

Market Code Schedule 23

Code Subsidiary Document No. 0207

RF Charge Calculation, Allocation and Aggregation

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Change History

Version Number	Date of Issue	Reason for Change	Change Control Reference	Sections Affected
1.0	2010-03-29	New Release for RF Calculation	MCCP046-CC	All
1.1	2010-10-27	Clarification re application of SGES Credit	MCCP064	Footnote to section 2.4.10
1.2	March 2011	Enduring Rollover Solution	MCCP053	Equation section 2.3.19
1.3	2012-03-29	Introduction of Deregistration	MCCP052, MCCP079	Sections 2.1 and 3.1
2.0	2013-04-12	Trade Effluent Changes	MCCP095	Sections throughout CSD

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1. Purpose and Scope

1.1. Introduction

1.1.1. The purpose of this document is to provide details of how the CMA will calculate the Primary Charges for Water and Sewerage in accordance with the Scottish Water Wholesale Charges Scheme and allocate them to the appropriate Licensed Provider for the Tariff Year Settlement Run (RF). For the avoidance of doubt, no calculations are carried out in respect of the Non-Primary components of the Wholesale Charges.

1.1.2. This document describes a detailed charge calculation process which forms the CMA's interpretation of the Scottish Water Wholesale Charges Scheme (WCS) for the Financial Years 2008-09 to 2013-14 inclusive.¹ Specific assumptions in respect of how the calculation implements the Wholesale Charges Scheme are documented in the Appendix to both provide transparency and to formalise their adoption.

1.1.3. The process will also calculate the Primary Charges for Water and Sewerage for years beyond 2013-14 provided that the form of the Charges described in the WCS do not diverge from the form of the Charges for 2008-09 to 2013-14, and that the Charges can be successfully parameterised.

1.1.4. The process (including the process in respect of Trade Effluent Charges) will be a complete re-calculation based upon the data submitted by the Market Participants and as it exists in the Central Systems at the time of the RF Settlement Run. The process assumes that data has been correctly submitted, and does not necessarily fully describe situations where either incomplete or inconsistent data has been submitted by Market Participants.

1.2. Scheme of Charges

1.2.1. The process details the computation, allocation and aggregation of the various components of the Primary Charges described in the WCS. The various components of the Services are shown in the following table.

¹As of the time of writing

Overview of Wholesale Charges Components

SERVICE	COMPONENT	SUB-COMPONENT	SERVICE-ELEMENT
Primary Water Charges	Water Charges	Measured Supply Points	Meter Based Charges
			Volumetric Charges
		Unmeasured Supply Points - RV Based Charges	Meter Based Charges
			Volumetric Charges
		Unmeasured Supply Points - Re-assessed Charges	Meter Based Charges
			Volumetric Charges
	Miscellaneous Charges	Field Troughs and Drinking Bowls	Farms
			Crofts
		Outside Taps	Farms
			Crofts
Primary Sewerage Charges	Foul Sewerage	Measured Supply Points	Meter Based Charges
			Volumetric Charges
		Unmeasured Supply Points - RV Based Charges	Meter Based Charges
			Volumetric Charges
		Unmeasured Supply Points - Re-assessed Charges	Meter Based Charges
			Volumetric Charges
	Property Drainage		
			Roads Drainage
	Trade Effluent Charges		

1.2.2. The CMA shall recompute all the components of Primary Water Charges and Primary Sewerage Charges. This calculation will take into account all relevant changes to the chargeable parameters associated with the Tariff Year Settlement, and take account of all the data submitted to the Central Systems at the time the RF Settlement Run is carried out. A detailed specification of the computation of each of the components is given below.

1.2.3. The Tariff Year Settlement Run (RF) is the final Settlement Run for any Year. It has three key differences from the monthly Invoice Period Settlement Runs:

- The single calculation of the full Tariff Year Settlement;
- In respect of Measured Supply Points (both water and sewerage) the calculation of a single Actual Weighted Average Unit Rate (AWA) to compute the charges for all measured volumes for the Tariff Year; and
- The application of annual minimum charges for Trade Effluent.

1.2.4. Details of certain transitional charging arrangements which are catered for in the WCS are provided in the appendices to CSD0205. The various arrangements including LUVA discounts, small meter premium and the phasing premium are fully taken into account in the process described below.

2. Primary Water Charges

2.1. General

2.1.1. The following calculation is carried out for each Water SPID which is or has been Tradable when the Settlement Run is carried out. This includes SPIDs which are currently Tradable or Temporarily Disconnected, as well as Disconnected or Deregistered SPIDs which have been Tradable. The calculation excludes SPIDs which are Disconnected or Deregistered but were New, Partial or Rejected when they were so Disconnected or Deregistered.

2.1.2. A Settlement Day runs from midnight to midnight.

2.1.3. Define the RF Settlement Period by a pair of days D_l^{RF} , D_u^{RF} such that the RF Settlement Period comprises Settlement Days d such that $D_l^{RF} \leq d < D_u^{RF}$. Note that the lowest bound day D_l^{RF} is included, but the upper bound day D_u^{RF} is not. In this description the full Settlement Year 2008-09 would be described by:

$$\begin{aligned} D_l^{RF} &= \text{1st April 2008} \\ D_u^{RF} &= \text{1st April 2009} \end{aligned}$$

2.1.4. If the SPID has a Permanent Disconnection Date, define the SPID Disconnection Date to be the date of Permanent Disconnection. If the SPID has a Deregistration Date, define the SPID Disconnection Date to be the date of Deregistration.

2.1.5. Define the SPID Chargeable Period as the period for which the SPID is in (potentially) charge (from the SPID Connection Date to the day before the SPID Disconnection Date (if it exists) or the last day of the tariff year (if the SPID Disconnection Date does not exist) inclusive. Here, "potentially" refers to the condition above that the SPID is or has been Tradable. This SPID Chargeable Period can equivalently be defined by a pair of days D_l^A , D_u^A where

$$\begin{aligned} D_l^A &= \text{SPID connection date} \\ D_u^A &= \begin{cases} \text{the SPID Disconnection Date, if it exists} \\ \text{otherwise, the day immediately after the end of the tariff year} \end{cases} \end{aligned}$$

and the SPID is chargeable for all days d where $d \geq D_l^A$ and $d < D_u^A$. The lower bound day is included, but the upper bound day is not.

2.1.6. If $D_l^A \geq D_u^A$ then there are no chargeable days.

2.1.7. For the avoidance of doubt the SPID Chargeable Period includes periods of vacancies, temporary disconnections, SGES etc. Appropriate adjustments for charges for these periods are made further on in the process.

2.1.8. For each SPID, establish the SPID Settlement Chargeable Period $D_l^S \leq d < D_u^S$ which is the (possibly empty) sub-period for which the SPID Chargeable Period intersects the RF Settlement Period, and is given by D_l^S, D_u^S where

$$\begin{aligned} D_l^S &= \max(D_l^A, D_l^{RF}) \\ D_u^S &= \min(D_u^A, D_u^{RF}) \end{aligned}$$

2.1.9. if $D_l^S \geq D_u^S$ then the SPID does not have a SPID Settlement Chargeable Period for that RF Settlement Period. If there is no such SPID Settlement Chargeable Period then no charges are computed for this SPID. The remaining sections in respect of Primary Water Charges are only applicable to SPIDs for which charges will be computed.

2.2. Measured Supply Points - Overview

2.2.1. First compute the AWA for each Water SPID which is a Measured Supply Point or a Re-assessed Supply Point, and then compute, allocate and aggregate the Meter Based Charges and the Volumetric Charges Re-assessed charges are implemented as if they were metered charges, see section 2.7 for details.

2.3. AWA Algorithm for Water SPID

2.3.1. For each T17 Meter Chain K , establish the T17 Meter Chain “Active Period” $D_{Kl}^A \leq d < D_{Ku}^A$. If the T17 Meter Chain has not been removed from the Water SPID then set $D_{Kl}^A = D_u^{RF}$

2.3.2. For each T17 Meter Chain K , establish the T17 Meter Chain Chargeable Period $D_{Kl}^C \leq d < D_{Ku}^C$ which is the (possibly empty) sub-period for which the Active Period intersects the SPID Settlement Chargeable Period, and is given by D_{Kl}^C, D_{Ku}^C where

$$\begin{aligned} D_{Kl}^C &= \max(D_{Kl}^A, D_l^S) \\ D_{Ku}^C &= \min(D_{Ku}^A, D_u^S) \end{aligned}$$

2.3.3. If $D_{Kl}^C \geq D_{Ku}^C$ then the T17 Meter Chain does not have a Chargeable Period for that RF Settlement Period.

Standard Volume Band Limits

2.3.4. Let the Allocated Tranche be VFA , and $V1$ and $V2$ be the knots described in the Scheme of Charges which define the bands for the Standard Volume Charges above the Allocated Tranche. Let $B1$, $B2$ and $B3$ be the corresponding prices. Thus:

Standard Volume Charges	Price
Greater than zero and up to VFA	0
Greater than VFA and up to $V1$	$B1$
Greater than $V1$ and up to $V2$	$B2$
Greater than $V2$	$B3$

Yearly proportion for the Allocated Tranche VFA

2.3.5. For each T17 Meter chain, define the term PVT_K as ²

$$PVT_K = \begin{cases} 0 & \text{if the T17 Meter Chain Treatment is SWWater - ie not a Private Meter} \\ 1 & \text{otherwise - ie Private} \end{cases}$$

2.3.6. Define Meter Active (MA_{Kd}) for a specific T17 Meter Chain K as

$$MA_{Kd} = \begin{cases} 1 & \text{if } D_{Kl}^C \leq d < D_{Ku}^C \\ 0 & \text{otherwise} \end{cases}$$

ie MA_{Kd} has the value of 1 when d is within a T17 Meter Chain Chargeable Period.

2.3.7. Then for each Settlement Day d in the SPID Settlement Chargeable Period define SPID SWWater Meter Active ($SSWMA_d$) as

$$SSWMA_d = \max_K(MA_{Kd} \times (1 - PVT_K))$$

²This is also applicable pre-MCCP095, as all existing meters were set to Meter Treatment SWWater

and the Vacancy Adjusted SPID SWWater Meter Active (VASSWMA) as

$$VASSWMA_d = SSWMA_d \times (1 - VAC_d)$$

where

$$VAC_d = \begin{cases} 1 & \text{if the SPID is vacant during the Settlement Day } d; \text{ or} \\ 0 & \text{if the SPID is occupied} \end{cases}$$

2.3.8. Compute the Total SWWater Meter Active Days (TSWMAD) as

$$TSWMAD = \sum_d VASSWMA_d$$

2.3.9. Then define the Yearly Proportion YP as

$$YP = \frac{TSWMAD}{DIY}$$

where DIY is the total number of days within the Settlement Period (ie 365 days or 366 days as appropriate for an RF Settlement).

2.3.10. Then the Proportional Volume Limits $PV1$ and $PV2$ are given by

$$PV1 = YP \times V1$$

$$PV2 = YP \times V2$$

Allocated Tranche

2.3.11. For each meter K for each Settlement Day d in the T17 Meter Chain Chargeable Period establish the Water Chargeable Meter Size $WCMS_{Kd}$. Note the Wholesale Charges Scheme refers to the “Tariff Meter Size” rather than the “Chargeable Meter Size”.

For each day define the Meter Free Allocation (MFA) as

$$MFA_{Kd} = \begin{cases} VFA \times MA_{Kd} & \text{if } WCMS_{Kd} > 0 \\ 0 & \text{otherwise} \end{cases}$$

2.3.12. The Proportional Free Allocation *PFA* is given by

$$PFA = \sum_{Kd} \frac{(1 - VAC_d) \times MFA_{Kd}}{DIY}$$

Capacity Volume Charges

2.3.13. The Wholesale Charges Scheme defines meter related charges in respect of a limited number of meter sizes, and for each non-zero Chargeable Meter Size provides a mapping from the Chargeable Meter Size to an entry in the corresponding table of meter sizes.

2.3.14. The Central Systems holds a related table comprising Lower Meter Size (LMS_i), Upper Meter Size (UMS_i) and the Capacity Volume Threshold (CVT_i) for $i = 1 \dots n_T$, where

$$\begin{aligned} LMS_1 &= 1 \\ LMS_i &= UMS_{i-1} + 1 \text{ for } i = 2 \dots n_T \\ UMS_{n_T} &= \infty \text{ (in practice, the largest integer representable in the CS)} \end{aligned}$$

and n_T is the number of entries in the table.

2.3.15. Thus each Water Chargeable Meter Size $WCMS_{Kd} > 0$ falls uniquely within a single band $LMS_i \leq WCMS_{Kd} \leq UMS_i$, and each such band (LMS_i, UMS_i) maps to a unique Capacity Volume Threshold $CVT_i = CVT_i(LMS_i, UMS_i)$

2.3.16. The Meter Capacity Volume Threshold ($MCVT_{Kd}$) is then given by the table of Capacity Volume Thresholds as

$$MCVT_{Kd} = \begin{cases} 0 & \text{if } WCMS_{Kd} = 0 \\ CVT_i(LMS_i, UMS_i) \times MA_{Kd} & \text{if } WCMS_{Kd} > 0 \\ 0 & \text{otherwise} \end{cases}$$

where (LMS_i, UMS_i) is the band corresponding to $WCMS_{Kd}$

2.3.17. The Proportional Capacity Volume Threshold (*PCVT*) applicable for the SPID for the year is given by

$$PCVT = \sum_{Kd} \frac{(1 - VAC_d) \times MCVT_{Kd}}{DIY}$$

Volumetric charges

2.3.18. For each T17 Meter Chain which has a Chargeable Period in the Settlement Year, for each Settlement Day d in the T17 Meter Chain Chargeable Period, establish whether the day is within a Meter Pre-Advance Period, a Meter Advance Period (MAP) or a Meter Post-Advance Period. (see definitions in section A.3).³

2.3.19. For each Settlement Day d within a Meter Advance Period, the Meter Advance Volume (MAV) is given by $MAV = R_2 - R_1 + \text{flag}_2 \times 10^n$ where

D_1 is the first date of the Meter Advance Period;

R_1 is the corresponding read;

D_2 is the day after the last date of the Meter Advance Period.

