Notice of Revised LDZ Gas Transportation Charges to Apply from 1st April 2010 for East of England, London, North West and West Midlands Distribution Networks

This notice confirms the LDZ gas transportation charges which will apply from 1st April 2010 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.

The average changes to distribution transportation charge levels from 1 April 2010 are shown in Table 1.

Table 1. Average Transportation Price Change from 1st April 2010

| | East of England | London | North West | West Midlands |
|----------------|-----------------|--------|------------|---------------|
| Average Change | 4.4% | 8.4% | 6.3% | 9.1% |

The CSEP Administration Charge is increased for all networks by 4.1% to 0.1233p per day. Other administration charges and the Optional LDZ Charge are unchanged.

The revised charges have been set so as to bring charges into line with the forecast price control allowed revenue for the period April 2010 to March 2011. The revised charges also incorporate the change to the methodology whereby the LDZ System and Customer charge levels are set to target a network-specific split of revenue as set out in the DNPC05 consultation report. This change results in the levels of the LDZ System and Customer charges varying by more or less than the average shown above for each network so that the effective change in transportation charge levels will vary by load size, but with an average change across all loads within a network as shown above.

The definitive LDZ transportation charges to apply from 1st April 2010 for each network are shown in the attached tables. This document will also be available on the National Grid web site at http://www.nationalgrid.com/uk/Gas/Charges/NoticeofChange/

If you have any questions about this notice, please contact me or Stephen Marland, Pricing Manager, tel: 01926 656912, email: stephen.a.marland@uk.ngrid.com

Steve Armstrong

Pricing & Margin Manager National Grid Gas Distribution National Grid House Warwick, CV34 6DA Phone:01926 655834 Email: <u>steve.armstrong@uk.ngrid.com</u>

1st February 2010

1st APRIL 2010 LDZ GAS TRANSPORTATION CHARGE RATES FOR EAST OF ENGLAND NETWORK

LDZ System Capacity

| Charge Code | Firm Capacity | Interruptible Capacity |
|---------------------------------|-----------------------------------|-----------------------------------|
| ZCA | pence per peak day kWh per day | pence per peak day kWh per day |
| Up to 73,200 kWh per annum | 0.1285 | 0.0609 |
| 73,200 to 732,000 kWh per annum | 0.1193 | 0.0565 |
| 732,000 kWh per annum and above | 0.5645 x SOQ ^ -0.1806 | 0.2674 x SOQ ^ ^{-0.1806} |
| Subject to a minimum rate of | 0.0131 | 0.0062 |

LDZ System Commodity

| Charge Code | Commodity |
|---------------------------------|-----------------------------------|
| ZCO | pence per kWh |
| Up to 73,200 kWh per annum | 0.0187 |
| 73,200 to 732,000 kWh per annum | 0.0173 |
| 732,000 kWh per annum and above | 0.1070 x SOQ ^ ^{-0.2121} |
| Subject to a minimum rate of | 0.0017 |

LDZ System CSEP Capacity

| Invoice – ADC | CSEP Firm Capacity | CSEP Interruptible Capacity |
|----------------------------------|-----------------------------------|------------------------------------|
| Charge Code 891 & 893 | pence per peak day kWh per day | pence per peak day kWh per day |
| Up to 73,200 kWh per annum | 0.1285 | 0.0609 |
| 73,200 to 732,000 kWh per annum | 0.1193 | 0.0565 |
| 732,000 kWh per annum and above | 0.5970 x SOQ ^ -0.1939 | 0.2828 x SOQ ^ - ^{0.1939} |
| Subject to a minimum rate of | 0.0131 | 0.0062 |

| Invoice – ADC | CSEP Commodity | |
|---------------------------------|------------------------|--|
| Charge Code 891 & 893 | pence per kWh | |
| Up to 73,200 kWh per annum | 0.0187 | |
| 73,200 to 732,000 kWh per annum | 0.0173 | |
| 732,000 kWh per annum and above | 0.1022 x SOQ ^ -0.2131 | |
| Subject to a minimum rate of | 0.0017 | |

