

Final Gas Distribution Transportation Charges

From 1 April 2021

**For East of England, London, North West and
West Midlands Gas Distribution Networks**



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Introduction

This notice confirms the gas transportation charges that will apply from 1 April 2021 for the East of England, London, North West and West Midlands gas distribution networks. In line with the Gas Transporter Licence and Uniform Network Code requirements, this notice is provided two months ahead of implementation.

Further to our Indicative price notification in early November 2020, the following areas of uncertainty have now been largely resolved:

- Ofgem has issued its Final Determination
- Ofgem has notified us of errors in the Final Determination Totex and reflected some of these errors in a Price Control Financial Model to enable this additional Totex to be applied to FY21/22 Charge Setting
- The 2021/22 inflation indexation factor underpinned by latest Office for Budget Responsibility [OBR] forecasts has been determined by Ofgem
- Finalisation of Ofgem’s 2020 Annual Iteration Process
- Ofgem has directed three further Supplier of Last Resort claims which increases Allowed Revenues by £3.7m across the Cadent’s networks
- National Grid has increased their pricing resulting in a £15.2m increase in Pass-Through costs and Allowed Revenues
- Updated Supply Point Capacity and Annual Quantity requirements from Xoserve



Note that this pricing notice is being published prior to Ofgem finalising its assessment of Allowed Income for FY21/22 (due in February 2021). We will up-date shippers as part of the MOD186 reporting process of any changes from our Allowed Revenues.

The average price change for each distribution network from 1 April 2021 is shown in Table 1.

Table 1: Average Transportation Price Change from 1st April 2021

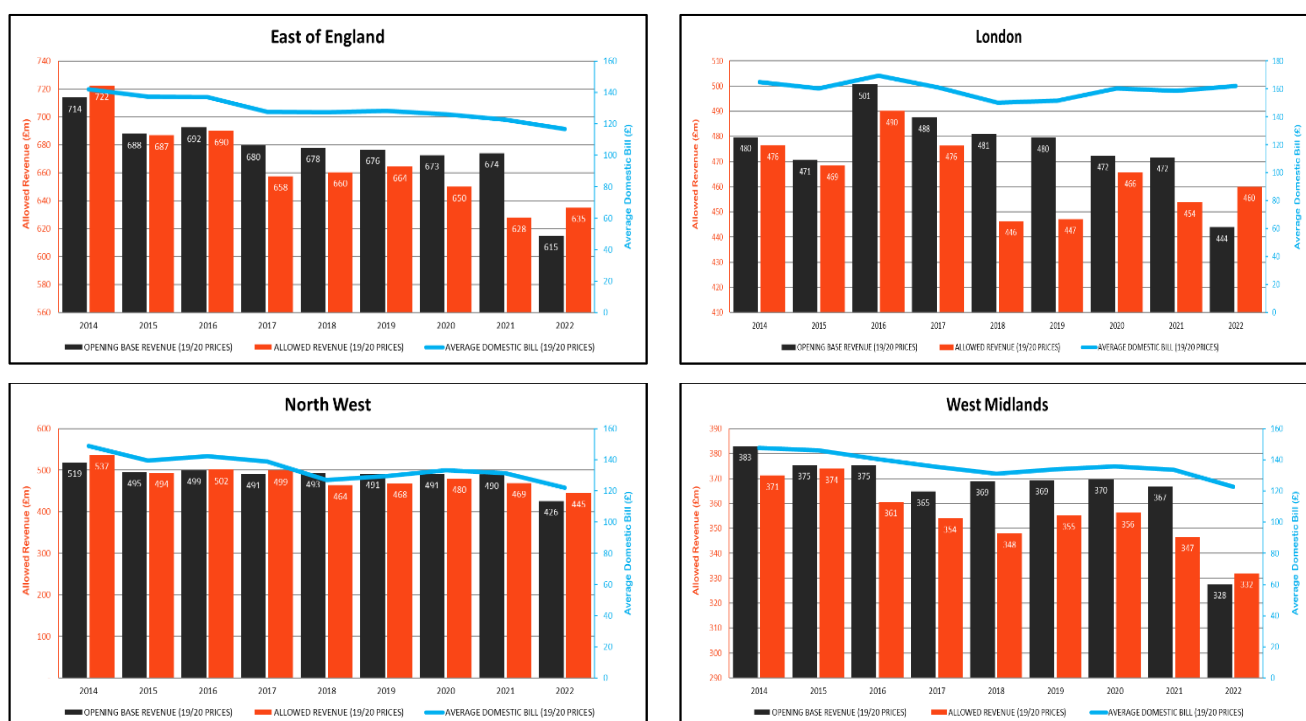
NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
AGGREGATE PRICE CHANGE	+0.7%	+5.7%	(7.0%)	(5.9%)

The changes are principally driven by year on year movement in maximum allowed revenue, impacted by the move to a new price control. Secondly, movements in supply point peak capacity requirements inclusive of load factors. These are explained in further detail within this notice.