R_2 is corresponding read;

$$\text{flag}_2 = \begin{cases} 1 & \text{if the Rollover Flag has been set for the meter reading } R_2 \\ 0 & \text{it has not been set, and} \end{cases}$$

n is number of digits on the meter dial

2.3.20. Compute the Meter Advance Chargeable Days $MACD$ as

$$MACD = \sum_{d=D_1}^{D_2-1} (1 - VAC_d) \times (1 - TDISC_d) \times CONN_d$$

where

$$TDISC_d = \begin{cases} 1 & \text{if the SPID is Temporarily Disconnected during the Settlement Day } d; \text{ or} \\ 0 & \text{otherwise} \end{cases}$$

$$CONN_d = \begin{cases} 1 & \text{if } D_i^A \leq d < D_u^A, \text{ and} \\ 0 & \text{otherwise} \end{cases}$$

2.3.21. For each day d within the Meter Advance Period compute the Unadjusted Actual Daily Volume $UADV_{Kd}$ as

$$UADV_{Kd} = \frac{MAV}{MACD}$$

³Note - the terms “Meter Pre-Advance Period”, “Meter Advance Period” and “Meter Post-Advance Period” are all formally defined in the Market Code, Schedule 1. However, non-definitive diagrams describing each of these periods are provided in the Appendix A.3

and the Actual Daily Volume ADV_{Kd} as

$$ADV_{Kd} = \begin{cases} \frac{MAV}{MACD} & \text{if } MACD > 0 \\ 0 & \text{if } MACD = 0 \end{cases}$$

2.3.22. For days within a Meter Post-Advance Period compute the Unadjusted Estimated Daily Volume $UEDV_{Kd}$ as

$$UEDV_{Kd} = UADV_{Kd'} \text{ for the last day } d' \text{ for which there is a value of } UADV_{Kd'}$$

2.3.23. The Estimated Daily Volume EDV_{Kd} is calculated as

$$EDV_{Kd} = UEDV_{Kd} \times (1 - VAC_d) \times (1 - TDISC_d)$$

2.3.24. For days within a Meter Pre-Advance Period compute the Unadjusted Estimated Daily Volume $UEDV_{Kd}$ as

$$UEDV = \begin{cases} \frac{YVE}{DIY} & \text{for the meter in the T17 Meter Chain if that meter has an LP } YVE; \text{ else} \\ \frac{ILE}{DIY} & \text{the Industry Level Estimate for that meter} \end{cases}$$

2.3.25. To establish the ILE for a meter K for the Settlement Day d first establish the Water Chargeable Meter Size $WCMS_{Kd}$

2.3.26. The Central Systems have a table Industry Level Estimates, comprising a series of monotonically increasing Meter Size MS_i and Industry Level Estimates ILE_i , for $i = 1 \dots n_T$ where n_T is the number of entries in the table. (**Note** This is potentially a different n_T from the one in 2.3.13) Then the Tabular Meter Size (TMS_{Kd}) in respect of the Industry Level Estimate for the T17 Meter Chain K for the Settlement Day d is

$$TMS_{Kd} = \begin{cases} MS_j & \text{where } j \text{ has the minimum value such that } MS_j \geq WCMS_{Kd} \\ MS_{n_T} & \text{if } WCMS_{Kd} > MS_{n_T}; \text{ else} \end{cases}$$

and the Industry Level Estimate (*ILE*) for the T17 Meter Chain *K* for the Settlement Day *d* is then given by the table of Industry Level Estimates as

$$ILE = ILE_i(TMS_{Kd})$$

2.3.27. The Estimated Daily Volume EDV_{Kd} is calculated as

$$EDV_{Kd} = UEDV_{Kd} \times (1 - VAC_d) \times (1 - TDISC_d)$$

2.3.28. For all *K, d* compute the Daily Volume DV_{Kd}

$$DV_{Kd} = \begin{cases} ADV_{Kd} & \text{for periods within a Meter Advance Period} \\ EDV_{Kd} & \text{for period within a Meter Pre-Advance or Post-Advance Period} \\ 0 & \text{for any other Settlement Day } d \end{cases}$$

2.3.29. For each meter *K*, and Settlement Day *d*, the Derived Daily Volume DDV_{Kd} is calculated as

$$DDV_{Kd} = \begin{cases} DV_{Kd} - \sum_L DV_{Ld} & \text{or} \\ 0 & \text{for any } d \text{ not in the T17 Meter Chain Chargeable Period} \end{cases}$$

where the sum is over all meters *L* which are sub-meters of meter *K*. The derivation of the appropriate terms DV_{Ld} for the sub-meters is the same as for the meter *K*.

Note The above equation describes the subtraction of sub-meter volumes from a main meter volume to establish the Derived Daily Volume. It has not yet been possible to verify that interaction of (i) the subtraction of the meter volumes, and (ii) the shifting of volumes described above in respect of vacancy works precisely in the order specified by the equation. The intention is to document the Central Systems behaviour rather than to propose any changes to the Central Systems behaviour.

2.3.30. The Actual Yearly Volume(*AYV*) for the Water SPID is then

$$AYV = \sum_{Kd} DDV_{Kd} \times (1 - PVT_K)$$

Volumes for the LUVA charges

2.3.31. For each Settlement Day d in the SPID Settlement Chargeable Period define LUVA Chargeable (LC_d) as

$$LC_d = \begin{cases} 1 & \text{if the SPID has the LUVA flag set, and } SWMC_d > 0 \\ 0 & \text{if the SPID does not have the LUVA flag set, or } SWMC_d = 0 \end{cases}$$

2.3.32. Compute the Total LUVA Days (TLD) as

$$TLD = \sum_{D_i^S \leq d < D_u^S} LC_d \times (1 - VAC_d)$$

2.3.33. The LUVA Proportion $LUVAP$ is defined as

$$LUVAP = \frac{TLD}{DIY}$$

2.3.34. The Proportional LUVA Volume limits $PLVLL$, $PLV1$ and $PLV2$ are given by

$$\begin{aligned} PLVLL &= LUVAP \times VLL \\ PLV1 &= LUVAP \times V1 \\ PLV2 &= LUVAP \times V2 \end{aligned}$$

where VLL is the lower limit for the LUVA Adjustment as defined in the Wholesale Charges Scheme.

2.3.35. Define the LUVA Annual Volume (LAV) (which is similar to the AYV sum above as defined in paragraph 2.3.30) except that the condition that the SPID has the LUVA flag set for each Settlement Day must be applied.

$$LAV = \sum_{Kd} DDV_{Kd} \times LC_d \times (1 - PVT_K)$$

Phasing Premium

2.3.36. For each Settlement Day d in the SPID Settlement Chargeable Period, for each T17 Meter Chain K define Premium Chargeable (PC_{Kd}) as

$$PC_{Kd} = \begin{cases} 0 & \text{if } WCMS_{Kd} = 0 \\ 1 & \text{if the SPID is not in a LUVA period, and} \\ & 1 \leq LMS_i \leq 20 \text{ and } MA_{Kd} > 0 \\ 0 & \text{otherwise} \end{cases}$$

where LMS_i is the lower limit of the band (LMS_i, UMS_i) corresponding to $WCMS_{Kd}$ identified in paragraphs 2.3.13 ff.

2.3.37. Define the Uncapped Premium Annual Volume $UPAV$ as

$$UPAV = \sum_{Kd} DDV_{Kd} \times PC_{Kd} \times (1 - PVT_K)$$

2.3.38. Define the Total Premium Days TPD as

$$TPD = \sum_{Kd} (1 - VAC_d) \times PC_{Kd}$$

2.3.39. Define the Proportional Premium Volume Limit $PPVL$ as

$$PPVL = \sum_{Kd} \frac{(1 - VAC_d) \times MCVT_{Kd} \times PC_{Kd}}{DIY}$$

Charges - the Standard Volume Charges

2.3.40. The Wholesale Charges Scheme defines charges for a volume V which is allocated across different charge bands (based upon a whole year's usage) in accordance with paragraph 2.3.4

2.3.41. The Proportional Free Allocation is PFA and the Proportional Volume Limits are $PV1$ and $PV2$ have already been defined. The Actual Yearly Volume is AYV . Then allocate the AYV into the different charge bands for the Allocated Tranche VFA , and Charge Bands

1, 2 and 3 ($V A1$, $V A2$ and $V A3$) as

$$\begin{aligned}VFA &= \max(\min(AYV, PFA), 0) \\VA1 &= \max(\min(AYV, PV1) - PFA, 0) \\VA2 &= \max(\min(AYV, PV2) - PV1, 0) \\VA3 &= \max(AYV - PV2, 0)\end{aligned}$$

2.3.42. The Standard Volume Charge ($SVCHARGE$) is defined as

$$SVCHARGE = B_1 * VA1 + B_2 * VA2 + B_3 * VA3$$

Charges - Capacity Volume Charges

2.3.43. If the Capacity Volume Price as defined in the Scheme of Charges is CVP , then the Capacity Volume Charge $CVCHARGE$ is

$$CVCHARGE = CVP \times \max(\min(AYV, PCVT) - PFA, 0)$$

Charges - LUVA Adjustment

2.3.44. Allocate the LUVA Annual Volume (LAV) into volumes $LVA1$, $LVA2$ and $LVA3$ over the various charge bands to establish the LUVA adjustment.

$$\begin{aligned}LVA1 &= \max(\min(LAV, PLV1) - PLVLL, 0) \\LVA2 &= \max(\min(LAV, PLV2) - PLV1, 0) \\LVA3 &= \max(LAV - PLV2, 0)\end{aligned}$$

2.3.45. If the LUVA adjustments are $LPP1$, $LPP2$ and $LPP3$ ⁴ then the LUVA Adjustment Charge ($LACHARGE$) is

$$LACHARGE = LPP1 * B_1 * LVA1 + LPP2 * B_2 * LVA2 + LPP3 * B_3 * LVA3$$

Charges - Phasing Premium

⁴Expressed as a percentages in Central Systems, but used here as fractions

2.3.46. The Proportional Phasing Premium Free Allocation (*PPPFA*) is

$$PPPFA = \frac{TPD \times VFA}{DIY}$$

and the Premium Volume (*PVA*) on which the charge is payable is therefore

$$PVA = \max(\min(UPAV, PPVL, AYV) - PPPFA, 0)$$

2.3.47. If the Premium Phasing for the Year is PP_Y ⁵ then the Phasing Premium Charge *PPCHARGE* is given by

$$PPCHARGE = PP_Y \times (B_1 + CVP) \times PVA$$

AWA

2.3.48. The Annual Weighted Average (*AWA*) for the SPID is then given by:

$$AWA = \begin{cases} 0 & \text{if } AYV \leq 0 \\ \frac{SVCHARGE + CVCHARGE + LACHARGE + PPCHARGE}{AYV} & \text{if } AYV > 0 \end{cases}$$

2.4. Measured Supply Points - Charges

2.4.1. Define the Discounts for the SPID for each day *d* in the SPID Chargeable Period, i.e. Water Schedule 3 (*WS3_d*), Schedule 29e (*S29e_d*) and whether the SPID is eligible for Scottish Government Exemption Scheme (*SGES_d*).

Meter Based Charges

2.4.2. Carry out the following calculations for each SPID which has a SPID Settlement Chargeable Period for the RF Settlement Period.

⁵Expressed as a percentage in Central Systems, but used here as a fraction

2.4.3. Carry out the following calculations for each T17 Meter Chain which has a Chargeable Period for that RF Settlement Period:

2.4.4. In accordance with 2.3.13 the Wholesale Charges Scheme defines meter related charges in respect of a limited number of meter sizes, and for each non-zero Chargeable Meter Size provides a mapping from the Chargeable Meter Size to an entry in the corresponding table of meter sizes.

2.4.5. The Central Systems holds a related table comprising Lower Meter Size (LMS_i), Upper Meter Size (UMS_i) and the Water Meter Annual Non-Volumetric Charges ($WMANVC_i$) for $i = 1...n_T$, where

$$\begin{aligned} LMS_1 &= 1 \\ LMS_i &= UMS_{i-1} + 1 \text{ for } i = 2...n_T \\ UMS_{n_T} &= \infty \text{ (in practice, the largest integer representable in the CS)} \end{aligned}$$

and n_T is the number of entries in the table.