| Invoice | Charge Code |
|----------------------------------|--------------------------------|
| LDZ capacity | CCA |
| | |
| | Pence per peak day kWh per day |
| Capacity charge | 0.0725 |
| 73,200 kWh up to 732,000 kWh per | annum |
| Invoice | Charge Code |
| LDZ capacity | CFI |
| Fixed charge | pence per day |
| Non-monthly read supply points | 21.2259 |
| Monthly read supply points | 22.6009 |
| Invoice | Charge Code |
| LDZ Capacity | CCA |
| | |
| | Pence per peak day kWh per day |
| Capacity charge | 0.0024 |
| 732,000 kWh per annum and above | |
| Invoice | Charge Code |
| LDZ Capacity | CCA |
| | |
| | Pence per peak day kWh per day |
| Charging function | 0.0514 x SOQ ^ -0.2100 |

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Optional LDZ Charge

| Invoice | Charge Code | |
|--|-------------|--|
| ADU 881 | | |
| Pence per peak day kWh per day | | |
| 902 x [(SOQ) ^{^-0.834}] x D + 772 x (SOQ) ^{^-0.717} | | |

Other Charges

CSEP Administration Charge

| Charge per supply 0.1 | 233 pence per day |
|-----------------------|-------------------|
|-----------------------|-------------------|

| | Invoice | Charge Code |
|----------|---------|-------------|
| DM CSEP | ADU | 883 |
| NDM CSEP | ADC | 894 |

Shared supply meter point allocation arrangements

Agent Service – ADU 883

| | Telemetered | Non-telemetered |
|------------------------------------|-------------|-----------------|
| Set-up charge | £107.00 | £183.00 |
| Shipper-shipper transfer charge | £126.00 | £210.00 |
| Daily charge | £2.55 | £2.96 |

| | Telemetered | Non-telemetered |
|------------------------------------|-------------|-----------------|
| Set-up charge | £107.00 | £202.00 |
| Shipper-shipper transfer charge | £126.00 | £210.00 |
| Daily charge | £2.55 | £3.05 |

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1st APRIL 2010 LDZ GAS TRANSPORTATION CHARGE RATES FOR LONDON <u>NETWORK</u>

LDZ System Capacity

| Charge Code | Firm Capacity | Interruptible Capacity |
|---------------------------------|------------------------------------|-----------------------------------|
| ZCA | pence per peak day kWh per day | pence per peak day kWh per day |
| Up to 73,200 kWh per annum | 0.1325 | 0.0628 |
| 73,200 to 732,000 kWh per annum | 0.1226 | 0.0581 |
| 732,000 kWh per annum and above | 0.5817 x SOQ ^ - ^{0.1806} | 0.2756 x SOQ ^ ^{-0.1806} |
| Subject to a minimum rate of | 0.0131 | 0.0062 |

LDZ System Commodity

| Charge Code | Commodity |
|---------------------------------|-----------------------------------|
| ZCO | pence per kWh |
| Up to 73,200 kWh per annum | 0.0216 |
| 73,200 to 732,000 kWh per annum | 0.0201 |
| 732,000 kWh per annum and above | 0.1244 x SOQ ^ ^{-0.2121} |
| Subject to a minimum rate of | 0.0019 |

LDZ System CSEP Capacity

| Invoice – ADC | CSEP Firm Capacity | CSEP Interruptible Capacity |
|----------------------------------|------------------------------------|-----------------------------------|
| Charge Code 891 & 893 | pence per peak day kWh per day | pence per peak day kWh per day |
| Up to 73,200 kWh per annum | 0.1325 | 0.0628 |
| 73,200 to 732,000 kWh per annum | 0.1226 | 0.0581 |
| 732,000 kWh per annum and above | 0.6155 x SOQ ^ - ^{0.1939} | 0.2916 x SOQ ^ ^{-0.1939} |
| Subject to a minimum rate of | 0.0131 | 0.0062 |

