

## **Gas Transportation Charges from 1 October 2011 for National Grid Distribution Networks**

National Grid Distribution has decided to leave its gas transportation charges unchanged for all Distribution Networks from October 2011.

At the time of the publication of the Indicative Notice in May 2011, we stated that we were considering whether to change charge levels from October in London and North West Distribution Networks but would monitor the revenue position. We also sought the views of shippers and other interested parties on the costs and benefits of changes to charges at October.

There is still considerable uncertainty regarding the level of both the Allowed Revenue and collectable revenue for 2011/12 however our central forecast indicates a smaller level of under-recovery in these networks than was forecast at May. Updated Mod 186 Revenue Reports showing the latest forecasts will be published later this week.

We thank respondents who provided feedback. The unanimous view of respondents was that a mid-year price change would not be welcomed. Issues highlighted were the uncertainty mid-year changes create, for both shippers and consumers, the interaction with fixed price supply contracts and the additional administration costs involved.

We have taken account of the views provided and the latest forecast revenue position in deciding not to change the level of distribution gas transportation charges.

If you have any queries regarding this notice please contact Steve Armstrong, Pricing and Margins Manager, email: [steve.armstrong@uk.ngrid.com](mailto:steve.armstrong@uk.ngrid.com).