2.4.6. Thus each Water Chargeable Meter Size $WCMS_{Kd} > 0$ falls uniquely within a single band $LMS_i \leq WCMS_{Kd} \leq UMS_i$, and each such band (LMS_i, UMS_i) maps to a unique Water Meter Annual Non-Volumetric Charges $WMANVC_i = WMANVC_i(LMS_i, UMS_i)$

2.4.7. The Unadjusted Water Meter Based Charge ($UWMBC_{Kd}$) is then given by the table of Water Meter Annual Non-Volumetric Charges as

$$UWMBC_{Kd} = \begin{cases} 0 & \text{if } WCMS_{Kd} = 0 \\ \frac{WMANVC_i(LMS_i, UMS_i) \times MA_{Kd} * (1 - VAC_d)}{DIY} & \text{if } WCMS_{Kd} > 0 \\ 0 & \text{otherwise} \end{cases}$$

where (LMS_i, UMS_i) is the band corresponding to $WCMS_{Kd}$

2.4.8. The Unadjusted Discounted Water Meter Based Charge ($UDWMBC_{Kd}$) is then given

$$UDWMBC_{Kd} = UWMBC_{Kd} \times (1 - WS3_d - S29e_d)$$

2.4.9. The Transition Adjusted Water Meter Based Charge $TAWMBC_{Kd}$ is

$$TAWMBC_{Kd} = \begin{cases} UDWMBC_{Kd} & \text{if not on Transition} \\ MT_Y \times UDWMBC_{Kd} & \text{if on Transition} \end{cases}$$

where MT_Y is the Metering Transition ⁶ applicable for the Financial Year Y . For the Financial Year $Y = 2008-09$, $MT_Y = 0\%$, and for $Y = 2009-10$, $MT_Y = 33\%$. The Metering Transitions for other years are defined in the relevant Wholesale Charges Scheme.

2.4.10. The Water Meter Based Charge ⁷ $WMBC_{Kd}$ is

$$WMBC_{Kd} = \begin{cases} TAWMBC_{Kd} & \text{if not } SGE S_d \text{ or } SER_d = 0 \\ -SGESWR_Y / (DIY \times SER_d) & \text{if } SGE S_d \text{ and } SER_d > 0 \end{cases}$$

where $SGESWR_Y$ is the SGES Water refund applicable for the Financial Year Y , and where SER_d is the number of Service Element Reports for the SPID.

2.4.11. For each Settlement Day d for a Water SPID there are:

- two Service Element Reports for each T17 Meter Chain which is chargeable on that day;
- two Service Element Reports for each Unmeasurable Service Element which is chargeable on that day; and
- a Service Element Report for each Miscellaneous Charge which is chargeable on that day. The Miscellaneous charges are:
 - Field Troughs and Drinking Bowls; and
 - Outside Taps.

2.4.12. The CMA will allocate the Meter Based Charge to Licensed Provider for which the SPID was registered in respect of each Settlement Day. It will then aggregate Volumes and Charges, and report them in accordance with CSD0201.

Volumetric Charges

2.4.13. The Unadjusted Daily Metered Cost ($UDMC_{Kd}$) is

$$UDMC_{Kd} = AWA \times DDV_{Kd} \times (1 - WS3_d - S29e_d) \times (1 - PVT_K)$$

⁶Expressed as a percentage in Central Systems, but used here as a fraction

⁷There are rare circumstances where the allocation of the SGES refund in the Central Systems is not uniformly distributed across the various Service Element Reports as in this equation. This is as a result of the practical implementation of the algorithms described in this CSD, which are based upon calculating charges for chunks of time where the charging parameters are otherwise constant. However, even in such cases, the total of the SGES distributed across the various Service Elements will still be correct

2.4.14. Apply the Transition Adjustment to obtain the Transition Adjusted Daily Metered Cost $TADMC_d$

$$TADMC_{Kd} = \begin{cases} UDMC_{Kd} & \text{if not on Transition} \\ MT_Y \times UDMC_{Kd} & \text{if on Transition} \end{cases}$$

2.4.15. The Daily Metered Cost ⁸ DMC_{Kd} is

$$DMC_{Kd} = \begin{cases} TADMC_{Kd} & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESWR_Y / (DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

2.4.16. The CMA will allocate the Meter Based Charge to the Licensed Provider for which the SPID was registered in respect of each Settlement Day. It will then aggregate Volumes and Charges, and report them in accordance with CSD0201.

2.5. Unmeasured Supply Points - Overview

2.5.1. The following Water SPIDs are subject to Unmeasured Charging:

- RV Based Charging
 - Water SPIDs with meters which are subject to transition charging
 - Water SPIDs which do not have meters and are subject to transition charging
 - Water SPIDs which have been declared unmeasurable
- Re-assessed Charging
 - Water SPIDs which have been agreed are subject to Re-assessed Charging

Further information on transition charging is provided in the Appendices to CSD0205.

2.6. RV Based Charges

RV Non-Volumetric Charges

2.6.1. Define the discounts for the SPID for each day d in the SPID Chargeable Period ie Water Schedule 3 ($WS3_d$), Schedule 29e ($S29e$) and whether the SPID is eligible for the Scottish Government Exemption Scheme ($SGES_d$).

⁸Compare the footnote at section 2.4.10

2.6.2. The SPID Settlement Chargeable Period has already been defined as the period time given by the days D_l^S, D_u^S .

2.6.3. The relevant SPID RV Unmeasurable Period is defined as the period of time for which either:

- The Water SPID has an active meter which is subject to transition charging;
- The Water SPID does not have a meter, but is subject to transition charging; or
- The Water SPID has been declared unmeasurable

and is likewise given by a pair of days D_l^{RV}, D_u^{RV} .

2.6.4. Then the SPID RV Unmeasurable Chargeable Period $D_l^C \leq d < D_u^C$ which is the (possibly empty) sub-period for which the RV Unmeasurable Period intersects the SPID Settlement Chargeable Period, and is given by D_l^C, D_u^C where

$$\begin{aligned} D_l^C &= \max(D_l^{RV}, D_l^S) \\ D_u^C &= \min(D_u^{RV}, D_u^S) \end{aligned}$$

2.6.5. If $D_l^C \geq D_u^C$ then the SPID does not have an RV Unmeasurable Period for that RF Settlement Period.

2.6.6. For each each Settlement Day d in the SPID RV Unmeasurable Chargeable Period define the Rateable Value RV_d

2.6.7. In accordance with the Wholesale Scheme of Charges define the Water Chargeable Meter Size ($WCMS_d$) which corresponds to RV_d , and each $WCMS_i$ corresponds to a unique Water Meter Annual Non-Volumetric Charge ($WMANVC_i = WMANVC_i(WCMS_d)$).

2.6.8. The Unadjusted Water Meter Based Charge ($UWMBC_d$) is given by the table of Water Meter Annual Non-Volumetric Charges as

$$UWMBC_d = \frac{WMANVC_i(WCMS_i) * (1 - VAC_d)}{DIY}$$

2.6.9. The Unadjusted Discounted Water Meter Based Charge ($UDWMBBC_d$) is then given by

$$UDWMBBC_d = UWMBC_d * (1 - WS3_d - S29e_d)$$

2.6.10. For each Settlement Day d the Transition Adjusted Water Meter Based Charge $TAWMBC_d$ is

$$TAWMBC_d = \begin{cases} UDWMBC_d & \text{if the SPID has been declared Unmeasurable} \\ UDWMBC_d & \text{if the SPID is on Transition and} \\ & \text{does not have an Active meter} \\ (1 - MT_Y) \times UDWMBC_d & \text{if the SPID is on Transition and has an Active meter} \end{cases}$$

where MT_Y is the Metering Transition ⁹ applicable for the Financial Year Y . For the Financial Year $Y = 2008-09$, $MT_Y = 0\%$, and for $Y = 2009-10$, $MT_Y = 33\%$. The Metering Transitions for other years are as defined in the relevant Wholesale Charges Scheme.

2.6.11. The Water Meter Based Charge ¹⁰ $WMBC_d$ is

$$WMBC_d = \begin{cases} TAWMBC_d & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESWR_Y / (DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

where as above $SGESWR_Y$ is the SGES Water refund applicable for the Financial Year Y , and SER_d is the number of Service Element Reports for the SPID.

2.6.12. The CMA will allocate the Meter Based Charge to Licensed Provider for which the SPID was registered in respect of each Settlement Day. It will then aggregate Volumes and Charges, and report them in accordance with CSD0201.

RV Volumetric Charges

2.6.13. For each each Settlement Day d in the SPID RV Unmeasurable Chargeable Period define the Rateable Value RV_d

2.6.14. The equivalent Actual Yearly Volume AYV_d given by

$$AYV_d = \begin{cases} (0.0373 \times RV_d - 24) \times (1 - VAC_d) & \text{if } RV_d \geq 650 \\ 0 & \text{otherwise} \end{cases}$$

and the equivalent Derived Daily Volume DDV_d is given by

$$DDV_d = \frac{AYV_d}{DIY}$$

⁹Expressed as a percentage in Central Systems, but used here as a fraction

¹⁰Compare the footnote at section 2.4.10

2.6.15. The same calculation used to derive AWA in section 2.3 can be used to derive an Equivalent AWA AWA_d for each day of the RV Unmeasurable Chargeable Period, based upon an equivalent whole year calculation and using the equivalent Actual Yearly Volume AYV_d and the meter size $WCMS_d$.

2.6.16. The Unadjusted Daily Metered Cost ($UDMC_d$) is given by

$$UDMC_d = AWA_d \times DDV_d * (1 - WS3_d - S29e_d)$$

2.6.17. Apply the Transition Adjustment to obtain the Transition Adjusted Daily Metered Cost $TADMC_d$

$$TADMC_d = \begin{cases} UDMC_d & \text{if the SPID has been declared Unmeasurable} \\ UDMC_d & \text{if the SPID is on Transition and does not have} \\ & \text{an Active meter} \\ (1 - MT_Y) \times UDMC_d & \text{if the SPID is on Transition and has an Active meter} \end{cases}$$

2.6.18. The Daily Metered Cost ¹¹ DMC_d is

$$DMC_d = \begin{cases} TADMC_d & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESWR_Y / (DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

2.6.19. The CMA will allocate the Meter Based Charge to the Licensed Provider for which the SPID was registered in respect of each Settlement Day. It will then aggregate Volumes and Charges, and report them in accordance with CSD0201.

2.7. Re-assessed Charges

2.7.1. Re-assessed Charges were introduced on 1st April 2009. However, it should be noted that the methods within the Central Systems for calculating Re-assessed Charges do not carry out any verification that the data only applies for periods of time on or after the date of introduction of Re-assessed Charges.

2.7.2. Re-assessed Charges are implemented by the use of Pseudo Meters. CSD0104 describes the installation, removal and maintenance of Pseudo Meters.

¹¹ Compare the footnote at section 2.4.10

2.7.3. Subject to the one minor exception noted in the following paragraph, the CMA computes charges for Pseudo Meters as for all other T17 Meter Chains in accordance with sections 2.3 and 2.4. For example, where a SPID has a Pseudo Meter installed for part of a year and a physical meter for part of the year, the CMA will compute a single AWA which is applicable to both the Pseudo Meter volume and the physical meter volume.

2.7.4. When a Pseudo Meter is installed, Scottish Water is obliged under CSD0104 to provide an opening meter read of 0, and a YVE. While the Pseudo Meter is installed, the CMA will reject any other meter reads which are submitted. The CMA will therefore compute the Derived Daily Volume using the value of YVE submitted by Scottish Water. When a Pseudo Meter is removed, Scottish Water must provide a final closing meter read of 0. However, the CMA does not store the closing meter within the meter reads table. Thus, following the removal of the Pseudo Meter, and the CMA will continue to compute the Derived Daily Volumes during a T17 Meter Chain Chargeable Period using the value of YVE submitted, rather than using the opening and closing meter reads of 0 (which would otherwise provide a zero volume).

2.8. Miscellaneous Charges

2.8.1. This section applies to the following Miscellaneous Charges:

- Field Troughs and Drinking Bowls; and
- Outside Taps.

2.8.2. Define the Discounts for the SPID for each day d in the SPID Chargeable Period ie Water Schedule 3 ($WS3_d$), Schedule 29e ($S29e_d$) and whether the SPID is eligible for Scottish Government Exemption Scheme ($SGES_d$).

2.8.3. The SPID Settlement Chargeable Period has already been defined as the period time given by the days D_l^S , D_u^S . As above define the relevant Chargeable Period for each of the Miscellaneous Charges.

2.8.4. For each miscellaneous charge define and for each Settlement Day d in the relevant Chargeable period define

- the number of Troughs and Drinking Bowls (TDB_d); and
- the number of Outside Taps (OT_d).