| Invoice – ADC | CSEP Commodity | |
|---------------------------------|------------------------|--|
| Charge Code 891 & 893 | pence per kWh | |
| Up to 73,200 kWh per annum | 0.0216 | |
| 73,200 to 732,000 kWh per annum | 0.0201 | |
| 732,000 kWh per annum and above | 0.1187 x SOQ ^ -0.2131 | |
| Subject to a minimum rate of | 0.0019 | |

| InvoiceCharge CodeLDZ capacityCCAPence per peak day kWh perCapacity charge0.083373,200 kWh up to 732,000 kWh per annumInvoiceCharge CodeLDZ capacityCFIFixed chargepence per dayNon-monthly read supply points26.2770Monthly read supply points27.9790 | day | |
|--|-----|--|
| Pence per peak day kWh per Capacity charge 0.0833 73,200 kWh up to 732,000 kWh per annum Invoice Charge Code LDZ capacity CFI Fixed charge pence per day Non-monthly read supply points 26.2770 | day | |
| Capacity charge0.083373,200 kWh up to 732,000 kWh per annumInvoiceCharge CodeLDZ capacityCFIFixed chargepence per dayNon-monthly read supply points26.2770 | day | |
| Capacity charge0.083373,200 kWh up to 732,000 kWh per annumInvoiceCharge CodeLDZ capacityCFIFixed chargepence per dayNon-monthly read supply points26.2770 | day | |
| 73,200 kWh up to 732,000 kWh per annumInvoiceCharge CodeLDZ capacityCFIFixed chargepence per dayNon-monthly read supply points26.2770 | | |
| InvoiceCharge CodeLDZ capacityCFIFixed chargepence per dayNon-monthly read supply points26.2770 | | |
| LDZ capacity CFI Fixed charge pence per day Non-monthly read supply points 26.2770 | | |
| Fixed charge pence per day Non-monthly read supply points 26.2770 | | |
| Non-monthly read supply points 26.2770 | | |
| | | |
| Monthly read supply points 27.9790 | | |
| | | |
| Invoice Charge Code | | |
| LDZ Capacity CCA | | |
| | | |
| Pence per peak day kWh per | day | |
| Capacity charge 0.0029 | | |
| 732,000 kWh per annum and above | | |
| Invoice Charge Code | | |
| LDZ Capacity CCA | | |
| | | |
| Pence per peak day kWh per | day | |
| Charging function 0.0639 x SOQ ^ -0.4 | | |

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Optional LDZ Charge

| Invoice Charge Code | | |
|--|--|--|
| ADU 881 | | |
| Pence per peak day kWh per day | | |
| 902 x [(SOQ) ^{^-0.834}] x D + 772 x (SOQ) ^{^-0.717} | | |

Other Charges

CSEP Administration Charge

| Charge per supply 0.1 | 233 pence per day |
|-----------------------|-------------------|
|-----------------------|-------------------|

| | Invoice | Charge Code |
|----------|---------|-------------|
| DM CSEP | ADU | 883 |
| NDM CSEP | ADC | 894 |

Shared supply meter point allocation arrangements

Agent Service – ADU 883

| | Telemetered | Non-telemetered |
|------------------------------------|-------------|-----------------|
| Set-up charge | £107.00 | £183.00 |
| Shipper-shipper transfer charge | £126.00 | £210.00 |
| Daily charge | £2.55 | £2.96 |

| | Telemetered | Non-telemetered |
|------------------------------------|-------------|-----------------|
| Set-up charge | £107.00 | £202.00 |
| Shipper-shipper transfer charge | £126.00 | £210.00 |
| Daily charge | £2.55 | £3.05 |

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1st APRIL 2010 LDZ GAS TRANSPORTATION CHARGE RATES FOR NORTH WEST <u>NETWORK</u>

LDZ System Capacity

| Charge Code | Firm Capacity | Interruptible Capacity |
|---------------------------------|------------------------------------|-----------------------------------|
| ZCA | pence per peak day kWh per day | pence per peak day kWh per day |
| Up to 73,200 kWh per annum | 0.1492 | 0.0707 |
| 73,200 to 732,000 kWh per annum | 0.1384 | 0.0656 |
| 732,000 kWh per annum and above | 0.6554 x SOQ ^ - ^{0.1806} | 0.3105 x SOQ ^ ^{-0.1806} |
| Subject to a minimum rate of | 0.0148 | 0.007 |

