

Anne Bennett
Charging & Revenue Manager

Anne.bennett@uk.ngrid.com
Direct tel +44 (0)7767 298987

www.nationalgrid.com

13 December 2011

Dear Colleagues

CONFIRMATION: INDICATIVE NTS CHARGES TO APPLY FROM 1 APRIL 2012

In our recent indicative notice of Transportation charges to apply from 1 April 2012 issued on the 1 November 2011¹, we mentioned that we would inform users of the impact of the Authority's Final Proposals for the rollover year 2012/13 when known.

Following the publication of the Final Proposals² and some updates to the treatment of incremental entry capacity investment revenue (switches from the SO to the TO revenue streams) our indicative charges will be affected as shown in the table below.

	Previous Indicative Notice	Revised Indicative
TO Entry Commodity	0.0259 p/kWh	0.0238 p/kWh
SO Entry Commodity	0.0221 p/kWh	0.0230 p/kWh
St. Fergus Compression	0.0172 p/kWh	0.0172 p/kWh

DN (gas distribution networks) Pensions Deficit Charge

The DN Pension Deficit charges levied on the DNs on a monthly basis are expected to change during the financial year 2012/13.³ The table below shows the revised indicative levels.

DN	2012-13		
	Previous Indicative Notice	Revised Indicative	
	Monthly Charge £	Monthly Charge £	per Annum £m
North of England	358,333	355,163	4.26
Scotland	241,667	245,259	2.94
South of England	566,667	568,029	6.82
Wales and the West	341,667	340,123	4.08
East of England	558,333	557,617	6.69
London	325,000	325,084	3.90
North West	383,333	382,928	4.60
West Midlands	275,000	276,495	3.32

¹ <http://www.gasgovernance.co.uk/ntscharges/2011>

² <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=75&refer=Networks/Trans/PriceControls/TPCR4Roll-over>

³ The share at each DN is unchanged from previous price control

The Connected System Exit Points (CSEP) Administration charge is expected to reduce to [0.1012](#) pence per day per supply point.

The notice of the actual charges will be published by 1st February 2012, in line with the two months notice required by our licence and Network Code obligations.

Other supporting charge setting information will also be available on the National Grid website at <http://www.nationalgrid.com/uk/Gas/Charges/Tools/>

If you have any questions about this notice or NTS charges in general, please contact Karin Elmhirst (01926 655540) or Damian Clough (01926 656416).

Yours faithfully

Anne Bennett

Charging & Revenue Manager