2.8.5. Also for each Settlement Day d define

$$FARM_d = \begin{cases} 1 & \text{if the SPID is classified as being a farm} \\ 0 & \text{otherwise} \end{cases}$$

and

$$CROFT_d = \begin{cases} 1 & \text{if the SPID is classified as being a croft} \\ 0 & \text{otherwise} \end{cases}$$

2.8.6. Let the following prices be defined as per the Wholesale Charges Scheme:

Annual Price Farm Troughs and Drinking Bowls	$FTDBP$
Annual Price Croft Troughs and Drinking Bowls	$CTDBP$
Annual Price Farm Outside Tap	$FOTP$
Annual Price Croft Outside Tap	$COTP$

2.8.7. Calculate the Unadjusted Troughs and Drinking Bowls Charge $UTDBC_d$ and the Unadjusted Outside Taps Charge $UOTC_d$ as

$$UTDBC_d = (FTDBP \times FARM_d + CTDBP * CROFT_d) \times TDB_d \times (1 - VAC_d)/DIY$$

$$UOTC_d = (FOTP \times FARM_d + COTP \times CROFT_d) \times OT_d \times (1 - VAC_d)/DIY$$

2.8.8. The Unadjusted Discounted Troughs and Drinking Bowls Charge $UDTDBC_d$ and the Unadjusted Discounted Outside Taps Charge $UDOTC_d$ are given by

$$UDTDBC_d = UTDBC_d \times (1 - WS3_d - S29e_d)$$

$$UDOTC_d = UOTC_d \times (1 - WS3_d - S29e_d)$$

2.8.9. The Troughs and Drinking Bowls Charge $TDBC_d$ and the Outside Taps Charge OTC_d are given by ¹²

$$OTC_d = \begin{cases} UDOTC_d & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESWR_Y/(DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

$$TDBC_d = \begin{cases} UDTDBC_d & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESWR_Y/(DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

where as above $SGESWR_Y$ is the SGES Water refund applicable for the Financial Year Y , and SER_d is the number of Service Element Reports for the SPID.

¹²Compare the footnote at section 2.4.10

2.8.10. The CMA will allocate the Miscellaneous Charges to the Licensed Provider for which the SPID was registered in respect of each Settlement Day. It will then aggregate the volumes and charges, and report them in accordance with CSD0201.

3. Primary Sewerage Charges

3.1. General

3.1.1. The following calculation is carried out for each Sewerage SPID which is or has been Tradable when the Settlement Run is carried out. This includes SPIDs which are currently Tradable or Temporarily Disconnected, as well as Disconnected or Deregistered SPIDs which have been Tradable. The calculation excludes SPIDs which are Disconnected or Deregistered but were New, Partial or Rejected when they were so Disconnected or Deregistered.

3.1.2. A Settlement Day runs from midnight to midnight.

3.1.3. The RF Settlement Period is defined by a pair of days D_l^{RF} , D_u^{RF} such that the RF Settlement Period comprises Settlement Days d such that $D_l^{RF} \leq d < D_u^{RF}$. Note that the lowest bound day D_l^{RF} is included, but the upper bound day D_u^{RF} is not. In this description the full Settlement Year 2008-09 would be described by:

$$\begin{aligned} D_l^{RF} &= \text{1st April 2008} \\ D_u^{RF} &= \text{1st April 2009} \end{aligned}$$

3.1.4. If the SPID has a Permanent Disconnection Date, define the SPID Disconnection Date to be the date of Permanent Disconnection. If the SPID has a Deregistration Date, define the SPID Disconnection Date to be the date of Deregistration.

3.1.5. Define the SPID Chargeable Period as the period for which the SPID is in (potentially) charge (from the SPID Connection Date to the day before the SPID Disconnection Date (if it exists) or the last day of the tariff year (if the SPID Disconnection Date does not exist) inclusive. Here, "potentially" refers to the condition above that the SPID is or has been Tradable. This SPID Chargeable Period can equivalently be defined by a pair of days D_l^A , D_u^A where

$$\begin{aligned} D_l^A &= \text{SPID connection date} \\ D_u^A &= \begin{cases} \text{the SPID Disconnection Date, if it exists} \\ \text{the day immediately after the end of the tariff year, otherwise} \end{cases} \end{aligned}$$

and the SPID is chargeable for all days d where $d \geq D_l^A$ and $d < D_u^A$. The lower bound day is included, but the upper bound day is not.

3.1.6. If $D_l^A \geq D_u^A$ then there are no chargeable days.

3.1.7. For the avoidance of doubt the SPID Chargeable Period includes periods of vacancies, temporary disconnections, SGES etc. Appropriate adjustments for charges for these periods are made further on in the algorithm

3.1.8. For each Sewerage SPID, establish the SPID Settlement Chargeable Period $D_l^S \leq d < D_u^S$ which is the (possibly empty) sub-period for which the SPID Chargeable Period intersects the RF Settlement Period, and is given by D_l^S, D_u^S where

$$\begin{aligned} D_l^S &= \max(D_l^A, D_l^{RF}) \\ D_u^S &= \min(D_u^A, D_u^{RF}) \end{aligned}$$

3.1.9. if $D_l^S \geq D_u^S$ then the Sewerage SPID does not have a SPID Settlement Chargeable Period for that RF Settlement Period. If there is no such SPID Settlement Chargeable Period then set $AWA = 0$ and skip the rest of the AWA Calculation for this Sewerage SPID.

3.2. Measured Supply Points - Overview

3.2.1. First compute the AWA for each Sewerage SPID which is either a Measured Supply Point or a Re-assessed Supply Point, and then compute, allocate and aggregate the Meter Based Charges and the Volumetric Charges. Re-assessed charges are implemented as if they were metered charges, see section 3.7 for details.

3.3. AWA Algorithm for Sewerage SPID

3.3.1. Establish if there is a Related Water Supply Point (RWSP). If there is no such Related Water Supply Point, then set $AWA = 0$ and skip the rest of the AWA Calculation for this Sewerage SPID.

3.3.2. For each T17 Meter Chain K associated with the RWSP (a "Related T17 Meter Chain") establish the T17 Meter Chain Active Period $D_{Kl}^A \leq d < D_{Ku}^A$. If the Related T17 Meter Chain has not been removed from the RWSP then set $D_{Ku}^A = D_u^{RF}$

3.3.3. For each Related T17 Meter Chain K , define the T17 Meter Chain Chargeable Period $D_{Kl}^C \leq d < D_{Ku}^C$ which is the (possibly empty) sub-period for which the Active Period

intersects the SPID Settlement Chargeable Period for the Sewerage SPID, and is given by D_{Kl}^C, D_{Ku}^C where

$$\begin{aligned} D_{Kl}^C &= \max(D_{Kl}^A, D_l^S) \\ D_{Ku}^C &= \min(D_{Ku}^A, D_u^S) \end{aligned}$$

3.3.4. If $D_{Kl}^C \geq D_{Ku}^C$ then the Related T17 Meter Chain does not have a Chargeable Period for that RF Settlement Period.

3.3.5. Establish the if there are any Trade Effluent consents (DPIDs) associated with the Sewerage SPID. For each such DPID T ¹³ associated with the Sewerage SPID establish the DPID Active Period $D_{Tl}^A \leq d < D_{Tu}^A$

3.3.6. For each DPID T the DPID Chargeable Period $D_{Tl}^C \leq d < D_{Tu}^C$ is the (possibly empty) sub-period for which the DPID Active Period intersects the SPID Settlement Chargeable Period for the Sewerage SPID, and is given by D_{Tl}^C, D_{Tu}^C where

$$\begin{aligned} D_{Tl}^C &= \max(D_{Tl}^A, D_l^S) \\ D_{Tu}^C &= \min(D_{Tu}^A, D_u^S) \end{aligned}$$

3.3.7. If $D_{Tl}^C \geq D_{Tu}^C$ then the DPID does not have a Chargeable Period for that RF Settlement Period.

3.3.8. For each Settlement Day d for each DPID T with a Chargeable Period $D_{Tl}^C \leq d < D_{Tu}^C$, establish the Non Domestic Allowance NDA_{Td} . For all other days d for each DPID T set $NDA_{Td} = 0$.

Note there is a difference in interpretation between the usage of NDA for Settlement Runs covering periods before 1st April 2013 and those on or after 1st April 2013.¹⁴ For Settlement Runs covering period before 1st April 2013 the cutover, NDA referred to a non-domestic allowance for the whole of the Sewerage SPID. For Settlement Runs covering periods after 1st April 2013, NDA refers to a non-domestic allowance only in respect of Water Meters (SWWWater or PrivateWater meters) associated with the Trade Effluent DPID.

Sewerage Standard Volume Band Limits

¹³The subscript T indicates its a DPID
¹⁴See Appendix A re cutover between the methods

3.3.9. Let the *SFA* be the Sewerage Allocated Tranche, and *BS1* be the price for Sewerage Standard Volumes above the Allocated Tranche as defined in the Wholesale Charges Scheme. Thus:

Sewerage Standard Volume Charges	Price
Greater than zero and up to <i>SFA</i>	0
Greater than <i>SFA</i>	<i>BS1</i>

3.3.10. Define the Sewerage Meter Chargeable (SMC_{Kd}) for a Related T17 Meter Chain *K* as

$$SMC_{Kd} = \begin{cases} 1 & \text{if } D_{Kl}^C \leq d < D_{Ku}^C \text{ and } RTS_{Kd} > 0 \\ 0 & \text{otherwise} \end{cases}$$

where RTS_{Kd} is the Return to Sewer allowance¹⁵ for the Related T17 Meter Chain *K* for the Settlement Day *d*.

3.3.11. For each Settlement Day *d* in the SPID Settlement Chargeable Period define Total Sewerage Meter Chargeable ($TSMC_{Kd}$) as

$$TSMC_d = \sum_K SMC_{Kd}$$

Sewerage Free Allocation

3.3.12. For each meter *K* for each Settlement Day *d* in the T17 Meter Chain Chargeable Period establish the Sewerage Chargeable Meter Size $SCMS_{Kd}$

3.3.13. For each day define the Meter Sewerage Free Allocation ($MSFA_{Kd}$) as

$$MSFA_{Kd} = \begin{cases} SFA \times SMC_{Kd} & \text{if } SCMS_{Kd} > 0 \\ 0 & \text{otherwise} \end{cases}$$

¹⁵Expressed as a percentage in Central Systems, but used here and elsewhere as a fraction

3.3.14. The Sewerage Proportional Free Allocation *SPFA* is given by

$$SPFA = \sum_{Kd} \frac{(1 - VAC_d) \times MSFA_{Kd}}{DIY}$$

Volume limits for the Sewerage Capacity Volume Charges

3.3.15. The Wholesale Charges Scheme defines meter related charges in respect of a limited number of meter sizes, and for each non-zero Sewerage Chargeable Meter Size provides a mapping from the Sewerage Chargeable Meter Size to an entry in the corresponding table of meter sizes. The table entries in respect of Sewerage do not necessarily correspond to the table entries in respect of water.

3.3.16. The Central Systems holds a related table comprising Lower Meter Size (LMS_i), Upper Meter Size (UMS_i) and the Sewerage Capacity Volume Threshold ($SCVT_i$) for $i = 1 \dots n_T$, where

$$\begin{aligned} LMS_1 &= 1 \\ LMS_i &= UMS_{i-1} + 1 \text{ for } 2 = 1 \dots n_T \\ UMS_{n_T} &= \infty \text{ (in practice the largest integer representable in the CS)} \end{aligned}$$

3.3.17. Thus each Sewerage Chargeable Meter Size $SCMS_{Kd} > 0$ falls uniquely within a single band $LMS_i \leq WCMS_{Kd} \leq UMS_i$, and each such band (LMS_i, UMS_i) maps to a unique Sewerage Capacity Volume Threshold $SCVT_i = SCVT_i(LMS_i, UMS_i)$

3.3.18. The Meter Sewerage Capacity Volume Threshold ($MSCVT_{Kd}$) is then given by the table of Sewerage Capacity Volume Thresholds as

$$MSCVT_{Kd} = \begin{cases} 0 & \text{if } SCMS_{Kd} = 0 \\ SCVT_i(LMS_i, UMS_i) \times SMC_{Kd} & \text{if } SCMS_{Kd} > 0 \\ 0 & \text{otherwise} \end{cases}$$

where (LMS_i, UMS_i) is the band corresponding to $SCMS_{Kd}$

3.3.19. The Sewerage Proportional Capacity Volume Threshold (*SPCVT*) applicable for the Sewerage SPID for the year is given by

$$SPCVT = \sum_{Kd} \frac{(1 - VAC_d) \times MSCVT_{Kd}}{DIY}$$

3.3.20. Then derive DDV_{Kd} as per the AWA Algorithm for Water in the paragraphs following 2.3.18

3.3.21. For Settlement Runs relating to periods before 1st April 2013, the Sewerage Derived Daily Volume $SDDV_{Kd}$ for each Related T17 Meter Chain K for each day d in a Related T17 Meter Chain Chargeable Period is

$$SDDV_{Kd} = \begin{cases} \sum_T \frac{(1 - VAC_d) \times (1 - TDISC_d) \times SMC_{Kd} \times NDA_{Td}}{DIY \times TSMC_d} & \text{for all days } d \text{ for which} \\ & \sum_T NDA_{Td} > 0, \text{ and } TSMC_d > 0 \\ DDV_{Kd} * RTS_{Kd} & \text{otherwise} \end{cases}$$

3.3.22. For Settlement Runs relating to periods after 1st April 2013 each DPID T may be associated with a meter K . This association can be described by a variable $MDASSOC_{KTd}$ which will take the value 1 when there is an association, and take the value 0 when there is no association. Each meter-DPID association has a related meter-DPID Volume ($MDVOL_{KTd}$) which represents the fraction¹⁶ of a specific meter's volume which is associated with a DPID. For the avoidance of doubt, if there is no association, ie $MDASSOC_{KTd} = 0$, then $MDVOL_{KTd}$ will also be taken to be 0.