LDZ System Commodity

| Charge Code | Commodity |
|--|-----------------------------------|
| ZCO | pence per kWh |
| Up to 73,200 kWh per annum | 0.0212 |
| 73,200 to 732,000 kWh per annum 0.0196 | |
| 732,000 kWh per annum and above | 0.1219 x SOQ ^ ^{-0.2121} |
| Subject to a minimum rate of | 0.0019 |

LDZ System CSEP Capacity

| Invoice – ADC | CSEP Firm Capacity | CSEP Interruptible Capacity |
|----------------------------------|-----------------------------------|-----------------------------------|
| Charge Code 891 & 893 | pence per peak day kWh per day | pence per peak day kWh per day |
| Up to 73,200 kWh per annum | 0.1492 | 0.0707 |
| 73,200 to 732,000 kWh per annum | 0.1384 | 0.0656 |
| 732,000 kWh per annum and above | 0.6933 x SOQ ^ -0.1939 | 0.3284 x SOQ ^ ^{-0.1939} |
| Subject to a minimum rate of | 0.0148 | 0.007 |

| Invoice – ADC | CSEP Commodity |
|---------------------------------|------------------------|
| Charge Code 891 & 893 | pence per kWh |
| Up to 73,200 kWh per annum | 0.0212 |
| 73,200 to 732,000 kWh per annum | 0.0196 |
| 732,000 kWh per annum and above | 0.1163 x SOQ ^ -0.2131 |
| Subject to a minimum rate of | 0.0019 |

| Up to 73,200 kWh per annum | |
|------------------------------------|--------------------------------|
| Invoice | Charge Code |
| LDZ capacity | CCA |
| | |
| | Pence per peak day kWh per day |
| Capacity charge | 0.0720 |
| 73,200 kWh up to 732,000 kWh per a | nnum |
| Invoice | Charge Code |
| LDZ capacity | CFI |
| Fixed charge | pence per day |
| Non-monthly read supply points | 20.3975 |
| Monthly read supply points | 21.7190 |
| Invoice | Charge Code |
| LDZ Capacity | CCA |
| | |
| | Pence per peak day kWh per day |
| Capacity charge | 0.0022 |
| 732,000 kWh per annum and above | |
| Invoice | Charge Code |
| LDZ Capacity | CCA |
| | |
| | Pence per peak day kWh per day |
| Charging function | 0.0495 x SOQ ^ -0.2100 |

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Optional LDZ Charge

| Invoice | Charge Code | |
|--|-------------|--|
| ADU 881 | | |
| Pence per peak day kWh per day | | |
| 902 x [(SOQ) ^{~-0.834}] x D + 772 x (SOQ) ^{~-0.717} | | |

Other Charges

CSEP Administration Charge

| Charge per supply point | 0.1233 pence per day |
|-------------------------|----------------------|
|-------------------------|----------------------|

| | Invoice | Charge Code |
|----------|---------|-------------|
| DM CSEP | ADU | 883 |
| NDM CSEP | ADC | 894 |

Shared supply meter point allocation arrangements

Agent Service – ADU 883

| | Telemetered | Non-telemetered |
|------------------------------------|-------------|-----------------|
| Set-up charge | £107.00 | £183.00 |
| Shipper-shipper transfer charge | £126.00 | £210.00 |
| Daily charge | £2.55 | £2.96 |

| | Telemetered | Non-telemetered |
|------------------------------------|-------------|-----------------|
| Set-up charge | £107.00 | £202.00 |
| Shipper-shipper transfer charge | £126.00 | £210.00 |
| Daily charge | £2.55 | £3.05 |

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1st APRIL 2010 LDZ GAS TRANSPORTATION CHARGE RATES FOR WEST MIDLANDS NETWORK