Average Domestic Bills

Over the 8 years of RIIO-GD1 the average customer bill reduced by £15 (equivalent to 10%) in 2019/20 prices. For the first year of RIIO-GD2, we currently forecast a further £5 (equivalent to 4%) reduction in the average domestic bill against 2020/21 prices in real terms. For 2021/22 Base & Allowed Revenues are based on the current output from the Statutory Consultation of the Final Determinations from Ofgem, these in turn, along with demand and customer numbers, drive the domestic bill figures. The graphs below also contain RIIO-1 information and show the trend comparing actual revenue against opening allowances per the RIIO GD-1 final proposals, and the average domestic bill over that time period.

Chart A: Average Domestic Bill, 2019/20 Price Base



Average 2021/22 Price Change

The underlying drivers for the average gas distribution price change from 1st April 2021 are shown in Table 2 below. The principal factors driving these changes are:

- Year on year movement in Allowed Revenue between 2020/21 and 2021/22, calculated in accordance with the Gas Transporter Licence. Overall, Allowed Revenue has decreased mainly due to lower Totex allowances, as well as a lower cost of capital (largely off-set by a change to CPIH based price control). Year on year inflation is comparatively lower, in part due to the move to CPI-H from RPI, however in nominal prices, inflation drives an increase in Base Revenue.
- The impact of annual changes to Load Factors which are used to establish peak day capacity (SOQs) for Non-Daily Metered supply points. Overall Load Factors have increased prices with the most significant impact in London. There was an industry approved change to amend the formula Xoserve use to calculate Load factors. This reduced SOQs (with the most pronounced impact in London) and increased prices to account for the smaller charging base.
- Changes to peak day capacity requirements (SOQs) driven by underlying changes to rolling Annual Quantities (AQs) which negated the impact of Load Factors slightly. These changes are based on the latest available demand data provided by Xoserve.

Table 2: 2021/22 Average price changes in nominal prices (high level summary)

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
YEAR ON YEAR MOVEMENT IN ALLOWED REVENUE	+1.4%	+1.6%	(4.9%)	(3.9%)
CORRECTION FOR PRIOR YEAR UNDER RECOVERY	+0.4%	+0.3%	+0.7%	+0.5%
FORECAST IMPACT OF LOAD FACTORS ON SOQ	0.6%	4.7%	0.2%	(1.0%)
FORECAST CHANGES IN AGGREGATE DEMAND	(1.7%)	(0.9%)	(3.0%)	(1.5%)
AGGREGATE PRICE CHANGE	+0.7%	+5.7%	(7.0%)	(5.9%)

The 2021/22 transportation unit rates are shown in full in Appendix B.

Movement since Indicative Charges

Table 3 below summarises the impact of elements that have changed or been updated since the publication of the Indicative charges in November 2020:

- Final Determinations in December 2020 and a subsequent error correction process with Ofgem increasing allowed Totex and pass through costs:
 - In comparison to the Indicative Charges, there are reductions in Base Revenue driven predominantly by lower Totex allowances and reduced returns. This has reduced the average price change for each network.
 - The latest inflation forecast information, as used in the Final Determinations utilises the November 2020 OBR rates. The Indicative Pricing were based on the HMT August 2020 forecast.
 - Ofgem approved an additional three Supplier of Last Resort (SoLR) claims for EDF Energy, Ovo and Scottish Power, which increases Allowed Revenues by £3.7m across Cadent's networks.
- In December 2020 National Grid confirmed that pricing needed to increase (reflected through a Revenue Recovery Charge). This increases NTS Exit Capacity costs by £15.2m across the four networks relative to our Indicative pricing.
- The Final Charges have been calculated using the latest available demand data from Xoserve in December 2020, which resulted in small downward movement in the price change for all networks.

