

LDZ Offtake Meter Orifice Plate Calibration Error – Estimate of LDZ Charges

During the Offtake Arrangements Workstream on the 16th October 2009, National Grid Distribution was asked to provide an assessment of the of scale of LDZ Charges and impacts resulting from the Measurement Error Notification raised by National Grid on the 11th September 2009.

The quantification of the error potentially has yet to be substantiated through the Measurement Error Notification process. Accordingly, this note provides an estimate of the additional LDZ Charges only and is based on the potential error of 586GWh over 34 Offtake meters.

LDZ Charges have been estimated using a flow weighted allocation of energy from each Offtake meter consistent with the time period each meter was potentially under-recording. The LDZ Commodity unit rates were based on the 0-73,200kWh/a charge band applicable during the time we have allocated the energy to each network. There is no impact on Capacity charges.

Based on these assumptions we estimate the additional LDZ Charges to be in the order of £860k across all 34 Offtake meters.

National Grid will take the impact of these charges into account when revising Transportation charges from 1st April 2010.