the **Charging Statements** to enable **The Company** to use such **Demand Forecast** as the basis for calculation of the **Transmission Network Use of System Charges** for the **Financial Year** to which the **Demand Forecast** relates.
- 3.10.3 In the event that a **User** fails to provide a **Demand Forecast** in accordance with Paragraph 3.10.2 above the **User** shall be deemed to have submitted as its **Demand Forecast** the last **Demand Forecast** supplied under Paragraph 3.11.1.
- 3.10.4 Where a **Use of System Supply Confirmation Notice** is completed during a **Financial Year**, the **User** shall supply **The Company**, with its **Demand Forecast** for that **Financial Year** on or before the 10th day of the month following completion of the **Use of System Supply Confirmation Notice**.
- 3.10.5 On or before the end of the second week in December in each **Financial Year**, each **User** that is liable for generation **Use of System Charges** in accordance with 3.9 shall supply **The Company** with a forecast

maximum TEC for the following year, to inform **The Company** of the forecast generation to be used for the purposes of setting TNUoS Tariffs.

- 3.10.6 Where a **User's** connection to the **National Electricity Transmission System** involves the connection of an **Offshore Transmission System** to a **Distribution System**, each such **User** shall supply **The Company** with such data as **The Company** may from time to time reasonably request to enable the calculation of the **ET Use of System Charges**.

3.11 VARIATION OF FORECASTS DURING THE FINANCIAL YEAR

- 3.11.1 Each **User** shall notify **The Company** of any revision to its **Demand Forecast** at least quarterly or at such intervals as may be agreed between **The Company** and the **User** from time to time.
- 3.11.2 Subject to Paragraph 3.12, **The Company** shall revise the **Transmission Network Use of System Charges** payable by a **User** to take account of any revised **Demand Forecast** and shall commence charging the revised **Transmission Network Use of System Charges** from the first day of the month following the month in which such revised **Demand Forecast** was received provided always that such **Demand Forecast** is provided before the 10th day of such month.

3.12 VALIDATION OF DEMAND FORECASTS

- 3.12.1 The **Demand Forecast** shall represent a **User's** reasonable estimate of its **Demand**.

3.12.1a **The Company** shall use the latest available data of actual **FDSC** and **Unmetered Supply Volume** as the basis of its **FDSC Forecast** and **Unmetered Supply Volume Forecast**.

- 3.12.2 **The Company** shall notify the **User** in the event that the **Transmission Network Use of System Charges** due from the **User** to **The Company** or from **The Company** to the **User** (as the case may be) calculated by **The Company** using the **Demand Forecast**, **FDSC Forecast** and **Unmetered Supply Volume Forecast** differ by more than 20% from that calculated by **The Company** using **The Company's** forecast **Demand**, **FDSC Forecast** and **Unmetered Supply Volume Forecast** as provided for in the **Charging Statements**.

- 3.12.3 In the event that **The Company** does not receive a satisfactory explanation for the difference between the **Demand Forecast** and **The Company's** forecast of Demand or a satisfactory revised **Demand Forecast** from the **User** within 5 **Business Days** of such notice then **The Company** shall be entitled to invoice a **User** for **Transmission Network**

Use of System Charges calculated on the basis of **The Company** forecast **Demand**.

- 3.12.4 Any dispute regarding a **Demand Forecast**, or **FDSC Forecast** or **Unmetered Supply Volume Forecast** or the resulting **Transmission Network Use of System Charges** shall be a **Charging Dispute**.

3.13 RECONCILIATION STATEMENTS

Calculation of Initial Reconciliation

- 3.13.1 On or before 30 June in each **Financial Year**, **The Company** shall promptly calculate in accordance with the **Statement of the Use of System Charging Methodology** and the **Statement of Use of System Charges** the **Demand** related, **FDSC related**, **Unmetered Supply Volume related** or generation related **Transmission Network Use of System Charges** (as the case may be) that would have been payable by the **User** during each month during the preceding **Financial Year** (**Actual Amount**). **The Company** shall then compare the **Actual Amount** with the amount of **Demand** related, **FDSC related**, **Unmetered Supply Volume related** or generation related **Transmission Network Use of System Charges** (as the case may be) paid each month during the preceding **Financial Year** by the **User** (the “**Notional Amount**”).