Table 3: Movement in Average Price Change since Indicative Charge Setting

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
NOVEMBER INDICATIVE PRICE CHANGE	+2.4%	+5.6%	(4.6%)	(4.6%)
FINAL DETERMINATIONS	(2.8%)	(0.8%)	(3.2%)	(2.0%)
REVISED ASSESSMENT OF NTS PRICING	+1.5%	+1.2%	+1.2%	+1.2%
DEMAND UPDATES	(0.3%)	(0.3%)	(0.5%)	(0.6%)
FINAL PRICE CHANGE	+0.7%	+5.7%	(7.0%)	(5.9%)

2021/22 Allowed Revenue

The movement in Allowed Revenue between 2020/21 and 2021/22 is one of the factors contributing to the average price change. The key elements driving this movement are:

- A reduction in Base Revenues mainly due to lower Totex Allowances, and cost of capital.
- The Ofgem Annual Iteration Process (AIP) results in an increase to Allowed Revenues for all networks as reflected in the MOD adjustment. In RIIO-1 the MOD adjustment was reducing revenues relative to the base allowances largely due to RIIO-1 indexation of cost debt allowances. As the MOD largely does not flow into RIIO-2, there is a large positive movement relative to the RIIO-1 MODt values.
- Cost pass through adjustments are lower in 2021/22 mainly due to the true up for NTS Pension costs ceasing to impact revenues in 2021/22. We see a more prominent negative impact in London due to the change in the allocation of business rates between networks in 2019/20 with London moving down and East of England's increasing. This results in lower adjustments for 2021/22 for the London network with the two-year lagged mechanism.

A trace between Allowed Revenue for 2020/21 and 2021/22 is shown in Table 4 below. Further analysis of 2021/22 Allowed Revenue broken down by components can be found in Appendix A.

Table 4: Year on Year Movement in Allowed Revenue (£m), Nominal Price Base

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
2020-21 ALLOWED REVENUE	637.7	461.0	476.7	351.9
CHANGE IN BASE REVENUE	(59.3)	(27.2)	(63.9)	(38.8)
ANNUAL ITERATION PROCESS - MODt	66.3	54.4	47.2	32.8
LAGGED INFLATION TRUE-UP	(5.5)	(4.0)	(4.1)	(3.1)
INFLATION – CPIH*	0.4	0.3	0.3	0.2
COST PASS THROUGH	2.1	(19.3)	(7.8)	(7.0)
NETWORK INNOVATION ALLOWANCE & CARRY OVER ALLOWANCE	0.4	0.3	0.3	0.3
OUTPUT INCENTIVES	0.2	1.7	2.5	2.7
(OVER) / UNDER COLLECTION OF REVENUE B/F	4.1	1.4	2.3	(0.7)
2021-22 ALLOWED REVENUE	646.4	468.5	453.4	338.3
% CHANGE IN ALLOWED REVENUE	+1.4%	+1.6%	(4.9%)	(3.9%)

*Inflation – CPIH: 2020/21 pricing was based on an inflation forecast pre covid -19 and a consequence the incremental inflation between 2020/21 and 2021/22 is relatively low compared to a normal financial year.

2020/21 Forecast Revenue Recovery

Current year revenue collection has a bearing on year-ahead price setting, as any over or under collection of revenue needs to be offset by re-basing unit prices. In a current year under recovery situation, year ahead prices will need to be increased, and conversely in an over recovery situation, year ahead prices will need to be decreased. The reasons why under/over recovery may occur are:

- Changes in underlying demand conditions against those assumed at the point of price setting.
- Growth in Connected System Exit Points (CSEPs). We adopt a 3-year rolling average movement in demand as a predictor for future demand conditions in this regard, but the extent to which actual growth matches this assumption will be a source of revenue collection variance.

Special Condition 1B of the Gas Transporter Licence requires us to use our best endeavours not to over recover revenue beyond the Maximum Allowed Revenue set by the Licence. In practice, we target a low level of under recovery in price setting in order to discharge this obligation.

Table 5 below compares 2020/21 Allowed Revenue to the current collected revenue forecast.

Table 5: Collected Revenue Forecast 2020/21

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
2020-21 ALLOWED REVENUE (£M)	637.7	461.0	476.7	351.9
2020-21 COLLECTED REVENUE FORECAST (£M)	635.1	459.5	473.2	350.2
FORECAST UNDER RECOVERY (£M)	(2.6)	(1.5)	(3.4)	(1.7)
FORECAST UNDER RECOVERY %	(0.4%)	(0.3%)	(0.7%)	(0.5%)

2021/22 Forecast Revenue Recovery

The current forecast for collectable revenue in 2021/22 is shown in Table 6 below. As unit prices have decimal place restrictions it is difficult to set charges to recover the exact amount of allowed revenue. In order to comply with our Licence, we must use best endeavours in setting charges to ensure that collectable revenue for each network does not exceed maximum allowed revenue for the relevant formula year. In practice prices are set to achieve a minimised level of under-recovery. Consequently, our final charge calculation delivers a small inherent under recovery, as shown below.