3.3.23. Define the term NDA Split ($NDASPLIT_{Td}$) as

$$NDASPLIT_{Td} = \sum_K MDASSOC_{KTd} \times SMC_{Kd}$$

Then,

$$SDDV_{Kd} = \begin{cases} \frac{(1 - VAC_d) \times (1 - TDISC_d) \times SMC_{Kd}}{DIY} \times \sum_{\substack{T \text{ where} \\ MDASSOC_{KTd}=1 \text{ and} \\ NDASPLIT_{Td}>0 \text{ and} \\ T \text{ is active}}} \frac{NDA_{Td}}{NDASPLIT_{Td}} & \text{when} \\ \sum_{\substack{T \text{ where} \\ MDASSOC_{KTd}=1 \text{ and} \\ NDASPLIT_{Td}>0 \text{ and} \\ T \text{ is active}}} \frac{NDA_{Td}}{NDASPLIT_{Td}} > 0 \\ DDV_{Kd} \times RTS_{Kd} & \text{otherwise} \end{cases}$$

¹⁶Expressed as a percentage in Central Systems but used here as a fraction

3.3.24. Then for all Settlement Runs, Actual Sewerage Yearly Volume (*ASYV*) for the Sewerage SPID is then

$$ASYV = \sum_{Kd} SDDV_{Kd}$$

Charges - Standard Sewerage Volume Charges

3.3.25. The Wholesale Charges Scheme defines charges for a volume *V* which is allocated across different charge bands (based upon a whole year's usage) in accordance with paragraph 3.3.9

3.3.26. The Sewerage Proportional Free Allocation is *SPFA* and the Actual Sewerage Yearly Volume is *ASYV* have previously been defined. Then calculate the Sewerage Standard Volume Charge (*SSVCHARGE*) as

$$SSVCHARGE = BS1 \times \max(ASYV - SPFA, 0)$$

Charges - Sewerage Capacity Volume Charges

3.3.27. If the Sewerage Capacity Volume Price as defined in the Scheme of Charges is *SCVP*, then the Sewerage Capacity Volume Charge *SCVCHARGE* is

$$SCVCHARGE = SCVP \times \max(\min(ASYV, SPCVT) - SPFA, 0)$$

AWA

3.3.28. The Annual Weighted Average (*AWA*) for the Sewerage SPID is then given by:

$$AWA = \begin{cases} 0 & \text{if } ASYV \leq 0 \\ \frac{SSVCHARGE + SCVCHARGE}{ASYV} & \text{if } ASYV > 0 \end{cases}$$

3.4. Measured Sewerage Supply - Charges

3.4.1. The discounts for the SPID for each day d in the SPID Chargeable Period are Sewerage Schedule 3 ($SS3_d$), Schedule 29e ($S29e_d$) and whether the SPID is eligible for Scottish Government Exemption Scheme ($SGES_d$).

3.4.2. Carry out the following calculations for each SPID which has a SPID Settlement Chargeable Period for the RF Settlement Period.

3.4.3. Carry out the following calculations for each Related T17 Meter Chain which has a Chargeable Period for that RF Settlement Period:

Meter Based Charges

3.4.4. As per 3.3.15 the Wholesale Charges Scheme defines meter related charges in respect of a limited number of meter sizes, and for each non-zero Chargeable Meter Size provides a mapping from the Chargeable Meter Size to an entry in the corresponding table of meter sizes.

3.4.5. The Central Systems holds a table comprising Lower Meter Size (LMS_i), Upper Meter Size (UMS_i) and the Sewerage Meter Annual Non-Volumetric Charges ($SMANVC_i$) for $i = 1 \dots n_T$, where

$$\begin{aligned}LMS_1 &= 1 \\LMS_i &= UMS_{i-1} + 1 \text{ for } i = 2 \dots n_T \\UMS_{n_T} &= \infty \text{ (in practice, the largest integer representable in the CS)}\end{aligned}$$

and n_T is the number of entries in the table.

3.4.6. Thus each Sewerage Chargeable Meter Size $SCMS_{Kd} > 0$ falls uniquely within a single band $LMS_i \leq SCMS_{Kd} \leq UMS_i$, and each such band (LMS_i, UMS_i) maps to a unique Sewerage Meter Annual Non-Volumetric Charged $SMANVC_i = SMANVC_i(LMS_i, UMS_i)$

3.4.7. Then Unadjusted Sewerage Meter Based Charge ($USMBC_{Kd}$) is then given by the table of Sewerage Meter Annual Non-Volumetric Charges as

$$USMBC_{Kd} = \begin{cases} 0 & \text{if } SCMS_{Kd} = 0 \\ \frac{SMANVC_i(LMS_i, UMS_i) \times SMC_{Kd} \times (1 - VAC_d)}{DIY} & \text{if } SCMS_{Kd} > 0 \\ 0 & \text{otherwise} \end{cases}$$

where (LMS_i, UMS_i) is the band corresponding to $SCMS_{Kd}$

3.4.8. Then the Unadjusted Discounted Sewerage Meter Based Charge ($UDSMBC_{Kd}$) is then given

$$UDSMBC_{Kd} = USMBC_{Kd} \times (1 - SS3_d - S29e_d)$$

3.4.9. The Transition Adjusted Sewerage Meter Based Charge $TASMBC$ is

$$TASMBC_{Kd} = \begin{cases} UDSMBC_{Kd} & \text{if not on Transition} \\ MT_Y \times UDSMBC_{Kd} & \text{if on Transition} \end{cases}$$

where MT_Y is the Metering Transition ¹⁷ applicable for the Financial Year Y .

3.4.10. The Sewerage Meter Based Charge ¹⁸ $SMBC_{Kd}$ is

$$SMBC_{Kd} = \begin{cases} TASMBC_{Kd} & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESSR_Y / (DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

where $SGESSR_Y$ is the SGES Sewer refund applicable for the Financial Year Y , and where SER_d is the number of Service Element Reports for the SPID.

3.4.11. For each Settlement Day d there are:

- two Service Element Reports for each Related T17 Meter Chain ¹⁹ which is chargeable on that day
- two Service Element Reports for each Unmeasurable Service Element which is chargeable on that day

¹⁷Expressed as a percentage in Central Systems, but used here as a fraction

¹⁸Compare the footnote at section 2.4.10

¹⁹When the RTS is zero there may be less than two Service Elements per Related T17 Meter Chain. In particular, there will be no service element for Meter Based Charges

- a single Service Element for each DPID which is chargeable on that day
- a Service Element Report for Roads Drainage if it is chargeable on that day
- a Service Element Report for Property Drainage if it is chargeable on that day
- a Service Element Report for Sewerage Services to Caravans if it is chargeable on that day

3.4.12. The CMA will allocate the Meter Based Charge to the Licensed Provider for which the SPID was registered in respect of each Settlement Day. It will then aggregate Volumes and Charges, and report them in accordance with CSD0201.

Sewerage Volumetric Charges

3.4.13. The Unadjusted Daily Metered Cost ($UDMC_{Kd}$) is

$$UDMC_{Kd} = AWA \times SDDV_{Kd} \times (1 - SS3_d - S29e_d)$$

3.4.14. Apply Transition Adjustment if appropriate to obtain Transition Adjusted Daily Metered Cost $TADMC_d$

$$TADMC_d = \begin{cases} UDMC_{Kd} & \text{if not on Transition} \\ MT_Y \times UDMC_{Kd} & \text{if on Transition} \end{cases}$$

3.4.15. The Daily Metered Cost ²⁰ DMC_{Kd} is

$$DMC_{Kd} = \begin{cases} TADMC_{Kd} & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESSR_Y / (DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

3.4.16. The CMA will allocate the Daily Metered Cost and the Volume to Licensed Provider to whom it was Registered in respect of each Settlement Day. It will aggregate these volumes and charges, and report them in accordance with CSD0201.

3.5. Unmeasured Sewerage Supply Points - Overview

3.5.1. The following Sewerage SPIDs are subject to Unmeasured charging:

- RV Based Charging

²⁰Compare the footnote at section 2.4.10

- Sewerage SPIDs which are subject to transition charging and have a Related Water Supply Point with an active meter;
- Sewerage SPIDs which are subject to transition charging and do not have a Related Water Supply Point with an active meter; and
- Sewerage SPIDs which have been declared unmeasurable.
- Re-assessed Charging
 - Sewerage SPIDs which have been agreed are subject to Re-assessed Charging

Information on transition charging is provided in the Appendices to CSD0205.

3.6. RV Based Charges

RV Non-Volumetric Charges

3.6.1. The discounts for the SPID for each day d in the SPID Chargeable Period are Sewerage Schedule 3 ($SS3_d$), Schedule 29e ($S29e$) and whether the SPID is eligible for the Scottish Government Exemption Scheme ($SGES_d$).

3.6.2. The SPID Settlement Chargeable Period has already been defined as the period time given by the days D_l^S, D_u^S .

3.6.3. The relevant SPID RV Unmeasurable Period is defined as the period of time for which either:

- The Sewerage SPID is subject to transition charging and has a Related Water Supply Point with an active meter
- The Sewerage SPID is subject to transition charging and does not have a Related Water Supply Point with an active meter
- The Sewerage SPID has been declared unmeasurable

and is likewise given by a pair of days D_l^{RV}, D_u^{RV} .

3.6.4. The SPID RV Unmeasurable Chargeable Period $D_l^C \leq d < D_u^C$ is the (possibly empty) sub-period for which the RV Unmeasurable Period intersects the SPID Settlement Chargeable Period, and is given by D_l^C, D_u^C where

$$\begin{aligned} D_l^C &= \max(D_l^{RV}, D_l^S) \\ D_u^C &= \min(D_u^{RV}, D_u^S) \end{aligned}$$

3.6.5. If $D_l^C \geq D_u^C$ then the SPID does not have an RV Unmeasurable Period for that RF Settlement Period.

3.6.6. For each each Settlement Day d in the SPID RV Unmeasurable Chargeable Period define the Rateable Value RV_d

3.6.7. In accordance with the Wholesale Scheme of Charges define the Sewerage Chargeable Meter Size ($SCMS_d$) which corresponds to RV_d , and each $SCMS_i$ corresponds to a unique Sewerage Meter Annual Non-Volumetric Charge ($SMANVC_i = SMANVC_i(SCMS_d)$).

3.6.8. The Unadjusted Sewerage Meter Based Charge ($USMBC_d$) is given by the table of Sewerage Meter Annual Non-Volumetric Charges as

$$USMBC_d = \frac{SMANVC_i(SCMS_i) \times (1 - VAC_d)}{DIY}$$

3.6.9. The Unadjusted Discounted Sewerage Meter Based Charge ($UDSMBC_d$) is then given by

$$UDSMBC_d = USMBC_d \times (1 - SS3_d - S29e_d)$$

3.6.10. For each Settlement Day d the Transition Adjusted Water Meter Based Charge $TAWMBC_d$ is

$$TASMBC_d = \begin{cases} (1 - MT_Y) \times UDSMBC_{Kd} & \text{if the SPID is on Transition and has an Active meter} \\ UDSMBC_d & \text{if the SPID is on Transition and does not have} \\ & \text{an Active meter} \\ UDSMBC_d & \text{if the SPID has been declared Unmeasurable} \end{cases}$$

where MT_Y is the Metering Transition ²¹ applicable for the Financial Year Y . For the Financial Year $Y = 2008-09$, $MT_Y = 0\%$, and for $Y = 2009-10$, $MT_Y = 33\%$. The Metering Transition for other years are defined in the relevant Wholesale Charges Scheme.

3.6.11. The Water Meter Based Charge ²² $WMBC_d$ is

$$WMBC_{Kd} = \begin{cases} TASMBC_{Kd} & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESSR_Y / (DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

²¹Expressed as a percentage in Central Systems, but used here as a fraction

²²Compare the footnote at section 2.4.10

where $SGESSR_Y$ is the SGES Sewer refund applicable for the Financial Year Y , and where SER_d is the number of Service Element Reports for the SPID.

3.6.12. The CMA will allocate the Meter Based Charge to the Licensed Provider for which the SPID was registered in respect of each Settlement Day. It will then aggregate Volumes and Charges, and report them in accordance with CSD0201.

RV Volumetric Charges

3.6.13. For each each Settlement Day d in the SPID RV Unmeasurable Chargeable Period define the Rateable Value RV_d

3.6.14. The equivalent Actual Sewerage Yearly Volume $ASYV_d$ given by

$$ASYV_d = \begin{cases} 0.95 * (0.0373 \times RV_d - 24) \times (1 - VAC_d) & \text{if } RV_d \geq 650 \\ 0 & \text{otherwise} \end{cases}$$

and the equivalent Sewerage Derived Daily Volume $SDDV_d$ is given by

$$SDDV_d = \frac{ASYV_d}{DIY}$$

3.6.15. The same calculation used to derive AWA in section 3.3.28 can be used to derive an Equivalent AWA_d for each day of the RV Unmeasurable Chargeable Period, based upon an equivalent whole year calculation and using the equivalent Actual Sewerage Yearly Volume $ASYV_d$ and the meter size $WCMS_d$.

3.6.16. The Unadjusted Daily Metered Cost ($UDMC_d$) =

$$UDMC_d = AWA_d \times DDV_d \times (1 - SS3_d - S29e_d)$$

3.6.17. Apply the Transition Adjustment to obtain the Transition Adjusted Daily Metered Cost $TADMC_d$

$$TADMC_d = \begin{cases} (1 - MT_Y) \times UDMC_d & \text{if the SPID is on Transition and has an Active meter} \\ UDMC_d & \text{if the SPID is on Transition and does not} \\ & \text{have an Active meter} \\ UDMC_d & \text{if the SPID has been declared Unmeasurable} \end{cases}$$

3.6.18. The Daily Metered Cost DMC_d ²³ is

$$DMC_d = \begin{cases} TADMC_d & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESSR_Y / (DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

where $SGESSR_Y$ is the SGES Sewerage refund applicable for the Financial Year Y , and where SER_d is the number of Service Element Reports for the SPID.