Generation Reconciliation

- 3.13.2 As soon as reasonably practicable and in any event by 30 April in each **Financial Year** **The Company** shall prepare a generation reconciliation statement (the “**Generation Reconciliation Statement**”) in respect of generation related **Transmission Network Use of System Charges** and send it to the **User**. Such statement shall specify the **Actual Amount** and the **Notional Amount** of generation related **Transmission Network Use of System Charges** for each month during the relevant **Financial Year** and, in reasonable detail, the information from which such amounts were derived and the manner in which they were calculated.
- 3.13.3 Together with the **Generation Reconciliation Statement**, **The Company** shall issue a credit note in relation to any sums shown by the **Generation Reconciliation Statement** to be due to the **User** or an invoice in respect of sums due to **The Company** and in each case interest thereon calculated pursuant to Paragraph 3.13.6 below.

Initial Demand Reconciliation Statement

- 3.13.4 As soon as reasonably practicable and in any event by 30 June in each **Financial Year** **The Company** shall then prepare an initial **Demand**

reconciliation statement (the “**Initial Demand Reconciliation Statement**”) in respect of **Demand and FDSC and Unmetered Supply Volume** related **Transmission Network Use of System Charges** and send it to the **User**. Such statement shall specify the **Actual Amount** and the **Notional Amount** of **Demand and FDSC and Unmetered Supply Volume** related **Transmission Network Use of System Charges** for each month during the relevant **Financial Year** and, in reasonable detail, the information from which such amounts were derived and the manner in which they were calculated.

3.13.5 Together with the **Initial Demand Reconciliation Statement** **The Company** shall issue a credit note in relation to any sum shown by the **Initial Demand Reconciliation Statement** to be due to the **User** or an invoice in respect of sums due to **The Company** and in each case interest thereon calculated pursuant to Paragraph 3.13.6.

3.13.6 General Provisions

- (a) Invoices issued under paragraphs 3.13.3 and 3.13.5 above and 3.13.8 (b) below shall be payable within 30 days of the date of the invoice.
- (b) Interest on all amounts due under this Paragraph 3.13 shall be payable by the paying **CUSC Party** to the other on such amounts from the date of payment applicable to the month concerned until the date of actual payment of such amounts and such interest shall be calculated on a daily basis at a rate equal to the **Base Rate** during such period.

3.13.7 Final Reconciliation Statement

- (a) **The Company** shall as soon as reasonably practicable following receipt by it of the **Final Reconciliation Settlement Run** or **Final Reconciliation Volume Allocation Run** as appropriate in respect of the last **Settlement Day** in each **Financial Year** issue a further **Demand and FDSC and Unmetered Supply Volume** reconciliation statement (the “**Final Demand Reconciliation Statement**”) in respect of **Demand and FDSC and Unmetered Supply Volume** related **Transmission Network Use of System Charges** payable in respect of each month of that **Financial Year** showing:-
 - (i) any change in the **Demand and FDSC and Unmetered Supply Volume** related **Transmission Network Use of System Charges** from those specified in the **Initial Demand Reconciliation Statement** provided in accordance with Paragraph 3.13.4;

- (ii) whether the change represents a reconciliation payment owing by **The Company** to a **User** or by a **User** to **The Company**;
 - (iii) the amount of interest determined in accordance with Paragraph 3.13.6 above; and
 - (iv) the information from which the amounts in (i) above are derived and the manner of their calculation.
- (b) Together with the **Final Demand Reconciliation Statement The Company** shall issue a credit note in relation to any sum shown in the **Final Demand Reconciliation Statement** to be due to the **User** or an invoice in respect of sums due to **The Company** and in each case interest thereon calculated pursuant to Paragraph 3.13.6.
- (c) Payment of any invoice issued pursuant to Paragraph 3.13.7(b) above or the application of any credit note issued pursuant to that paragraph against any liability of the **User** to **The Company** for **Demand and FDSC and Unmetered Supply Volume** related **Transmission Network Use of System Charges** will be in full and final settlement of all **Demand and FDSC and Unmetered Supply Volume** related **Transmission Network Use of System Charges** for the **Financial Year** to which the invoice or credit note relates provided that nothing in this Paragraph 3.13.8(c) shall affect the rights of the parties under the provisions of Paragraph 7.3.5.
- 3.13.8 The right to submit **Generation Reconciliation Statements, Initial Demand Reconciliation Statements** and **Final Demand Reconciliation Statements** and the consequential invoices and/or credit notes shall survive the termination of the **User's** rights under the **CUSC** and the parties agree that the provisions contained in Paragraphs 3.13 and 3.14 shall continue to bind them after such termination (the version in existence at the date of termination being the applicable version in the case of any amendments).

