

Notice of Revised LDZ Gas Transportation Charges to Apply from 1st April 2011 for East of England, London, North West and West Midlands Distribution Networks

This notice confirms the LDZ gas transportation charges that will apply from 1st April 2011 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 1st April 2011 are shown in Table 1.

Table 1. Average Transportation Price Change from 1st April 2011

	East of England	London	North West	West Midlands
Average Change	7.8%	13.8%	3.4%	10.6%

The CSEP Administration Charge is reduced for all networks to 0.1020p per day per supply point. 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 2011 to March 2012. The methodology used to determine the new charges is unchanged from that used to determine the current charges.

The key factors underlying the increase in transportation charges are:

- Allowed Revenue for 2011/12 is increased by inflation, measured by RPI in the latter months of 2010, which was 4.7%.
- Current transportation charges are below the level consistent with current Allowed Revenue for 2010/11 in every network. The increases are in part due to this under-recovery (K), which is carried forward to the Allowed Revenue for 2011/12. This is particularly significant for London network.
- The level of capacity (SOQ) booked or deemed for supply points reduced at October 2010, by around 4.5% on average, and is forecast to reduce further at October 2011. Since the large majority of transportation revenue relates to capacity charges, the reduction in SOQ levels requires offsetting increases in unit charge rates to recover the same level of revenue.
- The level of pass-through costs and incentive outcomes, impacting on Allowed Revenue, is forecast to be lower for 2011/12 than for 2010/11. This reduction has offset in part the other increases.

The definitive LDZ gas transportation charges to apply from 1st April 2011 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.

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1st APRIL 2011 LDZ GAS TRANSPORTATION CHARGE RATES FOR EAST OF ENGLAND NETWORK

LDZ System Charges

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	0.1386	0.0657
73,200 to 732,000 kWh per annum	0.1286	0.0609
732,000 kWh per annum and above	$0.6087 \times \text{SOQ}^{-0.1806}$	$0.2883 \times \text{SOQ}^{-0.1806}$
Subject to a minimum rate of	0.0141	0.0067

LDZ System Commodity

Charge Code	Commodity
ZCO	pence per kWh
Up to 73,200 kWh per annum	0.0196
73,200 to 732,000 kWh per annum	0.0181
732,000 kWh per annum and above	$0.1119 \times \text{SOQ}^{-0.2121}$
Subject to a minimum rate of	0.0018

LDZ System CSEP Charges

Charge Code	CSEP Firm Capacity	CSEP Interruptible Capacity
ADC	pence per peak day kWh per day	pence per peak day kWh per day
Up to 73,200 kWh per annum	0.1386	0.0657
73,200 to 732,000 kWh per annum	0.1286	0.0609
732,000 kWh per annum and above	$0.6437 \times \text{SOQ}^{-0.1939}$	$0.3049 \times \text{SOQ}^{-0.1939}$
Subject to a minimum rate of	0.0141	0.0067

	CSEP Commodity
	pence per kWh
Up to 73,200 kWh per annum	0.0196
73,200 to 732,000 kWh per annum	0.0181
732,000 kWh per annum and above	$0.1069 \times \text{SOQ}^{-0.2131}$
Subject to a minimum rate of	0.0018

Optional LDZ Charge

Invoice	Charge Code
ADU	881

Pence per peak day kWh per day
$902 \times [(SOQ)^{-0.834}] \times D + 772 \times (SOQ)^{-0.717}$

Customer Charges

Up to 73,200 kWh per annum

Invoice	Charge Code
LDZ capacity	CCA
	Pence per peak day kWh per day
Capacity charge	0.0784

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	22.9667
Monthly read supply points	24.4545

Invoice	Charge Code
LDZ Capacity	CCA
	Pence per peak day kWh per day
Capacity charge	0.0026

732,000 kWh per annum and above

Invoice	Charge Code
LDZ Capacity	CCA
	Pence per peak day kWh per day
Charging function	$0.0556 \times SOQ^{-0.2100}$