Table 6: Collectable Revenue Forecast 2021/22

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
2021/22 ALLOWED REVENUE (£M)	646.4	468.5	453.4	338.3
2021/22 COLLECTABLE REVENUE FORECAST (£M)	646.1	468.4	453.2	338.1
FORECAST UNDERRECOVERY (£M)	(0.3)	(0.1)	(0.2)	(0.2)
FORECAST UNDER RECOVERY %	(0.0%)	(0.0%)	(0.1%)	(0.1%)

Changes in Aggregate Demand

As a consequence of Xoserve's Project Nexus implementation, AQs and SOQs will become largely fixed for a charging year based on a snapshot taken in December.

Rolling AQs have been monitored since 2020/21 prices were set to inform the Final price process as robustly as possible. As at December 2020 a cumulative decrease in AQs has been observed in the East of England, London and West Midlands networks with an increase in the North West network (note that an **increase** in AQ will drive a **decrease** in unit prices and vice versa).

SOQs for Non-Daily Metered (NDM) sites are derived by Xoserve. This year (October 2020) there has been a change in the calculation of load factors which is used to derive the SOQ. This change was consulted upon and approved by DESC which has representation from the Shipper and Transporter community.

SOQs have decreased in the East of England and are significantly lower in London, whereas North West and West Midlands show increases. Xoserve has advised that more pronounced changes in SOQs have been seen this year due to three key factors:

- The seasonal norm review resulted in changes in the formula to calculate peak load factors. The Composite Weather Variable (CWV) a component in the formula now includes Solar data. This gives better relationship between Gas demand and weather. The CWV also now includes an up to date view of climate change temperature increments. CWV is used to calculate the peak load factors which is part of the formula to calculate the SOQ
- Secondly new EUC codes have meant MPRNs fall into a different EUC codes and each EUC has a different peak load factor
- Finally load factors are derived based on 3 years of weather data, each year one year drops off and another is added. Changes in higher EUCs bands where there is less sample data means small changes can result in more weather sensitivity. Weather sensitivity plays apart in deriving the peak load factors. This factor has been key to the significant decrease seen in London.

Although COVID-19 may have resulted in changes in demand, overall there has been no significant impacts on SOQs and AQs as a result.

The Cumulative Change in in AQs and SOQs can be seen in the Table 7 below.

Table 7: Cumulative Percentage Change in Rolling AQs and SOQs

CHANGE %	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
AQ	(1.2%)	(3.2%)	1.5%	(0.9%)
SOQ	(0.2%)	(4.9%)	0.9%	1.3%