---No changes in 3.14 to 3.22---

3.23 CREDIT MONITORING

3.23.1 Determination of Security Cover

The amount of **Security Cover** which the **User** shall be required to maintain shall be determined from time to time by **The Company** as the **User's Security Requirement** less the **User's Allowed Credit**.

3.23.2 Determination of Security Requirement

The **Security Requirement** for each User shall be determined as:-

- (a) the **Balancing Services Use of System Charges** provided for in the **CUSC**, where the **User** is a **Supplier**, over a 32 day period or such period as **The Company** acting reasonably shall specify to the **User** in writing from time to time taking into account the requirements for **Security Cover** contained in the **Balancing and Settlement Code** and where **The Company** proposes to change such period **The Company** shall consult with **Users**; and
- (b) the **Balancing Services Use of System Charges** provided for in the **CUSC**, where the **User** is a **Generator**, over a 29 day period or such period as **The Company** acting reasonably shall specify to the **User** in writing from time to time taking into account the requirements for **Security Cover** contained in the **Balancing and Settlement Code** and where **The Company** proposes to change such period **The Company** shall consult with **Users**; and
- (c) in relation to **Transmission Network Use of System Demand Charges** calculated in the following manner for each **Security Period**:-
 - (aa) in the **Financial Year** in which such charges first become due the greater of zero and the **User's Base Value at Risk**; and
 - (bb) in the case of subsequent **Financial Years** the greater of zero and the sum of (i) the **User's Base Value at Risk** and (ii) the **User's Forecasting Performance Related VAR**.
- (d) interest on the amounts referred to in (a), (b) and (c) above calculated in accordance with the provisions of this **CUSC**.

3.23.3 Calculation of HH Base Value at Risk

For each **Security Period**, the sum equal to the **HH Base Percentage** of the **User's Indicative Annual HH TNUoS Charge** calculated on the basis of the latest **Demand Forecast** received by **The Company**.

3.23.4 Calculation of **NHH Base Value at Risk**

For each **Security Period**, the sum equal to the **NHH Base Percentage** of the **User's Indicative Annual NHH TNUoS Charge** calculated on the basis of the latest **Demand Forecast** received by **The Company**.

3.23.4a Calculation of **FDSC Base Value at Risk**

For each **Security Period**, the sum equal to the **FDSC Base Percentage** of the **User's Indicative Annual FDSC TNUoS Charge** calculated by **The Company** on the basis of the latest **FDSC Forecast** produced by **The Company**.

3.23.4b Calculation of **UMS Base Value at Risk**

For each **Security Period**, the sum equal to the **UMS Base Percentage** of the **User's Indicative Annual UMS TNUoS Charge** calculated by **The Company** on the basis of the latest **Unmetered Supply Volume Forecast** produced by **The Company**.

---No changes from 3.23.5 until Appendix 2---

APPENDIX 2

Base Value At Risk

1. For each **Security Period**, the **HH Base Percentage** used in determining the **User's HH Base Value at Risk** shall be determined by reference to the following:

Security Period Start Date (inclusive)	Security Period End Date (inclusive)	HH Base Percentage
1 st April	30 th June	-8.4%
1 st July	30 th September	-33.4%
1 st October	31 st December	-49.1%
1 st January	31 st March	7.0%

For

2. For each **Security Period**, the **NHH Base Percentage** used in determining the **User's NHH Base Value at Risk** shall be determined by reference to the following:

Security Period Start Date (inclusive)	Security Period End Date (inclusive)	NHH Base Percentage
1 st April	30 th June	4.3%
1 st July	30 th September	-1.5%

