

SCHEDULE 4 – BILLING AND PAYMENT DISPUTES

1. BILLING AND PAYMENT DISPUTES UNDER SECTION 2A

- 1.1 Subject to Clause 19.11, this Paragraph 1 of Schedule 4 applies to disputes in relation to Charges payable by or to the User pursuant to any of the provisions of Section 2A.
- 1.2 Where the User disputes an account issued under any of Clauses 20, 21 or 22 and the dispute is a Designated Dispute (as defined in Paragraph 1.3):
- (a) the Payor shall pay such amount of the Charges due as are not in dispute and shall be entitled to withhold the balance pending resolution of the dispute;
 - (b) the User and Company shall use reasonable endeavours to resolve the dispute in good faith;
 - (c) where the dispute remains unresolved after 20 Working Days, either of the User or the Company may refer the dispute to arbitration in accordance with Clause 58; and
 - (d) following resolution of the dispute, any amount agreed or determined to be payable shall be paid within 20 Working Days after such agreement or determination, and interest shall accrue on such amount plus Value Added Tax (if any) from the date on which such amount was originally due until the date of payment at the rate of 1% per annum above the base rate during such period of Barclays Bank plc, compounded annually.
- 1.3 A dispute shall be a **Designated Dispute** for the purposes of this Paragraph 1 where within 14 days of receiving the relevant account, the User in good faith (i) notifies the Company that one or more of the circumstances mentioned in Paragraph 1.3(a) and (b) applies to the request, and (ii) provides the Company with a statement and explanation of the amount in dispute. Those circumstances are:

- (a) that, in the calculation by the Company of the Charges in question, there is a **manifest error**, being either (i) an error in the information used for, or (ii) an arithmetical error in, that calculation which is apparent on the face of the relevant account, or (iii) an error which, not being apparent thereon, the User nevertheless in good faith believes will be shown to be present in the calculation upon investigation; and/or
 - (b) that, for a Metering Point or Metering System within Clause 19.5.1, the Company has chosen not to use the half-hourly data (whether actual or estimated) provided by the Data Collector for the purposes of Settlement in calculating Use of System Charges, and the User disputes the accuracy or validity of the data actually used.
- 1.4 Disputes about the matters listed at Paragraph 1.4(a) and (b) are not Designated Disputes and Paragraph 1.2 shall not apply (except in the case of a manifest error) where:
- (a) the Company has invoiced Use of System Charges in accordance with Clause 19.5; or
 - (b) the Company has used estimated data in accordance with Clause 21.2.1.
- 1.5 Where, other than in the case of a Designated Dispute, within 14 days of receiving the relevant account, the User in good faith provides the Company with a statement and explanation of the amount of the Charges in dispute:
- (a) the Payor shall pay the total amount of such Charges as they fall due in accordance with Clause 19.6;
 - (b) the Company and the User shall use reasonable endeavours to resolve the dispute in good faith;
 - (c) where the dispute remains unresolved after 20 Working Days, either the Company or the User may refer the dispute to arbitration in accordance with Clause 58; and

- (d) following resolution of the dispute, any amount agreed or determined to be payable or repayable (including where appropriate any interest paid pursuant to Clause 23.3) by the Company shall be paid within 20 Working Days after such agreement or determination, and interest shall accrue on such amount from the date on which such amount was originally paid by the User until the date of repayment at 1% per annum above the base rate during such period of Barclays Bank plc, compounded annually.

2. BILLING AND PAYMENT DISPUTES UNDER SECTION 2B

- 2.1 This Paragraph 2 of Schedule 4 applies to disputes in relation to charges payable by the User pursuant to any of the provisions of Section 2B.
- 2.2 Where the User disputes an account issued under either of Clause 44 or 45 and the dispute is a Designated Dispute (as defined in Paragraph 2.3):
 - (a) the User shall pay such amount of the charges due as are not in dispute and shall be entitled to withhold the balance pending resolution of the dispute;
 - (b) the User and Company shall use reasonable endeavours to resolve the dispute in good faith;
 - (c) where the dispute remains unresolved after 20 Working Days, either of the User or the Company may, on notice to the other:
 - (i) refer the dispute to arbitration in accordance with Clause 58; or
 - (ii) elect not to rely on arbitration, in which case arbitration will not apply and either of them may refer the dispute to the Authority for its determination, which shall be final and binding; and
 - (d) following resolution of the dispute, any amount agreed or determined to be payable shall be paid within 20 Working Days after such agreement or determination, and interest shall accrue on such amount plus Value Added Tax (if any) from the date on which such amount was originally due until the date of payment at the rate of 1% per annum above the base rate during such period of Barclays Bank plc, compounded annually.

2.3 A dispute shall be a **Designated Dispute** for the purposes of this Paragraph 2 where within 14 days of receiving a request for payment the User in good faith (i) notifies the Company that one or more of the circumstances mentioned in Paragraph 2.3(a) and (b) applies to the request, and (ii) provides the Company with a statement and explanation of the amount in dispute. Those circumstances are:

- (a) that, in the calculation by the Company of the charges in question, there is a **manifest error**, being either (i) an error in the information used for, or (ii) an arithmetical error in, that calculation which is apparent on the face of the relevant account, or (iii) an error which, not being apparent thereon, the User nevertheless in good faith believes will be shown to be present in the calculation upon investigation; and/or
- (b) that the Company has chosen not to use the data (whether actual or estimated) provided in accordance with Clause 43.6 in calculating Use of System Charges, and the User disputes the accuracy or validity of the data actually used.

2.4 Disputes about the matters listed at Paragraph 2.4(a) and (b) are not Designated Disputes and Paragraph 2.2 shall not apply (except in the case of a manifest error) where:

- (a) the Company has invoiced Use of System Charges in accordance with Clause 43.6; or
- (b) the Company has used estimated data in accordance with Clause 44.3.

2.5 Where, other than in the case of a Designated Dispute, within 14 days of receiving a request for payment the User in good faith provides the Company with a statement and explanation of the amount of the charges in dispute:

- (a) the User shall pay the total amount of such charges as they fall due in accordance with Clause 43.7;
- (b) the Company and the User shall use reasonable endeavours to resolve the dispute in good faith;

- (c) where the dispute remains unresolved after 20 Working Days, either the Company or the User may, on notice to the other:
 - (i) refer the dispute to arbitration in accordance with Clause 58; or
 - (ii) elect not to rely on arbitration, in which case arbitration shall not apply and either of them may refer the dispute to the Authority for its determination, which shall be final and binding; and
- (d) following resolution of the dispute, any amount agreed or determined to be repayable (including where appropriate any interest paid pursuant to Clause 46.3) by the Company shall be paid within 20 Working Days after such agreement or determination, and interest shall accrue on such amount from the date on which such amount was originally paid by the User until the date of repayment at 1% per annum above the base rate during such period of Barclays Bank plc, compounded annually.