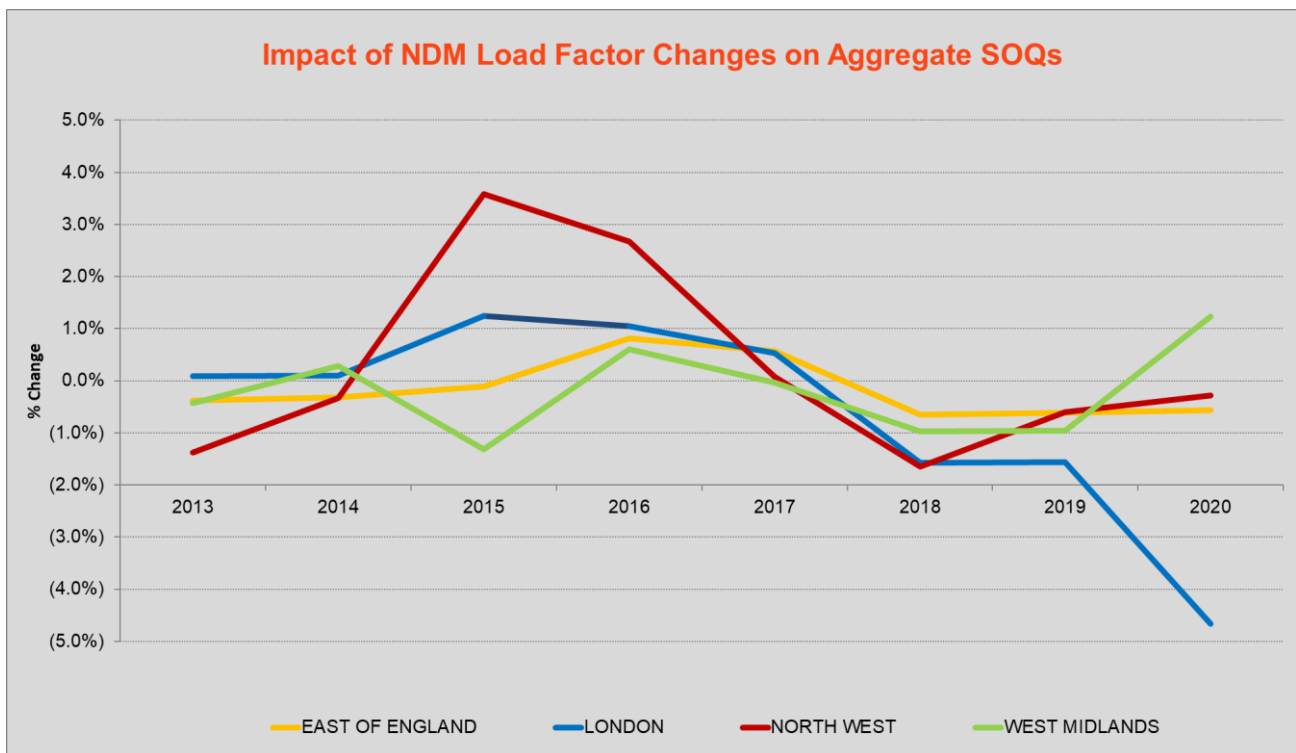
Impact of Changes to NDM Load Factors

The demand data underpinning our final charges is inclusive of the impact of the implementation of the 2020 Non-Daily Metered (NDM) load factors.

Load factors are used to derive peak day capacity requirements (SOQs) for Meter Classes 3 and 4. These are published annually by Xoserve via the Demand Estimation Sub Committee (DESC). Previously, implementation of these at the commencement of each October gas year has been both a driver of in year over or under recovery risk, and an area of forecasting uncertainty for year-ahead price setting.

Chart A below shows the estimated impact of load factor implementation on aggregate SOQs over the past 8 years (note this has an inverse impact on unit prices).

Chart B: Movement in Annual Load Factors



Charging Methodology

The current charging methodology requires that revenue is recovered to a pre-determined Distribution Network (DN) specific splits between System and Customer charges, and then a further 95/5 sub-split of System charges between Capacity and Commodity. The Customer element is comprised of Capacity and Fixed charges. Unit charges will need to be re-balanced between these categories, and at load band level. This causes individual elements of the transportation charges to change by varying levels around these average positions.

Tables 8 to 10 below confirm target revenue splits achieved against the UNC.

Table 8: Target Revenue Splits set out in the UNC

TARGET REVENUE SPLIT REQUIRED BY UNC	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
LDZ SYSTEM COMMODITY %	5.0%	5.0%	5.0%	5.0%
LDZ SYSTEM CAPACITY %	95.0%	95.0%	95.0%	95.0%
LDZ SYSTEM %	70.5%	68.1%	73.7%	74.0%
LDZ CUSTOMER %	29.5%	31.9%	26.3%	26.0%

Table 9: Revenue Splits Achieved in 2021/22 Price Setting

ACTUAL SPLITS ACHIEVED	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
LDZ SYSTEM COMMODITY %	5.0%	5.0%	5.0%	5.0%
LDZ SYSTEM CAPACITY %	95.0%	95.0%	95.0%	95.0%
LDZ SYSTEM %	70.5%	68.1%	73.7%	74.0%
LDZ CUSTOMER %	29.5%	31.9%	26.3%	26.0%

Table 10: Variance to UNC Target Splits

VARIANCE	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
LDZ SYSTEM COMMODITY	0.0%	0.0%	0.0%	0.0%
LDZ SYSTEM CAPACITY	0.0%	0.0%	0.0%	0.0%
LDZ SYSTEM	0.0%	0.0%	0.0%	0.0%
LDZ CUSTOMER	0.0%	0.0%	0.0%	0.0%

Tables 11 and 12 below provide a further breakdown of the price change for each component and its weighted average contribution to the overall price change. The ECN price change includes the impact of the NTS methodology change to the Postage Stamp approach, along with the two year lagged true-ups and change to the Revenue Recovery Charge. This is further explained on the next page.