LDZ System Capacity

| Charge Code | Firm Capacity | Interruptible Capacity |
|---------------------------------|-----------------------------------|-----------------------------------|
| ZCA | pence per peak day kWh per day | pence per peak day kWh per day |
| Up to 73,200 kWh per annum | 0.1452 | 0.0688 |
| 73,200 to 732,000 kWh per annum | 0.1348 | 0.0639 |
| 732,000 kWh per annum and above | 0.6383 x SOQ ^ -0.1806 | 0.3024 x SOQ ^ ^{-0.1806} |
| Subject to a minimum rate of | 0.0145 | 0.0069 |

LDZ System Commodity

| Charge Code | Commodity |
|---------------------------------|-----------------------------------|
| ZCO | pence per kWh |
| Up to 73,200 kWh per annum | 0.0231 |
| 73,200 to 732,000 kWh per annum | 0.0212 |
| 732,000 kWh per annum and above | 0.1319 x SOQ ^ ^{-0.2121} |
| Subject to a minimum rate of | 0.0019 |

LDZ System CSEP Capacity

| Invoice – ADC | CSEP Firm Capacity | CSEP Interruptible Capacity |
|----------------------------------|-----------------------------------|------------------------------------|
| Charge Code 891 & 893 | pence per peak day kWh per day | pence per peak day kWh per day |
| Up to 73,200 kWh per annum | 0.1452 | 0.0688 |
| 73,200 to 732,000 kWh per annum | 0.1348 | 0.0639 |
| 732,000 kWh per annum and above | 0.6750 x SOQ ^ -0.1939 | 0.3197 x SOQ ^ - ^{0.1939} |
| Subject to a minimum rate of | 0.0145 | 0.0069 |

| Invoice – ADC | CSEP Commodity |
|---------------------------------|------------------------|
| Charge Code 891 & 893 | pence per kWh |
| Up to 73,200 kWh per annum | 0.0231 |
| 73,200 to 732,000 kWh per annum | 0.0212 |
| 732,000 kWh per annum and above | 0.1259 x SOQ ^ -0.2131 |
| Subject to a minimum rate of | 0.0019 |

| Up to 73,200 kWh per annum | |
|------------------------------------|--------------------------------|
| Invoice | Charge Code |
| LDZ capacity | CCA |
| | |
| | Pence per peak day kWh per day |
| Capacity charge | 0.0691 |
| 73,200 kWh up to 732,000 kWh per a | annum |
| Invoice | Charge Code |
| LDZ capacity | CFI |
| Fixed charge | pence per day |
| Non-monthly read supply points | 21.8461 |
| Monthly read supply points | 23.2611 |
| Invoice | Charge Code |
| LDZ Capacity | CCA |
| | |
| | Pence per peak day kWh per day |
| Capacity charge | 0.0024 |
| 732,000 kWh per annum and above | |
| Invoice | Charge Code |
| LDZ Capacity | CCA |
| | |
| | Pence per peak day kWh per day |
| Charging function | 0.0529 x SOQ ^ -0.2100 |

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Optional LDZ Charge

| Invoice | Charge Code | | | |
|--|-------------|--|--|--|
| ADU | 881 | | | |
| Pence per peak day kWh per day | | | | |
| 902 x [(SOQ) ^{^-0.834}] x D + 772 x (SOQ) ^{^-0.717} | | | | |

Other Charges

CSEP Administration Charge

| Charge per supply point | 0.1233 pence per day |
|-------------------------|----------------------|
|-------------------------|----------------------|

| | Invoice | Charge Code |
|----------|---------|-------------|
| DM CSEP | ADU | 883 |
| NDM CSEP | ADC | 894 |

Shared supply meter point allocation arrangements

Agent Service – ADU 883

| | Telemetered | Non-telemetered |
|------------------------------------|-------------|-----------------|
| Set-up charge | £107.00 | £183.00 |
| Shipper-shipper transfer charge | £126.00 | £210.00 |
| Daily charge | £2.55 | £2.96 |

| | Telemetered | Non-telemetered |
|------------------------------------|-------------|-----------------|
| Set-up charge | £107.00 | £202.00 |
| Shipper-shipper transfer charge | £126.00 | £210.00 |
| Daily charge | £2.55 | £3.05 |