

Notice of Definitive LDZ ECN Transportation Charges from 1st October 2012 for East of England, London, North West and West Midlands Distribution Networks

1. Introduction

Following changes to the National Transmission System (NTS) exit capacity regime from 1st October 2012, the Distribution Network charging methodology will change so as to introduce a new distribution transportation charge, the LDZ Exit Capacity NTS (ECN) charge. This notice confirms the LDZ ECN charges that will apply from 1st October 2012 for East of England, London, North West and West Midlands Distribution Networks. Notice is provided two months ahead of the implementation date, consistent with our Licence and Network Code obligations. There are no other changes to the LDZ transportation charges.

It is expected that the LDZ ECN charges, along with other LDZ transportation charges, will be revised from 1st April 2013.

2. Definitive LDZ ECN Charges from 1st October 2012

Exit Zone	Unit charge p/pdkWh/day
EA1	0.0073
EA2	0.0099
EA3	0.0030
EA4	0.0147
EM1	0.0013
EM2	0.0071
EM3	0.0180
EM4	0.0239
NT1	0.0123
NT2	0.0071
NT3	0.0252
NW1	0.0150
NW2	0.0356
WM1	0.0194
WM2	0.0147
WM3	0.0174

3. Reasons for Changes from Indicative Charges

The definitive LDZ ECN charges are slightly higher than the indicative charges published in May 2012 for most Exit Zones. The unit charge rates have been calculated based on the forecast levels of Supply Point capacity (SOQ) for each Exit Zone. These reflect

greater forecast reductions in the Supply Point Annual Quantities (AQs) resulting from the 2012 AQ Review than previously assumed, based on interim data from the AQ Review.

The LDZ ECN unit charge rates also reflect the latest forecast of the costs of NTS Offtake capacity for the period 1st October 2012 to 31st March 2013 for each Exit Zone. The overall forecast level of cost is slightly higher than previously forecast but with variations by Exit Zone.

If you have any questions about this notice please contact me.

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