Table 11: Price Change by Component

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
LDZ SYSTEM COMMODITY PRICE CHANGE	(2.3%)	(0.0%)	(8.5%)	(4.5%)
LDZ SYSTEM CAPACITY PRICE CHANGE	(3.9%)	+3.7%	(6.7%)	(7.6%)
LDZ CUSTOMER PRICE CHANGE	(5.3%)	+2.0%	(8.4%)	(9.4%)
LDZ AGGREGATE PRICE CHANGE	(4.3%)	+3.0%	(7.2%)	(8.0%)
ECN PRICE CHANGE	+162.4%	+83.4%	(4.2%)	+29.3%
AVERAGE TRANSPORTATION PRICE CHANGE	+0.7%	+5.7%	(7.0%)	(5.9%)

Table 12: Weighted Contribution to Average Price Change

PRICE CHANGE %	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
LDZ SYSTEM COMMODITY PRICE CHANGE	(0.1%)	(0.0%)	(0.3%)	(0.2%)
LDZ SYSTEM CAPACITY PRICE CHANGE	(2.6%)	+2.3%	(4.4%)	(5.0%)
LDZ CUSTOMER PRICE CHANGE	(1.5%)	+0.6%	(2.0%)	(2.3%)
LDZ AGGREGATE PRICE CHANGE	(4.2%)	+2.9%	(6.7%)	(7.5%)
ECN PRICE CHANGE	+5.0%	+2.9%	(0.3%)	+1.6%
AVERAGE TRANSPORTATION PRICE CHANGE	+0.7%	+5.7%	(7.0%)	(5.9%)

In May 2020 Ofgem approved a new Postage Stamp methodology whereby the NTS Exit Capacity Prices for each offtake would be the same barring any discounts for certain users such as storage. The NTS Exit Capacity prices published by National Grid have been factored into the ECN Price change. When taking into consideration the different volumes required for each network/exit zone, the cost for each network/exit zone will inevitably vary. Also, with the lagged NTS Exit Capacity adjustment (true up between costs and allowances) there remains a small degree of variability in the ECN prices by Exit Zone. However, the Postage stamp pricing change has resulted in the prices for each exit zone being much more similar across networks compared to the previous year.

Table 13: ECN Price Change by Exit Zone

ECN PRICE CHANGE BY EXIT ZONE		UNIT RATES 2020/21	UNIT RATES 2021/22	DIFFERENCE IN UNIT RATES (PENNY)	% DIFFERENCE
EAST OF ENGLAND	EA1	0.0043	0.0178	0.0135	314.0%
	EA2	0.0044	0.0178	0.0134	304.5%
	EA3	0.0011	0.0178	0.0167	1518.2%
	EA4	0.0087	0.0178	0.0091	104.6%
	EM1	0.0000	0.0178	0.0178	-
	EM2	0.0034	0.0178	0.0144	423.5%
	EM3	0.0112	0.0178	0.0066	58.9%
	EM4	0.0082	0.0178	0.0096	117.1%
LONDON	NT1	0.0177	0.0184	0.0007	4.0%
	NT2	0.0095	0.0185	0.0090	94.7%
	NT3	0.0100	0.0185	0.0085	85.0%
NORTH WEST	NW1	0.0172	0.0181	0.0009	5.2%
	NW2	0.0221	0.0181	(0.0040)	(18.1%)
WEST MIDLANDS	WM1	0.0167	0.0180	0.0013	7.8%
	WM2	0.0144	0.0180	0.0036	25.0%
	WM3	0.0094	0.0180	0.0086	91.5%

Contact Details

If you have any questions or require any further information in relation to this notice, please contact a member of the Cadent Revenue and Pricing Team:

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Appendix A: 2021/22 Allowed Revenue (£m), Nominal Price Base

