**Glossary of Terms for Energy Billing**

**Availability Charge**is a charge the distribution company makes for providing an electricity supply connection to your site, up to an agreed maximum electrical load (kVA)

**Climate Change Levy (CCL)**is an amount equivalent to all climate change levy payable in respect of the supply calculated according to the Finance Act 2000 and all relevant secondary legislation and guidance thereto

**Distribution Loss (Dloss)**is energy lost as heat as it travels down the distribution wires. These losses increase with the distance the electricity has to travel

**Distribution Use of System (DUoS)**is the charge the distribution company makes for distributing power to the end user over its network

**Feed in Tariff (FIT)**is a charge to cover the cost of meeting the supplier’s obligations under the Feed in Tariffs (Specified Maximum Capacity and Functions) Order 2010 as amended from time to Time

**Hydro (also known as AAHEDC)**is a charge to cover the tariff levied by National Grid from time to time in accordance with its Transmission Licence as part of the scheme for providing assistance with the high costs of distributing electricity in certain areas

**Metering Agent Charges**are charges associated with the metering for each site, including but not limited to: charges made by your Meter Operator, Data Collector, Data Aggregator, Meter Administrator and Settlement Agency Fees

**Reactive Power Charge**is a charge the distribution company makes for power which has not been efficiently converted (wasted power within the system) when operating certain types of equipment within the system) when operating certain types of equipment

**Renewables Obligation (RO)**is a charge to cover the cost of meeting the suppliers’ obligations under the Renewables Obligation Order 2009 as amended from time to time

**Settlement Agency Fee**is a charge levied by Elexon for maintaining half hourly settlements. The charge is applied to each HH MPAN, irrespective of chosen Agent

**Standing Charge**is a fixed charge applicable to each MPAN

**Transmission Loss (Tloss)**is energy lost as heat as it travels down the transmission wires. These losses increase with the distance the electricity has to travel

**Transmission Network Use of System (TNUoS)**is the charge the transmission company makes for transmitting power to the end user over its network

**Triad Charging Method**indicates which Triad charging method is applicable for attributing TNUoS charges to each MPAN

**Contracts for Difference** A Contract for Difference (CFD)gives greater certainty and stability of revenues to electricity generators by reducing their exposure to volatile wholesale prices.

The Capacity Mechanism is one of the fundamental pillars of the Electricity Market Reform programme ,with the aim of delivering reliable affordable low carbon electricity to the GB consumer and security of supply to meet demand .