3.6.19. The CMA will allocate the Meter Based Charge to the Licensed Provider for which the SPID was registered in respect of each Settlement Day. It will then aggregate Volumes and Charges, and report them in accordance with CSD0201.

3.7. Re-assessed Charges

3.7.1. Re-assessed Charges were introduced on 1st April 2009. However, it should be noted that the methods within the Central Systems for calculating Re-assessed Charges do not carry out any verification that the data only applies for periods of time on or after the date of introduction of Re-assessed Charges.

3.7.2. Re-assessed Charges are implemented by the use of Pseudo Meters. In respect of Sewerage SPIDs, the Pseudo Meter is installed at the Related Water Supply Point. In respect of Re-assessed charges, there is always such a Related Water Supply Point as in respect of Sewerage Services only Supply Points, there will be a related Pseudo Water Services Supply Point.

3.7.3. Subject to the one minor exception noted in the following paragraph, the CMA computes charges for Pseudo Meters as for all other T17 Meter Chains in accordance with sections 3.3 and 3.4. For example, where the related Water SPID has a Pseudo Meter installed for part of a year and a physical meter installed for part of a year, the CMA will compute a single sewerage AWA which is applicable to the sewerage volumes relating to both the Pseudo Meter and the physical meter.

3.7.4. When a Pseudo Meter is installed, Scottish Water is obliged under CSD0104 to provide an opening meter read of 0, and both a YVE and a RTS. While the Pseudo Meter is installed, the CMA will reject any other meter reads which are submitted. The CMA will therefore compute the Sewerage Derived Daily Volume using the value of YVE and RTS submitted by Scottish Water (or where applicable appropriate NDA values relating to Trade Effluent). When a Pseudo Meter is removed, Scottish Water must provide a final closing meter read of 0. However, the CMA does not store the closing meter within the meter reads table.

²³Compare the footnote at section 2.4.10

Thus, following the removal of the Pseudo Meter, and the CMA will continue to compute the Sewerage Derived Daily Volumes during a T17 Meter Chain Chargeable Period using the values of YVE and RTS submitted (or where applicable NDA values), rather than using the opening and closing meter reads of 0 (which would otherwise provide a zero volume).

3.8. Property Drainage

3.8.1. This section applies to the Property Drainage charges.

3.8.2. The Discounts for the SPID for each day d in the SPID Chargeable Period are Sewerage Schedule 3 ($SS3_d$), Schedule 29e ($S29e_d$) and whether the SPID is eligible for Scottish Government Exemption Scheme ($SGES_d$).

3.8.3. The SPID Settlement Chargeable Period has already been defined as the period time given by the days D_l^S , D_u^S . As above define the relevant Chargeable Period for Property Drainage.

3.8.4. For each Settlement Day d in the relevant Chargeable Period define the Rateable Value RV_d and whether Property Drainage (PD_d) is chargeable:

$$PD_d = \begin{cases} 1 & \text{if Property Drainage is chargeable} \\ 0 & \text{if Property Drainage is not chargeable} \end{cases}$$

3.8.5. As per the Wholesale Charges Scheme define the Annual Price Property Drainage per pound Rateable value (PDP).

3.8.6. Then define the Unadjusted Property Drainage Charge $UPDC_d$ as

$$UPDC_d = PDP \times PD_d \times RV_d \times (1 - VAC_d)/DIY$$

3.8.7. The Unadjusted Discounted Property Drainage Charge $UDPDC_d$ is given by

$$UDPDC_d = UPDC_d \times (1 - SS3_d - S29e_d)$$

3.8.8. The Property Drainage Charge PDC_d ²⁴ is given by

$$PDC_d = \begin{cases} UDPDC_d & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESSR_Y / (DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

where as above $SGESSR_Y$ is the SGES Sewerage refund applicable for the Financial Year Y , and SER_d is the number of Service Element Reports for the SPID.

3.8.9. The CMA will allocate the Property Drainage Charges to the Licensed Provider for which the SPID was registered in respect of each Settlement Day. It will then aggregate the volumes and charges, and report them in accordance with CSD0201.

3.8.10. (*Note* There are a small number of SPIDs on Area Based Property Drainage Charges. The calculation for them is the same as above with the price per area replacing the price per pound Rateable Value, and the area replacing the Rateable Value.

3.9. Roads Drainage

3.9.1. This section applies to the Roads Drainage charges.

3.9.2. The discounts for the SPID for each day d in the SPID Chargeable Period are Sewerage Schedule 3 ($SS3_d$), Schedule 29e ($S29e_d$) and whether the SPID is eligible for Scottish Government Exemption Scheme ($SGES_d$).

3.9.3. The SPID Settlement Chargeable Period has already been defined as the period time given by the days D_l^S , D_u^S . As above define the relevant Chargeable Period for Property Drainage.

3.9.4. For each Settlement Day d in the relevant Chargeable Period define the Rateable Value RV_d and whether Roads Drainage (RD_d) is chargeable:

$$RD_d = \begin{cases} 1 & \text{if Roads Drainage is chargeable} \\ 0 & \text{if Roads Drainage is not chargeable} \end{cases}$$

3.9.5. As per the Wholesale Charges Scheme define the Annual price for Roads Drainage per pound Rateable value (RDP).

²⁴Compare the footnote at section 2.4.10

3.9.6. The Unadjusted Roads Drainage Charge $URDC_d$ is

$$URDC_d = RDP \times RD_d \times RV_d \times (1 - VAC_d) / DIY$$

3.9.7. The Unadjusted Discounted Roads Drainage Charge $UDRDC_d$ is given by

$$UDRDC_d = URDC_d \times (1 - SS3_d - S29e_d)$$

3.9.8. The Roads Drainage Charge ²⁵ RDC_d is then given by

$$RDC_d = \begin{cases} UDRDC_d & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESSR_Y / (DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

where as above $SGESSR_Y$ is the SGES Sewerage refund applicable for the Financial Year Y , and SER_d is the number of Service Element Reports for the SPID.

3.9.9. The CMA will allocate the Roads Drainage Charges to the Licensed Provider for which the SPID was registered in respect of each Settlement Day. It will then aggregate the volumes and charges, and report them in accordance with CSD0201.

3.10. Trade Effluent Charges

3.10.1. For each Trade Effluent DPID T establish the DPID “Active Period” $D_{Tl}^A \leq d < D_{Tu}^A$. If the DPID has not been discontinued then set $D_{Tu}^A = D_u^{RF}$

3.10.2. For each Trade Effluent DPID T establish the DPID Chargeable Period $D_{Tl}^C \leq d < D_{Tu}^C$ which is the (possibly empty) sub-period for which the Active Period intersects the SPID Settlement Chargeable Period, and is given by D_{Tl}^C, D_{Tu}^C where

$$\begin{aligned} D_{Tl}^C &= \max(D_{Tl}^A, D_l^S) \\ D_{Tu}^C &= \min(D_{Tu}^A, D_u^S) \end{aligned}$$

3.10.3. If $D_{Tl}^C \geq D_{Tu}^C$ then the DPID does not have a Chargeable Period for that RF Settlement Period.

²⁵Compare the footnote at section 2.4.10

3.10.4. For Settlement Runs relating to periods before 1st April 2013, the CMA shall use the following procedure for calculating the Daily Actual Volume Discharged ($DAVD_d$)

3.10.5. For each DPID which has a Chargeable Period in the Settlement Year, and for each Settlement Day d in the DPID Chargeable Period, establish whether the day is

- within a Discharge Period,
- a day after the last Discharge Period for the DPID (ie is on or after the last Settlement Day for which an Actual Volume Discharge has been notified), or
- is a day for which the DPID has no Discharge Period (ie no Actual Daily Volumes have been notified for the DPID).

3.10.6. For each Settlement Day d within a Discharge Period $D_1 \leq d < D_2$, the CMA will calculate the Daily Actual Volume Discharged (DAVD) in relation to each Discharge Point by using the following formula:

$$DAVD_d = AVD_{D_2} / (D_2 - D_1)$$

where

D_1 is the first date of the Discharge Period;

D_2 is the day after the last date of the Discharge Period Period.

AVD_{D_2} is the Actual Volume Discharged of Trade Effluent Services notified with effective date D_2 in relation to a Discharge Point for the period since the previous submission, or commencement of that Discharge Point (for the first notification of Actual Volume Discharged for Trade Effluent)

3.10.7. For each Settlement Day d in a Post Discharge Period for a DPID, the CMA will calculate the Daily Actual Volume Discharged in relation to each Discharge Point by using the following formula:

$$DAVD_d = DAVD_{d'} \text{ for the last day } d' \text{ within a Discharge Period}$$

3.10.8. For any Settlement Day for a DPID which does not have a Discharge Period, the CMA will compute the Daily Actual Volume Discharged using the following formula

$$DAVD = \frac{TEYVE}{DIY}$$

where TEYVE is the Trade Effluent Estimated Yearly Volume as notified for the DPID.

3.10.9. For Settlement Runs relating to periods after 1st April 2013²⁶, the CMA shall use the following procedure for calculating the Daily Actual Volume Discharged ($DAVD_d$)

3.10.10. For each T17 Meter Chain K define the variable TEM_K as

$$TEM_K = \begin{cases} 1 & \text{if the T17 Meter Chain is either PrivateEffluent or TankeredEffluent} \\ 0 & \text{if the T17 Meter Chain } K \text{ is either SWWater or PrivateWater} \end{cases}$$

noting that a T17 Meter Chain K has a constant meter treatment over its entire history.

3.10.11. Then define the term NDA Included in Sewerage Calculations $NDAINC_{Td}$ as

$$NDAINC_{Td} = \begin{cases} 1 & \text{if } \sum_K MDVOL_{KTd} \times (1 - TEM_K) > 0 \\ 0 & \text{if } \sum_K MDVOL_{KTd} \times (1 - TEM_K) = 0 \end{cases}$$

3.10.12. Then the Daily Actual Volume Discharged $DAVD_{Td}$ is

$$DAVD_{Td} = \sum_K DDV_{Kd} \times (1 - PA_{Td}) \times MDVOL_{KTd} - \frac{(NDA_{Td} \times NDAINC_{Td} + FA_{Td})}{DIY} \times (1 - VAC_d) \times (1 - TDISC_d)$$

where PA_{Td} is the Percentage Allowance ²⁷, and FA_{Td} is the Fixed Allowance

3.10.13. In accordance with the Wholesale Scheme of Charges define the variables Preliminary Treatment Indicator (PTI), Biological Treatment Indicator (BTI) and Sewage Sludge Indicator (SSI) as per the following table.

	Treatment Types		
	PTI	SSI	BTI
Sub-primary	0	0	0
Primary	1	$\frac{2}{3}$	0
Secondary	1	1	1

²⁶See Appendix A re transition of the calculation methods

²⁷Expressed as a percentage in Central Systems, but used here as a fraction

For Settlement Runs covering periods before 1st April 2013, the values of *PTI*, *BTI* and *SSI* will all be set to a value of 1 (i.e. as if the Treatment Type were Secondary) irrespective of how the Treatment Type is set. Thus, for the avoidance of doubt, a DPID with a Treatment Type set to (say) Primary will be charged as "Secondary" for Settlement Runs covering periods before 1st April 2013, but will be charged as Primary for Settlement Runs covering periods after 1st April 2013.

3.10.14. Then the Unadjusted Daily Availability Charge $UACc_d$ can be calculated as ²⁸

$$UACc_d = [(CDV_d \times (Ra + PTI \times Va)) + (BTI \times Ba \times sBODl_d) + (SSI \times Sa \times TSSl_d)] \times SF \times (1 - VAC_d)$$

and the Unadjusted Daily Operating Charge ($UOPc_d$) can be calculated as

$$UOPc_d = DAVD_d \times (Ro + PTI \times Vo + (BTI \times Bo \times (Ot_d/Os)) + (SSI \times So \times (St_d/Ss)))$$

where the following parameters are derived from the Trade Effluent DPID

CDV_d =	Chargeable Daily Volume of the Trade Effluent in m^3
$sBODl_d$ =	Settled Biochemical Oxygen Demand load of the Trade Effluent
$TSSl_d$ =	Total Suspended Solids load of the Trade Effluent
SF =	Seasonal Factor, which is set to a value of 1.2 where a Discharge Point is subject to seasonal discharge in accordance with the provisions set out in the Wholesale Charges Scheme. In all other cases the CMA sets the Seasonal Factor to a value of 1;
Ot_d =	the fixed strength (settled Chemical Oxygen Demand) of the Trade Effluent
St_d =	the fixed strength (settleable solids) of the Trade Effluent

and the following terms are derived from the Wholesale Scheme of Charges:

Ra =	Reception charging component in pence/ m^3 per Day
Va =	Volumetric/Primary charging component in pence/ m^3 per Day
Ba =	Biological Capacity charging component in pence/kg per Day
Sa =	Sludge Capacity charging component in pence/kg per Day
Ro =	Reception charging component in pence/ m^3
Vo =	Volumetric/Primary charging component in pence/ m^3
Bo =	Secondary Treatment charging component in pence/ m^3
So =	Sludge Treatment charging component in pence/ m^3

²⁸for the avoidance of doubt, this equation will apply unchanged before and after 1st April 2013

3.10.15. The Unadjusted Discounted Daily Availability Charge $UDACc_d$ and the Unadjusted Discounted Daily Operating Charge ($UDOPc_d$) are given by

$$UDACc_d = UACc_d \times (1 - TES3_d)$$

$$UDOPc_d = UOPc_d \times (1 - TES3_d)$$

where $TES3_d$ is any applicable Trade Effluent Schedule 3 discount.