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
OPENING BASE REVENUE	625.8	452.1	433.9	333.9
ANNUAL ITERATION PROCESS - MODt	19.4	10.4	7.4	0.9
INFLATION TRUE UP	(6.1)	(4.4)	(4.5)	(3.4)
BASE REVENUE	639.1	458.1	436.9	331.5
PASS THROUGH COSTS & ADJUSTMENTS	(15.6)	(2.3)	(0.7)	(1.7)
EXIT CAPACITY INCENTIVE	8.0	3.6	5.8	1.9
SHRINKAGE INCENTIVE	0.2	0.3	0.2	0.3
ENVIRONMENTAL EMISSIONS INCENTIVE	3.1	3.8	2.8	3.9
BROAD MEASURE OF CUSTOMER SATISFACTION	5.1	2.6	3.4	1.6
NETWORK INNOVATION AND CARRY OVER ALLOWANCE	3.4	2.0	2.3	1.7
CONSUMER VULNERABILITY & CARBON MONOXIDE ALLOWNACE	2.3	1.3	1.5	1.1
(OVER) / UNDER RECOVERY B/F	0.7	(1.0)	1.1	(2.2)
MAXIMUM ALLOWED REVENUE	646.4	468.5	453.4	338.3
COLLECTABLE REVENUE FORECAST	646.1	468.4	453.2	338.1
OVER / (UNDER) RECOVERY FORECAST	(0.3)	(0.1)	(0.2)	(0.2)
% OVER / UNDER RECOVERY	(0.0%)	(0.0%)	(0.1%)	(0.1%)

Appendix B: Transportation Unit Charge Rates from 1st April 2021

In response to feedback from stakeholders we have produced a supplementary accompanying spreadsheet with extractable unit rates which can be found on the Joint Office of Gas Transporters website alongside this notice.

LDZ System Capacity Charges (Direct Connects & CSEPs)

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
CHARGE CODE: ZCA / 871 / 891	PENNY PER PEAK DAY KWH PER DAY			
UP TO 73,200 KWH PER ANNUM	0.1703	0.2093	0.1942	0.1792
73,200 KWH - 732,000 KWH PER ANNUM	0.1360	0.1866	0.1620	0.1616
732,000 KWH PER ANNUM AND ABOVE	0.8694 x SOQ ^ - 0.2155	1.1928 x SOQ ^ - 0.2133	1.2774 x SOQ ^ - 0.2483	1.9803 x SOQ ^ - 0.2817
SUBJECT TO A MINIMUM RATE OF	0.0166	0.0205	0.0180	0.0176
MINIMUM RATE APPLIES AT SOQ OF (KWH)	94,910,829	187,869,956	28,504,342	19,123,623

LDZ System Commodity Charges (Direct Connects & CSEPs)

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
CHARGE CODE: ZCO / 878 / 893	PENNY PER KWH			
UP TO 73,200 KWH PER ANNUM	0.0283	0.0331	0.0310	0.0312
73,200 KWH - 732,000 KWH PER ANNUM	0.0225	0.0294	0.0261	0.0280
732,000 KWH PER ANNUM AND ABOVE	0.1798 x SOQ ^ - 0.2376	0.1915 x SOQ ^ - 0.2147	0.2266 x SOQ ^ - 0.2586	0.3764 x SOQ ^ - 0.2911
SUBJECT TO A MINIMUM RATE OF	0.0025	0.0028	0.0027	0.0027
MINIMUM RATE APPLIES AT SOQ OF (KWH)	65,316,650	352,256,939	27,520,749	23,235,316

LDZ Customer Capacity Charges

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
CHARGE CODE: CCA / 872	PENCE PER PEAK DAY KWH PER DAY			
UP TO 73,200 KWH PER ANNUM	0.0943	0.1291	0.0896	0.0836
73,200 KWH - 732,000 KWH PER ANNUM	0.0031	0.0046	0.0027	0.0028
732,000 KWH PER ANNUM AND ABOVE	0.0669 x SOQ ^ - 0.2100	0.0994 x SOQ ^ - 0.2100	0.0618 x SOQ ^ - 0.2100	0.0641 x SOQ ^ - 0.2100

LDZ Customer Fixed Charges (73,200 to 732,000 kWh/ annum only)

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
CHARGE CODE: CFI	PENCE PER DAY			
NON MONTHLY READ SUPPLY POINTS	27.6895	40.7759	25.4660	26.5211
MONTHLY READ SUPPLY POINTS	29.4832	43.4171	27.1160	28.2389

Optional LDZ Charge for all Networks

ALL NETWORKS	
CHARGE CODE: 881	PENCE PER PEAK DAY KWH PER DAY
OPTIONAL LDZ FUNCTION	$902 \times [(SOQ)^{-0.834}] \times D + 772 \times (SOQ)^{-0.717}$

Please note the Optional LDZ Charge remains unchanged from 2018/19.