1 st October	31 st December	-2.8%
1 st January	31 st March	3.7%

2A. For each **Security Period**, the **FDSC Base Percentage** used in determining the **User's FDSC Base Value at Risk** shall be determined by reference to the following:

Security Period Start Date (inclusive)	Security Period End Date (inclusive)	FDSC Base Percentage
1 st April	30 th June	5.0%
1 st July	30 th September	5.0%
1 st October	31 st December	5.0%
1 st January	31 st March	5.0%

2B. For each **Security Period**, the **UMS Base Percentage** used in determining the **User's UMS Base Value at Risk** shall be determined by reference to the following:

Security Period Start Date (inclusive)	Security Period End Date (inclusive)	UMS Base Percentage
1 st April	30 th June	4.3%
1 st July	30 th September	-1.5%
1 st October	31 st December	-2.8%
1 st January	31 st March	3.7%

Deemed HH Forecasting Performance and Revision

3. **Deemed HH Forecasting Performance**, FPP_{HH} , shall be calculated as set out in the following formula:

$$FPP_{HH} = \max \left(0, \frac{5}{1333} \sum_{m=8}^{12} \left(\frac{AA_{HH} - IA_{HH,m}}{AA_{HH}} * W_{HH,m} \right) - CA_{HH} \right)$$

Where:

AA_{HH} is the **Actual Amount of User's HH Charges** for the previous **Financial Year**

$IA_{HH,m}$ is the **Indicative Annual HH TNUoS charge** calculated using the **Demand Forecast** used to determine **Transmission**

Network Use of System Demand Charges made during month m of the previous **Financial Year**.

$W_{HH,m}$, The forecast weighting to be applied for each month, m by reference to the following:

m	Invoice Month	Forecast weighting, $W_{HH,m}$
8	November	33.3
9	December	33.3
10	January	33.3
11	February	66.7
12	March	100

CA_{HH} , is an allowance for extreme conditions equal to 0.06.

4. The revised **Deemed HH Forecasting Performance**, shall be calculated on the basis of Paragraph 3 above, substituting the **Indicative Annual HH TNUoS Charge** for each month, m prior to the end of the **Reported Period of Increase** with the **Revised Indicative Annual HH TNUoS charge**, $RIA_{HH,m}$
5. The **Revised Indicative Annual HH TNUoS charge**, $RIA_{HH,m}$ shall be derived as follows:

$$RIA_{HH,m} = \min \left(\max \left(\frac{DUA_{HH,p}}{DUB_{HH,p}} - \frac{DSA_{HH,p}}{DSB_{HH,p}}, 0 \right) * RD_{HH,p} + IA_{HH,m}, IA_{HH,p} \right)$$

Where:

$DUA_{HH,p}$ is the average half-hourly metered demand taken by the **User's Customers** during the period 17:00 to 17:30 on the twenty **Business Days** prior to the **Reported Period of Increase**, p , that do not fall between the two week period commencing 22nd December.

$DUB_{HH,p}$ is the average half-hourly metered demand taken by the **User's Customers** during the period 17:00 to 17:30 on the twenty **Business Days** following the **Reported Period of**

Increase, p , that do not fall between the two week period commencing 22nd December.

$DSA_{HH,p}$ is the average demand taken by **Total System Chargeable HH Demand** during the period 17:00 to 17:30 on the twenty **Business Days** prior to the **Reported Period of Increase, p** , that do not fall between the two week period commencing 22nd December.

$DSB_{HH,p}$ is the average demand taken by **Total System Chargeable HH Demand** during the period 17:00 to 17:30 on the twenty **Business Days** following the **Reported Period of Increase, p** , that do not fall between the two week period commencing 22nd December.

$RD_{HH,p}$ is the forecast proportion of **HH Charges** remaining for the previous **Financial Year** from the first day of the month in which the **Reported Period of Increase, p** commences by reference to the following:

Month in which Reported Period of Increase commences	Remaining proportion of HH Charges
October	100%
November	100%
December	100%
January	66.7%
February	33.3%

$IA_{HH,m}$ is the **Indicative Annual HH TNUoS charge** calculated using the **Demand Forecast** used to determine **Transmission Network Use of System Demand Charges** made during month m of the previous **Financial Year**.