Other Charges**CSEP Administration Charge**

Charge per supply point	0.1020 pence per day
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	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

Transporter Service- ADU 883

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

1st APRIL 2011 LDZ GAS TRANSPORTATION CHARGE RATES FOR LONDON NETWORK

LDZ System Charges

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	0.1509	0.0715
73,200 to 732,000 kWh per annum	0.1396	0.0661
732,000 kWh per annum and above	$0.6623 \times \text{SOQ}^{-0.1806}$	$0.3137 \times \text{SOQ}^{-0.1806}$
Subject to a minimum rate of	0.0149	0.0071

LDZ System Commodity

Charge Code	Commodity
ZCO	pence per kWh
Up to 73,200 kWh per annum	0.0236
73,200 to 732,000 kWh per annum	0.0220
732,000 kWh per annum and above	$0.1361 \times \text{SOQ}^{-0.2121}$
Subject to a minimum rate of	0.0021

LDZ System CSEP Charges

Charge Code	CSEP Firm Capacity	CSEP Interruptible Capacity
ADC	pence per peak day kWh per day	pence per peak day kWh per day
Up to 73,200 kWh per annum	0.1509	0.0715
73,200 to 732,000 kWh per annum	0.1396	0.0661
732,000 kWh per annum and above	$0.7008 \times \text{SOQ}^{-0.1939}$	$0.3320 \times \text{SOQ}^{-0.1939}$
Subject to a minimum rate of	0.0149	0.0071

	CSEP Commodity
	pence per kWh
Up to 73,200 kWh per annum	0.0236
73,200 to 732,000 kWh per annum	0.0220
732,000 kWh per annum and above	$0.1298 \times \text{SOQ}^{-0.2131}$
Subject to a minimum rate of	0.0021

Optional LDZ Charge

Invoice	Charge Code
ADU	881

Pence per peak day kWh per day
$902 \times [(SOQ)^{-0.834}] \times D + 772 \times (SOQ)^{-0.717}$

Customer Charges

Up to 73,200 kWh per annum

Invoice	Charge Code
LDZ capacity	CCA
	Pence per peak day kWh per day
Capacity charge	0.0952

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	30.0440
Monthly read supply points	31.9900

Invoice	Charge Code
LDZ Capacity	CCA
	Pence per peak day kWh per day
Capacity charge	0.0033

732,000 kWh per annum and above

Invoice	Charge Code
LDZ Capacity	CCA
	Pence per peak day kWh per day
Charging function	$0.0731 \times SOQ^{-0.2100}$

Other Charges**CSEP Administration Charge**

Charge per supply point	0. 1020 pence per day
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	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

Transporter Service- ADU 883

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

1st APRIL 2011 LDZ GAS TRANSPORTATION CHARGE RATES FOR NORTH WEST NETWORK

LDZ System Charges

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	0.1544	0.0731
73,200 to 732,000 kWh per annum	0.1433	0.0679
732,000 kWh per annum and above	$0.6784 \times \text{SOQ}^{-0.1806}$	$0.3214 \times \text{SOQ}^{-0.1806}$
Subject to a minimum rate of	0.0153	0.0072

LDZ System Commodity

Charge Code	Commodity
ZCO	pence per kWh
Up to 73,200 kWh per annum	0.0213
73,200 to 732,000 kWh per annum	0.0197
732,000 kWh per annum and above	$0.1224 \times \text{SOQ}^{-0.2121}$
Subject to a minimum rate of	0.0019

LDZ System CSEP Charges

Charge Code	CSEP Firm Capacity	CSEP Interruptible Capacity
ADC	pence per peak day kWh per day	pence per peak day kWh per day
Up to 73,200 kWh per annum	0.1544	0.0731
73,200 to 732,000 kWh per annum	0.1433	0.0679
732,000 kWh per annum and above	$0.7177 \times \text{SOQ}^{-0.1939}$	$0.3400 \times \text{SOQ}^{-0.1939}$
Subject to a minimum rate of	0.0153	0.0072