ECN Charges by NTS Exit Zone (Direct Connects and CSEPS)

NETWORK	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
CHARGE CODE: ECN / C04 / 901	PENNY PER PEAK DAY KWH PER DAY			
EA1	0.0178			
EA2	0.0178			
EA3	0.0178			
EA4	0.0178			
EM1	0.0178			
EM2	0.0178			
EM3	0.0178			
EM4	0.0178			
NT1		0.0184		
NT2		0.0185		
NT3		0.0185		
NW1			0.0181	
NW2			0.0181	
WM1				0.0180
WM2				0.0180
WM3				0.0180

DN Entry Commodity Charge / Credit

The LDZ System Entry Commodity charge/credit reflect the operating costs associated with the entry of the distributed gas and the benefits in terms of deemed NTS Exit and distribution network usage reductions. The rate associated with the LDZ system Entry Commodity Charge is calculated on a site by site basis. The following table shows the unit rates for sites that are currently flowing gas or are expected to start flowing before the end of 2021/22. Should any further sites start flowing after publication of final charges; these will be published via supplemental price notifications.

NETWORK	GEMINI ID	CHARGE / CREDIT	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
CHARGE CODE: LEC	PENCE PER KWH					
Adnams Brewery Southwold	ADBIOS	CHARGE	0.1609			
Attleborough		CREDIT	-0.0682			
Bay Farm	SOTLOS	CREDIT	-0.0080			
Beccles, Sotterley		CREDIT	-0.0725			
Bonby		CREDIT	-0.0121			
Brigg Lane		CREDIT	-0.0142			
Chear Fen Farms, Chittering	CHITOS	CREDIT	-0.0904			
Colwick	DERBOS	CREDIT	-0.0877			
Derby	LANKOS	CREDIT	-0.0839			
Euston	FAIROS	CREDIT	-0.0124			
Fairfields Farm, Wormingford		CREDIT	-0.0070			
Glebe Farm		CREDIT	-0.0110			
Hemswell Cliff	HOLKOS	CREDIT	-0.0645			
Holkham, Norfolk		CREDIT	-0.0101			
Ilkeston		CREDIT	-0.0832			
Lindholme, Doncaster	MANROS	CREDIT	-0.0682			
Manor Farm, Alderton	MEPAOS	CREDIT	-0.0868			
Mepal	METHOS	CREDIT	-0.0877			
Metheringham MP / IP	METWOS	CREDIT	-0.0766			

NETWORK	GEMINI ID	CHARGE / CREDIT	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
CHARGE CODE: LEC	PENCE PER KWH					
Methwold	MOOROS	CREDIT	-0.0088			
North Moor Farm, Crowle		CREDIT	-0.0567			
Pickenham Airfield		CREDIT	-0.0088			
Raynham Farm	HLBDOS	CREDIT	-0.0080			
Redbourne Road, Hibaldstow	SCAMOS	CREDIT	-0.0889			
Scampton	STOKOS	CREDIT	-0.0622			
Stoke Bardolph		CREDIT	-0.0795			
The Oaks		CREDIT	-0.0088			
Thorpe Arnold		CREDIT	-0.0133			
Warden Tree Lane		CREDIT	-0.0101			
Welbeck Colliery, Meden Vale	WSTYOS	CREDIT	-0.0859			
Westry	DGHMOS	CREDIT	-0.0114			
Dagenham	BREDOS	CREDIT		-0.0674		
Bredbury Park, Stockport	DAVYOS	CREDIT			-0.0021	
Davyhulme, Urmston		CREDIT			-0.0596	
Ellesmere Port		CREDIT			-0.0136	
Garth Road		CREDIT			-0.0678	
Granox, Widnes		CREDIT			-0.0717	
Barnes Farm		CREDIT				-0.0123
Coleshill		CREDIT				-0.0556
Grindley House Farm	GRINOS	CREDIT				-0.0576
Hampton Bishop	HAMPOS	CREDIT				-0.0072
Highwood Farm, Brinklow	BRINKOS	CREDIT				-0.0072
Lower Drayton Farm		CREDIT				-0.0794

NETWORK	GEMINI ID	CHARGE / CREDIT	EAST OF ENGLAND	LONDON	NORTH WEST	WEST MIDLANDS
CHARGE CODE: LEC	PENCE PER KWH					
Minworth 2		CREDIT				-0.0842
Minworth Sewage Works	MINWOS	CREDIT				-0.0120
Roundhill	RNDHOS	CREDIT				-0.0830
Strongford	STRNOS	CREDIT				-0.0682
Sutton Lodge Farm		CREDIT				-0.0804
Finham		CREDIT				-0.0839