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29 January 2016

Final Notice Southern Transportation Charges effective from 1st April 2016

Please find attached the notice of Southern Gas Networks transportation charges effective from 1st April 2016.

On the basis of the latest available forecasts of allowed and collected revenue there is a requirement for an overall increase of 2.4% to average charge levels.

These charges reflect:

- The year on year 2016/17 Base Revenue as stated by Ofgem for the RIIO-GD1 Price Control;
- An adjustment to Base Revenue as directed by Ofgem's Annual Iteration Process, which includes approved funding for enhancements to the physical security at specific sites to meet standards set by the Department for Energy & Climate Change;
- The 2014/15 actual pass through costs (compared to allowances) and Incentives which are on a two year lag;
- The adjustment relating to 2014/15 over/under recovery (K) which is also on a two year lag;
- The impact of inflation;
- The forecast position of supply point maximum capacity (SOQ).

For more information please contact via email: - pricingteam@scotiagasnetworks.co.uk