	CSEP Commodity
	pence per kWh
Up to 73,200 kWh per annum	0.0213
73,200 to 732,000 kWh per annum	0.0197
732,000 kWh per annum and above	$0.1168 \times \text{SOQ}^{-0.2131}$
Subject to a minimum rate of	0.0019

Optional LDZ Charge

Invoice	Charge Code
ADU	881

Pence per peak day kWh per day
$902 \times [(SOQ)^{-0.834}] \times D + 772 \times (SOQ)^{-0.717}$

Customer Charges

Up to 73,200 kWh per annum

Invoice	Charge Code
LDZ capacity	CCA
	Pence per peak day kWh per day
Capacity charge	0.0745

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	21.0940
Monthly read supply points	22.4606

Invoice	Charge Code
LDZ Capacity	CCA
	Pence per peak day kWh per day
Capacity charge	0.0023

732,000 kWh per annum and above

Invoice	Charge Code
LDZ Capacity	CCA
	Pence per peak day kWh per day
Charging function	$0.0512 \times SOQ^{-0.2100}$

Other Charges**CSEP Administration Charge**

Charge per supply point	0. 1020 pence per day
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	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

Transporter Service- ADU 883

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

**1st APRIL 2011 LDZ GAS TRANSPORTATION CHARGE RATES FOR WEST
MIDLANDS NETWORK**

LDZ System Charges

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	0.1541	0.0730
73,200 to 732,000 kWh per annum	0.1431	0.0678
732,000 kWh per annum and above	$0.6775 \times \text{SOQ}^{-0.1806}$	$0.3209 \times \text{SOQ}^{-0.1806}$
Subject to a minimum rate of	0.0155	0.0073

LDZ System Commodity

Charge Code	Commodity
ZCO	pence per kWh
Up to 73,200 kWh per annum	0.0254
73,200 to 732,000 kWh per annum	0.0235
732,000 kWh per annum and above	$0.1457 \times \text{SOQ}^{-0.2121}$
Subject to a minimum rate of	0.0022

LDZ System CSEP Charges

Charge Code	CSEP Firm Capacity	CSEP Interruptible Capacity
ADC	pence per peak day kWh per day	pence per peak day kWh per day
Up to 73,200 kWh per annum	0.1541	0.0730
73,200 to 732,000 kWh per annum	0.1431	0.0678
732,000 kWh per annum and above	$0.7164 \times \text{SOQ}^{-0.1939}$	$0.3394 \times \text{SOQ}^{-0.1939}$
Subject to a minimum rate of	0.0155	0.0073

	CSEP Commodity
	pence per kWh
Up to 73,200 kWh per annum	0.0254
73,200 to 732,000 kWh per annum	0.0235
732,000 kWh per annum and above	$0.1391 \times \text{SOQ}^{-0.2131}$
Subject to a minimum rate of	0.0022

Optional LDZ Charge

Invoice	Charge Code
ADU	881

Pence per peak day kWh per day
$902 \times [(SOQ)^{-0.834}] \times D + 772 \times (SOQ)^{-0.717}$

Customer Charges

Up to 73,200 kWh per annum

Invoice	Charge Code
LDZ capacity	CCA
	Pence per peak day kWh per day
Capacity charge	0.0731

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	23.1253
Monthly read supply points	24.6231

Invoice	Charge Code
LDZ Capacity	CCA
	Pence per peak day kWh per day
Capacity charge	0.0025

732,000 kWh per annum and above

Invoice	Charge Code
LDZ Capacity	CCA
	Pence per peak day kWh per day
Charging function	$0.0560 \times SOQ^{-0.2100}$

Other Charges**CSEP Administration Charge**

Charge per supply point	0. 1020 pence per day
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	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

Transporter Service- ADU 883

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