

***Dominion Energy Invoicing  
and Payment***

***Dynamic Discounting***



# What is it?

## Dynamic Discounting



**A Dynamic Discount is a type of early payment discount, but it differs from a traditional discount in the following ways:**

- Traditional discounts are a fixed rate that is taken only if payment is made by a specified day. Dynamic discounts are based on the payment date and uses a sliding scale.
- Traditional discounts are offered by a supplier on specific invoices or purchase orders. Dynamic discounts provide those options plus an additional option: Most suppliers can now accelerate payments through our online portal (Early Payments) once they are scheduled.
- When traditional discount dates cannot be met, the payment is scheduled for the end of the net term. Under dynamic discounting, it is always paid as soon as possible.

### Example:

	Traditional Discounts	Dynamic Discounts
Terms	2% 10 Days, Net 30 Days	2% 10 Days, Net 30 Days DPT
Invoice Ready For Payment	Day 20	Day 20
Payment Made On	Day 30	Day 20
Discount Taken	NONE	1% Discount (Day 20 is 1/2 way between day 10 and day 30)

# Two types...

## Dynamic Discounting



### There are 2 types of Dynamic Discounting:

#### Dynamic Payment Terms:

- Payment terms which have been negotiated on purchase orders, offered on invoices, or offered by a supplier for all activity.
- Discounts are prorated based on the term (2% 10 days, net 30 days equals .001, or .1% per day).
- Dynamic Payment Terms are usually 30 days from our receipt of your invoice (Net)
- Portal access is not required.
- Our standard term is NET 45 when DPT is not accepted by the supplier

#### Early Payments:

- Payments scheduled for a future date which are accelerated by a supplier through our Taulia portal.
- You will be shown the discount required for the day you select payment.
- Our standard payment term is 45 days, therefore Early Payments are calculated using a 45-day net term.
- Portal access is required, but there is no cost (see next page "How to Participate").

# Dynamic Payment Terms

## Dynamic Discounting



### To participate in Dynamic Payment Terms, you can:

- Accept our invitation to enroll in the Invoicing & Payment portal and accept dynamic payment terms when offered, or
- Notify the Dominion buyer on your Purchase Order/Contract that you would like to offer dynamic payment terms, or
- Notify Accounts Payable that you would like to create dynamic payment terms on your vendor account, or
- Provide dynamic payment terms on your invoice

It is not necessary to enroll in the portal to participate in Dynamic Payment Terms, but you may be missing valuable opportunities to further reduce your costs and time to receive payment if you choose to not utilize the online portal.

# Early Payments

## Dynamic Discounting



**To participate in Early Payments, you must enroll in our invoicing & payment portal, provided by Taulia:**

- You can request an invitation by clicking on the “Portal Invitation Request” button on our web page or send an email to [dominvoiceportal@dominionenergy.com](mailto:dominvoiceportal@dominionenergy.com). Make sure to provide your company’s complete name and remittance (payment) address and your full contact information, including your email address.
- Log into the Taulia portal when the invitation is sent from [portal@taulia.com](mailto:portal@taulia.com)
- Enroll with Taulia
  - ✓ Taulia, Inc. is a 3<sup>rd</sup> party provider, and provides the network and functionality to support electronic communications, invoicing, and dynamic discounting
  - ✓ Participation in the Taulia portal and services is completely free to all of our suppliers and offers several benefits to our suppliers.
  - ✓ See our overview of Invoicing & Payment Portal on our website for more information

# Faster Payment Options

## Dynamic Discounting



### In addition to discounting, other options that can reduce the time it takes you to receive payment from Dominion:

- Participating in electronic or automated invoicing when offered. These options eliminate the time it takes for Dominion to receive your invoice
  - ✓ Electronic Invoicing (e-Invoicing) will become available through our Taulia supplier portal during 2012 for suppliers not already participating in an automated invoice process with Dominion
  - ✓ Automated Invoicing, such as ERS, currently used by some of our suppliers and involves various methods
- Accepting Electronic Funds Transfer (ETF) directly into your bank account (account must be able to accept ACH credits), or
- Accepting MasterCard Single Use Account payments. These options eliminate the time it takes for a check to be delivered in the mail.

### By combining options such as the following, you can significantly reduce the time it takes to get paid, and possibly\* receive payment within 1 day:

- Dynamic discounting, E-Invoicing, & EFT (ACH credit) payments, **or**
- E-Invoicing & MasterCard Single Use Account Payments

\* Assumes accurate electronic invoice received against a material purchase order (45 number series) by 10am and no payment blocks (missing tax information or lack of delivery receipt by Dominion receiver).

# Questions

## Dynamic Discounting



If you have questions or issues that concern purchase orders or pricing, contact your Dominion buyer.

If you do not know the correct Dominion company to invoice, contact the Dominion individual authorizing the purchase.