3.10.16. The Daily Availability Charge ACc_d and the Daily Operating Charge (OPc_d) are given by ²⁹

$$ACc_d = \begin{cases} UDACc_d & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESSR_Y / (DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

$$OPc_d = \begin{cases} UDOPc_d & \text{if not } SGES_d \text{ or } SER_d = 0 \\ -SGESSR_Y / (DIY \times SER_d) & \text{if } SGES_d \text{ and } SER_d > 0 \end{cases}$$

3.10.17. The CMA will then calculate the Wholesale Charge payable for the Settlement Day $DTEC_d$ in respect of a Discharge Point using the following formula:

$$DTEC_d = ACc_d + OPc_d$$

3.10.18. For the avoidance of doubt, any monthly Trade Effluent charge computed in accordance with CSD0205 is the sum of the relevant terms $DTEC_d$

3.10.19. In respect of RF annual charges, a minimum charge (as set out in the Wholesale Charges Scheme) is payable in respect of a Discharge Point. At the end of each Year, as part of the RF Settlement Run, the CMA will calculate whether the Wholesale Charges payable in respect of a Discharge Point are less than the minimum charge.

3.10.20. Where either

- a Sewerage Service Supply Point (with a related Discharge Point) has been vacant for part of the Year;

²⁹Compare the footnote at section 2.4.10

- a Sewerage Services Supply Point (with related Discharge Point(s)) has been registered for a period less than a Year;
- a Sewerage Services Supply Point (with related Discharge Point(s)) qualifies for exemption under the Scottish Government Exemption Scheme; or
- a Discharge Point was commenced in the Central Systems during the Year,

the CMA will calculate the proportionate minimum charge prior to its use in comparing it to the Wholesale Charges payable in respect of the Discharge Point for that Year, using the following formula:

$$MC_A = MC \times DIY_{DP}/DIY$$

where:

- MC_A is the minimum charge payable for the Discharge Point over the Year;
- MC is the minimum charge as set out in the Wholesale Charges Scheme for the relevant Year;
- DIY_{DP} is the number of days in the relevant Year within the DPID Chargeable Period that the SPID was neither vacant nor exempt under the Scottish Government Exemption Scheme; and
- DIY is the number of days in the relevant Year.

3.10.21. The CMA will then aggregate the Year Trade Effluent Charges $YTEC_{DP}$ for each Discharge point by summing the values $DTEC_d$ for Days which do NOT have a SGES refund charge.

3.10.22. The CMA will then compare the Year Trade Effluent Charge against the Discharge Point's minimum charge and where the Year Trade Effluent Charge is less than the Discharge Point's minimum charge ($YTEC_{DP} < MC_A$), then the CMA then will calculate any minimum charge payable by each Licensed Provider (in respect of Settlement Days for which there is not a SGES refund) as follows:

$$MC_{LP} = MC_A \times NRD_{LP}/DIY_{DP}$$

Where:

MC_{LP} is the minimum charge payable by the Licensed Provider in respect of the Discharge Point over the relevant Year (excluding SGES);

MC_A is the minimum charge payable in respect of the Discharge Point for the relevant Year;

NRD_{LP} is the number of days in the relevant Year that the relevant Supply Point was Registered to the Licensed Provider and the Discharge Point is neither exempt under the Scottish Government Exemption Scheme nor vacant; and

DIY_{DP} is the number of days in the relevant Year from the date that the Discharge Point was commenced in the Central Systems.

3.10.23. For each Licensed Provider, the CMA will then report the minimum charge MC_{LP} (as adjusted by the SGES refund for Settlement Days for which a refund is available.)

A. Appendix

A.1. Matters arising from the Wholesale Charges Scheme

A.1.1. The following assumptions have been made in the implementing the various Wholesale Scheme of Charges. This Appendix is provided to clarify and formalise the adoption of the various assumptions.

A.1.2. *20mm Phasing Premium* This charge is applied for all years for SPIDs which have meters which are charged as 20mm meters (or smaller), but excluding meters with a chargeable size of 0mm.

A.1.3. *0mm Meters* Standard volume charges are applied to volumes associated with meters which have been set a chargeable size of 0mm. However, there is no Free Allocation or Capacity Volume associated with such meters, nor are any meter based charges applied.

A.1.4. *TDISC* Following clarification from the Commission, all non-volumetric charges are applied during periods of Temporary Disconnection, including meter based charges, roads drainage, property drainage and charges for miscellaneous services.

A.1.5. *MCCP095* The changes implemented in MCCP095 do not represent a change to the Wholesale Scheme of Charges, but rather represent a more sophisticated implementation within the Central Systems of the Wholesale Scheme of Charges, and in particular in respect of

- Trade Effluent;
- associated Sewerage Charges; and
- the handling of private water supplies and Sewerage Charges.

A.1.6. *TE Charging - before MCCP095* Users calculated Trade Effluent Volumes off the Central Systems, taking account of all relevant meters and allowances, and submitted the processed volumes to the Central Systems. To ensure that charges were suspended (apart from the minimum TE charge) during vacancy Licensed Providers and Scottish Water needed to ensure that either

- Trade Effluent DPID is disconnected; or
- a 100% DPID Schedule 3 discount was submitted for the DPID

in accordance with the Appendix to CSD0206. This Appendix provided detailed requirements on how TE Volumes should be submitted to ensure that they are allocated to the correct

periods of time. Non Domestic Allowance was implemented in the Central Systems, but on the basis of applying to an entire Sewerage SPID.

A.1.7. *TE Charging - after MCCP095* Scottish Water provides associations between Trade Effluent DPIDs and water meters, together with the necessary allowances to facilitate the Central Systems carrying out the Trade Effluent volume calculations. Specific provisions were made in this system for the use of Trade Effluent meters and tankered effluent. Volume processing and charging during vacancy were automatically handled on the system.

A.1.8. *Private Water Meters - after MCCP095* Following the introduction of MCCP095, the Central Systems specifically catered for Private Water Meters; and in particular ensure that while water charges were not applied, that sewerage charges and any applicable Trade Effluent charges would be applied.

A.1.9. *Cut-over of charging methods* While the pre-MCCP095 calculation applies to charging periods before 1st April 2013, the post-MCCP095 broadly applies to charging periods after 1st April 2013; there are likely to be two small exceptions to this principle.

- 2013 April P1 Settlement Run run early in March 2013, before the release of the software and the start of the new Financial Year. TE data will still reflect the pre-MCCP095 charging method. This Settlement Run will be carried out on the pre-MCCP095 basis.
- 2013 May P1 Settlement Run run early in April 2013, before the release of the software and the start of the new Financial Year. This is too shortly after the beginning of the Financial Year to update all the TE data to the new charging basis. This Settlement Run will be carried out on the pre-MCCP095 basis.
- All Subsequent Runs for periods after April 1st 2013, including for the avoidance of doubt the 2013 April R1 and the 2013 May R1, reconciliation will be carried out on the new basis post MCCP095 basis.

A.1.10. *SGES* For SPIDs which are flagged as exempt under the Scottish Government Exemption Scheme, a payment is made from Scottish Water to the Licensed Provider and all other charges from the Licensed Provider to Scottish Water are waived.

A.1.11. *RTS* For meters with a return to sewer allowance of 0%, all associated Foul Sewerage Meter based annual charges are zero in accordance with the Wholesale Scheme of Charges.

A.1.12. *Re-assessed Charges* The Central Systems have the functionality in respect of the Re-assessed Charges which were introduced in 2009-10. There is no functionality which prevents data being submitted for a SPID which charge a SPID in 2008-09 with this method.

It is a requirement on Market Participants not to submit data that would utilise this method in 2008-09.

A.1.13. *Water and Sewerage Services to Caravans* Charges for Water and Sewerage Services for Caravans were removed in the WCS for 2010-11. However, since during the two Financial Years 2008-09, and 2009-10 when such charges were applicable, that no such charges were ever levied; following the introduction of M CCP095 the corresponding charging methods were removed from the Central Systems.

A.1.14. *Property Drainage* The Central Systems have a charging method in respect of Property Drainage Charges whereby a few properties which have the Area Property are charged on an area basis. There are no methods for updating the relevant areas for these properties. However, the charges while being correctly calculated are labelled by the system as being "Property Drainage RV" as opposed to Area Based Property Drainage charges.

A.1.15. *Metered Volumes* The CSDs have built in specific methods for establishing metered volumes for Measured Supply Points. In particular it has built in rules in respect of Industry Level Estimates and YVE allowances. The CSDs also describe how meter volumes are interpolated, extrapolated and adjusted for vacancy.

A.1.16. *Multiple Discounts* Where both a Schedule 29e discount and a Schedule 3 discount are submitted in respect of a SPID, these discounts are added. No check is carried out that the discounts add to less than 100%. At present, there is no facility in the Central Systems to apply a Schedule 29e discount to Trade Effluent Charges.

A.1.17. *Proportionality* The Wholesale Charges Scheme defines charges for a volume V which is allocated across different charge bands (based upon a whole year's usage). The relevant charges bands are proportioned taking account of (i) the length of time a Supply Point (i) is as a Measured Supply Point and (ii) has the LUVA adjustments applied. Similarly, the the Phasing Premium is proportioned taking account of the length of time the SPIDs has meter(s) to which the Phasing Premium applies.

A.1.18. *AWA* The whole year AWA calculation is applied to Measured Supply Points and to Supply Points on Reassessed Charges. It is not applied for Unmeasured Supply Points where charges are based upon RV.

A.1.19. *Application of LUVA Adjustment and Phasing Premium* The LUVA Adjustment and the Phasing Premium in the AWA calculations for the year. Other discounts including Schedule 3, Schedule 29e and SGES are applied per Settlement day.

A.1.20. LUVA Adjustment According to the Scheme of Charges the LUVA Adjustment applies Large User Volume Agreements (LUVA) as in 2006/07. The Central Systems applies the adjustment to SPIDs in accordance with the way the LUVA flag is set for the period or sub-period of the Settlement Run.

A.1.21. Negative Volumes If a series of meter reads is not all monotonically increasing (taking account where applicable of the rollover algorithm) it is possible for the Central Systems to compute negative volumes for a SPID. If the total volume of water or sewerage supplied over the course of a year is negative, then the relevant AWA and the volumetric charges will be zero. However, where the total volume supplied to a SPID to be positive, but negative volumes occur either in respect of a single meter for the full year, or for the SPID for part of the year then the charges in respect of that single meter or that part of the year will be negative.

A.1.22. TE Minimum Charges Minimum Charges for Trade Effluent are applied per DPID rather than per SPID. They are pro-rated for the length of time a DPID is active over the course of the year. In respect of a single SPID with multiple DPIDs, a greater than minimum charge on one DPID does not offset charges on another DPID which does not reach the minimum.

A.1.23. TE Minimum Charges Where there are multiple LPs which share a DPID which needs to have minimum charges applied then the allocation of minimum charges is pro-rata on a daily basis, irrespective of volumetric charges occurred by each LP. See CSD0206 for details.

A.1.24. Percentages and Fractions A number of variables in this CSD which represent fractions are expressed as percentages within the Wholesale Scheme of Charges. The equations in this CSD use them as fractions rather than as percentage. Thus the CSD has equations with terms such as $(1 - f)$ rather than terms with explicit percentages such as $(1 - \frac{f}{100})$.

A.2. Variables

A.2.1. This section provides details of all the variables used in this CSD0207.