$IA_{HH,p}$ in the case that the the **Reported Period of Increase, p** ends prior to the 10th February of the previous **Financial Year**, is set equal to the **Indicative Annual HH TNUoS charge** calculated using the **Demand Forecast** used to determine **Transmission Network Use of System**

Demand Charges made during the month immediately following **Reported Period of Increase** of the previous **Financial Year**, otherwise is set to infinity.

Deemed NHH Forecasting Performance and Revision

6. **Deemed NHH Forecasting Performance**, FPP_{NHH} , shall be calculated as set out in the following formula:

$$FPP_{NHH} = \max \left(0, \frac{1}{300} \sum_{m=8}^{12} \left(\frac{AA_{NHH} - IA_{NHH,m}}{AA_{NHH}} * W_{NHH,m} \right) - CA_{NHH} \right)$$

Where:

AA_{NHH} is the **Actual Amount of User's NHH Charges** for the previous **Financial Year**.

$IA_{NHH,m}$ is the **Indicative Annual NHH TNUoS charge** calculated using the **Demand Forecast** used to determine **Transmission Network Use of System Demand Charges** made during month m of the previous **Financial Year**.

$W_{NHH,m}$, The forecast weighting to be applied for each month, m by reference to the following:

m	Invoice Month	Forecast weighting, $W_{NHH,m}$
8	November	41
9	December	49
10	January	59
11	February	70
12	March	81

CA_{NHH} , is an allowance for extreme conditions equal to 0.03.

7. The revised **Deemed NHH Forecasting Performance** shall be calculated on the basis of Paragraph 6 above, substituting the **Indicative Annual NHH**

TNUoS Charge for each month, m prior to the end of the **Reported Period of Increase** with the **Revised Indicative Annual NHH TNUoS charge**, $RIA_{NHH,m}$.

8. The **Revised Indicative Annual NHH TNUoS charge**, $RIA_{NHH,m}$ shall be derived as follows:

$$RIA_{NHH,m} = \min \left(\max \left(\frac{DUA_{NHH,p}}{DUB_{NHH,p}} - \frac{DSA_{NHH,p}}{DSB_{NHH,p}}, 0 \right) * RD_{NHH,p} + IA_{NHH,m}, IA_{NHH,p} \right)$$

Where:

$DUA_{NHH,p}$ is the average non-half-hourly metered demand taken by the **User's Customers** during the period 16:00 to 19:00 on the twenty **Business Days** prior to the **Reported Period of Increase**, p , that do not fall between the two week period commencing 22nd December.

$DUB_{NHH,p}$ is the average non-half-hourly metered demand taken by the **User's Customers** during the period 16:00 to 19:00 on the twenty **Business Days** following the **Reported Period of Increase**, p , that do not fall between the two week period commencing 22nd December.

$DSA_{NHH,p}$ is the average demand taken by **Total System Chargeable NHH Demand** during the period 16:00 to 19:00 on the twenty **Business Days** prior to the **Reported Period of Increase**, p , that do not fall between the two week period commencing 22nd December.

$DSB_{NHH,p}$ is the average demand taken by **Total System Chargeable NHH Demand** during the period 16:00 to 19:00 on the twenty **Business Days** following the **Reported Period of Increase**, p , that do not fall between the two week period commencing 22nd December.

$RD_{NHH,p}$ is the forecast proportion of **NHH Charges** remaining for the previous **Financial Year** from the first day of the month in which the **Reported Period of Increase**, p commences by reference to the following:

Month in which Reported Period of Increase commences	Remaining proportion of NHH Charges
October	59%
November	51%
December	41%
January	30%
February	19%

$IA_{NHH,m}$ is the **Indicative Annual NHH TNUoS charge** calculated using the **Demand Forecast** used to determine **Transmission Network Use of System Demand Charges** made during month m of the previous **Financial Year**.

$IA_{NHH,p}$ in the case that the the **Reported Period of Increase**, p ends prior to the 10th February of the previous **Financial Year**, is set equal to the **Indicative Annual NHH TNUoS charge** calculated using the **Demand Forecast** used to determine **Transmission Network Use of System Demand Charges** made during the month immediately following **Reported Period of Increase** of the previous **Financial Year**, otherwise is set to infinity.

END OF SECTION 3