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30 January 2015

## Final Notice Southern Transportation Charges effective from 1<sup>st</sup> April 2015

Please find attached the notice of Southern Gas Networks transportation charges effective from 1<sup>st</sup> April 2015.

On the basis of the latest available forecasts of allowed and collected revenue there is **no forecasted change** to average charge levels.

## These charges reflect:

- The year on year 2015/16 Base Revenue as stated by Ofgem for the RIIO-GD1 Price Control adjusted as directed by Ofgem's Annual Iteration Process;
- The 2013/14 actual pass through costs (compared to allowances) and Incentives which are on a two year lag;
- The adjustment relating to 2013/14 over/under recovery (K) which is also on a two year lag;
- The inflationary increase of 1.8%;
- The impact of a declining supply point maximum capacity (SOQ).

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