Actual Daily Volume	ADV_{Kd}
Actual Sewerage Yearly Volme	$ASYV$
Actual Volume Discharged on day D_2	AVD_{D2}
Actual Yearly Volume	AYV
Allocated Tranche	VFA
Annual Price Croft Outside Tap	$COTP$

Annual Price Croft Troughs and Drinking Bowls	$CTDBP$
Annual Price Farm Outside Tap	$FOTP$
Annual Price Farm Troughs and Drinking Bowls	$FTDBP$
Annual Price Property Drainage	PDP
Annual Price Roads Drainage	RDP
Annual Volumes(per charge band)	$VA1, VA2, VA3$
Annual Weighted Average	AWA
Availability Charge	ACc_d
Biological Capacity charging component in pence/kg per Day	Ba
Biological Treatment Indicator	BTI
Capacity Volume Charge	$CVCHARGE$
Capacity Volume Price	CVP
Capacity Volume Threshold	CVT_i
Chargeable Daily Volume of the Trade Effluent in m^3	CDV_d
Connected	$CONN_d$
Croft	$CROFT_d$
Daily Actual Volume Discharged	$DAVD_d, DAVD_{Td}$
Daily Availability Charge	ACc_d
Daily Metered Cost	DMC_{Kd}, DMC_d
Daily Operating Charge	OPc_d
Daily Trade Effluent Charge	$DTEC_d$
Daily Volume	DV_{Kd}, DV_{Ld}
Days	D_1, D_2
Days in Year	DIY
Days in Year within DPID Chargeable Period DPID neither vacant nor in SGES	DIY_{DP}
DPID	T
Derived Daily Volume	DDV_{Kd}
DPID Active Period	(D_{Tl}^A, D_{Tu}^A)
DPID Chargeable Period	(D_{Tl}^C, D_{Tu}^C)
DPID Minimum Charge (and LP's share	MC_A, MC_{LP}
Equivalent AWA	AWA_d
Equivalent Actual Sewerage Yearly Volume	$ASYV_d$
Equivalent Actual Yearly Volume	AYV_d
Estimated Daily Volume	EDV_{Kd}
Farm	$FARM_d$
Fixed Allowance	FA_{Td}
Fixed strength (settled Chemical Oxygen Demand) of the Trade Effluent	Ot
Fixed strength (settleable solids) of the Trade Effluent	St
Industry Level Estimates	ILE

Lower Meter Size	LMS, LMS_i
LUVA Adjustment	$LACHARGE$
LUVA Annual Volume	LAV
LUVA Annual Volume(per charge band)	$LVA1, LVA2$ and $LVA3$
LUVA Charge Bands	$LV1, LV2$ and $LV3$
LUVA Chargeable	LC_d
LUVA Phasing	$LPP1, LPP2$ and $LPP3$
LUVA Proportion	$LUVAP$
LUVA Volume Limits	$VLL, V1$ and $V2$
Meter Active	MA_{Kd}
Meter Advance Chargeable Days	$MACD$
Meter Advance Period	MAP
Meter Advance Volume	MAV
Meter DPID Association	$MDASSOC_{KTd}$
Meter DPID Volume	$MDVOL_{KTd}$
Meter Capacity Volume Threshold	$MCVT_{Kd}$
Meter Free Allocation	MFA, MFA_{Kd}
Meter Readings	R_1, R_2
Meter Sewerage Capacity Volume Threshold	$MSCVT_{Kd}$
Meter Sewerage Free Allocation	$MSFA, MSFA_{Kd}$
Meter Transition Adjustment	MT, MT_Y
Meter Size	MS_i
NDA Included	$NDAINC$
NDA Split	$NDASPLIT$
Non Domestic Allowance	NDA_{Td}
Number of Days DPID registered to an LP and neither vacant nor SGES	NRD_{LP}
Number of table items	n_T
Outside Taps	OT_d
Outside Taps Charge	OTC_d
Percentage Allowance	PA_{Td}
Phasing Premium for the Year	PP_Y
Phasing Premium Charge	$PPCHARGE$
Preliminary Treatment Indicator	PTI
Premium Chargeable	PC_{Kd}
Premium Phasing	PP
Premium Volume	PVA
Private	PVT_K
Property Drainage	PD_d
Property Drainage Charge	PDC_d
Proportional Capacity Volume Threshold	$PCVT$
Proportional Free Allocation	PFA

Proportional LUVA Volume limits	$PLVLL, PLV1, PLV2$
Proportional Phasing Premium Free Allocation	$PPPFA$
Proportional Premium Volume Limit	$PPVL$
Proportional Volume Limits	$PV1, PV2$
Return to Sewerage	RTS_{Kd}
RF Settlement Period	D_l^{RF}, D_u^{RF}
Roads Drainage	RD_d
Roads Drainage Charge	RDC_d
Rateable Value	RV_d
Reception charging component in pence/ m^3	Ro
Reception charging component in pence/ m^3 per Day	Ra
RF Settlement Period	D_l^{RF}, D_u^{RF}
RV Unmeasurable Period	D_l^{RV}, D_u^{RV}
RV Unmeasurable Chargeable Period D_l^C, D_u^C	
Schedule 29e Discount	$S29e_d$
Seasonal Factor	SF
Settlement Day	d
Secondary Treatment charging component in pence/ m^3	Bo
Service Element Reports	SER_d
Sewage Sludge Indicator	SSI
Sewerage Allocated Tranche	SFA
Sewerage Capacity Volume Charge	$SCVCHARGE$
Sewerage Capacity Volume Price	$SCVP$
Sewerage Capacity Volume Thresholds	$SCVT_i$
Sewerage Chargeable Meter Size	$SCMS_{Kd}$
Sewerage Derived Daily Volume	$SDDV_{Kd}$
Sewerage Meter Chargeable	SMC_{Kd}
Sewerage Meter Annual Non-Volumetric Charge	$SMANVC_i$
Sewerage Meter Based Charge	$SMBC_{Kd}$
Sewerage Proportional Capacity Volume Threshold	$SPCVT$
Sewerage Proportional Free Allocation	$SPFA$
Sewerage Schedule 3	$SS3$
Sewerage Standard Volume Charge	$SSVCHARGE$
Sewerage Standard Volume Price	$BS1$
Sludge Treatment charging component in pence/ m^3	So
Sludge Capacity charging component in pence/kg per Day	Sa
SPID Chargeable Period	D_l^A, D_u^A
SPID Settlement Chargeable Period	D_l^S, D_u^S

SPID SWWater Meter Active	$SSWMA_d$
SPID Water Meter Chargeable	$SWMC_d$
Sewerage Schedule 3 Discount	$SS3_d$
SGES Refund Applicable	$SGES_d$
SGES Water Refund	$SGESWR$
SGES Sewerage Refund	$SGESSR$
Standard strength of Settled Chemical Oxygen Demand of the foul sewage	Os
Standard strength of Settleable solids in the foul sewage	Ss
Standard Volume Charge	$SVCHARGE$
Trade Effluent Meter	TEM_K
Trade Effluent Schedule 3	$TES3_d$
Trade Effluent Yearly Estimate Volume	$TEYVE$
T17 Meter Chain	K
T17 Meter Chain "Active Period"	D_{Kl}^A, D_{Ku}^A
T17 Meter Chain Chargeable Period	D_{Kl}^C, D_{Ku}^C
Tabular Meter Size	TMS_{Kd}
Temporarily Disconnected	$TDISC_d$
Total LUVA Days	TLD
Total Premium Days	TPD
Total Sewerage Meter Chargeable	$TSMC_d$
Total SWWater Meter Active Days	$TSWMAD$
Transition Adjusted Daily Metered Cost	$TADM C_{Kd}$
Transition Adjusted Sewerage Meter Based Charge	$TASMB C_{Kd}$
Transition Adjusted Water Meter Based Charge	$TAWMB C_{Kd}$
Troughs and Drinking Bowls	TDB_d
Troughs and Drinking Bowls Charge	$TDBC_d$
Unadjusted Daily Availability Charge	$UACc_d$
Unadjusted Daily Operating Charge	$UOPc_d$
Unadjusted Actual Daily Volume	$UADV_{Kd}$
Unadjusted Daily Metered Cost	$UDM C_{Kd}$
Unadjusted Discounted Daily Availability Charge	$UDACc_d$
Unadjusted Discounted Daily Operating Charge	$UDOCc_d$
Unadjusted Discounted Outside Taps Charge	$UDOTC_d$
Unadjusted Discounted Property Drainage Charge	$UDPDC_d$
Unadjusted Discounted Roads Drainage Charge	$UDRDC_d$
Unadjusted Discounted Troughs and Drinking Bowls Charge	$UDTDBC_d$
Unadjusted Discounted Sewerage Meter Based Charge	$UDSMBC_{Kd}$

Unadjusted Discounted Water Meter Based Charge	$UDWMBC_{Kd}$
Unadjusted Estimated Daily Volume	$UEDV_{Kd}$
Unadjusted Outside Taps Charge	$UOTC_d$
Unadjusted Property Drainage Charge	$UPDC_d$
Unadjusted Roads Drainage Charge	$URDC_d$
Unadjusted Sewerage Meter Based Charge	$USMBC_{Kd}$
Unadjusted Troughs and Drinking Bowls Charge	$UTDBC_d$
Unadjusted Water Meter Based Charge	$UWMBC_{Kd}$
Uncapped Premium Annual Volume	$UPAV$
Upper Meter Size	UMS
Vacancy Adjusted SPID SWWater Meter Active	$VASSWMA_d$
Vacant	VAC_d
Volumetric/Primary charging component in pence/ m^3	V_o
Volumetric/Primary charging component in pence/ m^3 per Day	V_a
Water Chargeable Meter Size	$WCMS_{Kd}$
Water Schedule 3 Discount	$WS3_d$
Water knots	$V1, V2$
Water Meter Annual Non-Volumetric Charge	$WMANVC_i$
Water Meter Based Charge	$WMBC_{Kd}, WMBC_d$
Water Standard Volume Prices	$B1, B2$ and $B3$
Yearly Proportion	YP
Year	Y
YVE	YVE

A.3. Meter Advance Periods

A.3.1. The terms “Meter Pre-Advance Periods”, “Meter Advance Periods”, and “Meter Post-Advance Periods” are all formally defined in the Market Code, Schedule 1. The following diagrams are provided as an aid to the correct interpretation of each of these terms. In the event of a conflict between any of these terms and the diagrams below, the definition in the Market Code shall prevail.

Note – as per definition; changes to meter Water or Chargeable Sewerage Size would force multiple Meter Pre-Advance Periods in all the examples.

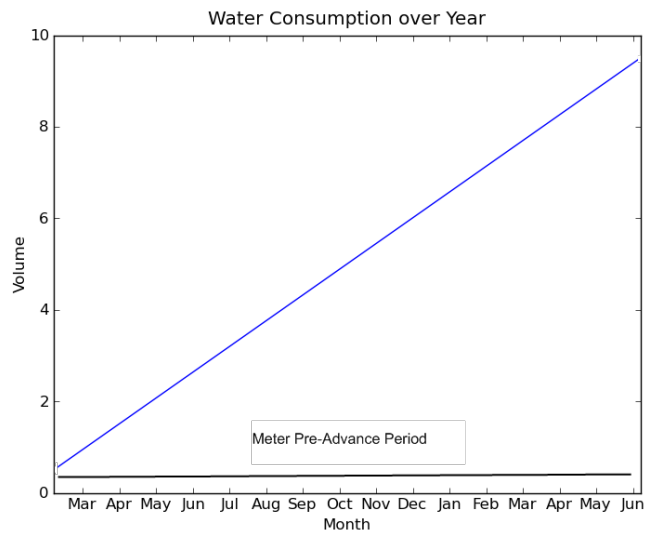


Figure 1: A Single Meter which is Active in Central Systems (from cutover). No reads. Whole period is a “Meter Pre-Advance Period” Volumes estimated from either: *YVE* if submitted, else Industry Level Estimates (*ILE*).

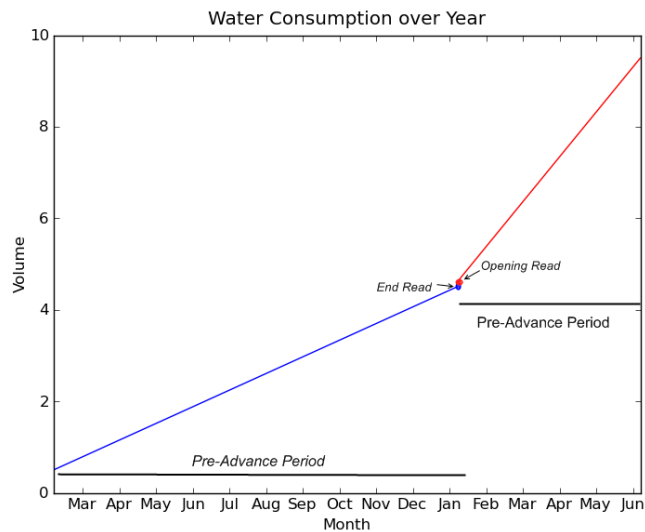


Figure 2: A T17 Meter Chain which is Active in the Central Systems (from cutover). Two Meter Pre-Advance Periods First meter has a single “End” Read. Volumes estimated from appropriate YVE or ILE. Second meter has a single “Opening” Read. Volumes estimated from appropriate YVE or ILE. **Note 1-** YVE is set separately for each meter. **Note 2** - a change in meter size for either meter would force a new Meter Pre-Advance Period

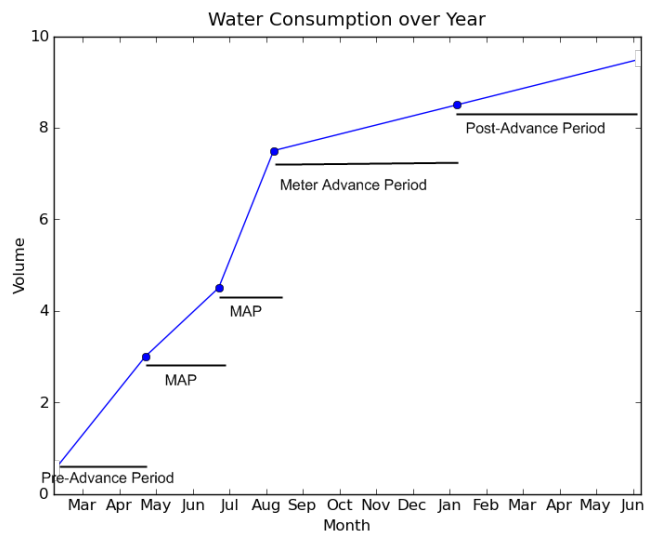


Figure 3: A single meter which is Active in the Central Systems (from cutover) with several reads. The diagram shows (i) A Meter Pre-Advance Period; (ii) Several Meter Advance Periods; and (iii) A Meter Post Advance Period