

Agency Charging Statement

Applies from 1 April 2008

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Issued on behalf of all Large Gas Transporters

1. Introduction & Background

1.1 This publication sets out the charging methodology, charges and scope for User Pays Services and the scope of Core Services which will apply from 1 April 2008, as required by Standard Special Condition A15 of the Gas Transporter Licence. xoserve provides these services on behalf of the Gas Transporters as the appointed Agency. This document is published jointly by the following organisations:

National Grid Gas (Distribution)
National Grid Gas (Transmission)
Northern Gas Networks
Scotland Gas Networks
Southern Gas Networks
Wales & West Utilities

and does not override or vary any of the statutory, licence or Uniform Network Code obligations upon the above organisations.

1.2 User Pays Services are categorised as Code Services or Non-Code Services. Code Services are those relating to certain Gas Transporter obligations contained in the Uniform Network Code. Non-Code Services are all other User Pays Services.

1.3 Charges for Code Services will be invoiced in the name of the relevant Gas Transporter who will collect the associated revenue:

(a) subject to (b), in accordance with Section S of the Transportation Principal Document of the Uniform Network Code and invoices will be issued by xoserve utilising the UNC invoicing processes, or

(b) in accordance with invoices issued by xoserve not utilising UNC processes, where the User Pays Service is of the type described in Appendix 1, item 6(b), or of the type described in Appendix 1, item 6(a) and the applicant does not satisfy all of the User Accession arrangements under Section V2 of Transportation Principal Document of the Uniform Network Code.

1.4 For Non-Code Services, Conditions for the Provision of Services and Service Schedules will be published by xoserve and users of such services shall request services via a Service Request. Charges for Non-Code Services will be invoiced in the name of xoserve who will collect the associated revenue in accordance with the published Conditions. Invoices will be issued by xoserve, their frequency depending on the nature and use of the service. Further details are provided in the Conditions.

1.5 Where a user wishes an alternative service which is not contestable, it may request an Ad-hoc Additional Service on a bilateral basis as described in Appendix 1, paragraph 7.

- 1.6 For all User Pays Services, supporting information will be provided with each invoice to allow users of such services to validate their invoices.

2. Scope of User Pays and Core Services

- 2.1 User Pays Services are those services listed in Appendix 1.
- 2.2 The number and scope of User Pays Services are as shown in Appendix 1 of this document but such number may be revised from time to time by a modification to the Agency Charging Statement made in accordance with SSC A15.
- 2.3 Core Services are those services which are Transporter Agency Activities as defined in Section V6.5 of the Transportation Principal Document of the Uniform Network Code and which are not User Pays Services.

3. Charging Methodology

- 3.1 The objectives of the charging methodology, as specified in SSC A15, are that:
- (a) Charges should, as far as reasonably practicable, reflect the costs in providing the services;
 - (b) Charges should not unduly discriminate between or unduly prefer any person or class or classes of person.
- 3.2 The charging methodology for the User Pays Services detailed in Appendix 1 is that the charge for each service will be set based on a forecast of costs to deliver the forecast demand for the service. The costs used to derive the charges will reflect the cost of employees and other expenses that can be directly associated with the provision of the service, plus an appropriate level of overhead (property, systems etc) determined using an activity cost basis methodology (Appendix 2). The demand forecast will take into account the historical usage of services, the impact of different charging levels and the availability of alternative service providers. The charges will allow for a reasonable margin to be made when demand is at the forecast level.
- 3.3 In the event of new or amended services being treated as User Pays Services, the charging methodology will be reviewed once the details of the services have been defined.

4. Charging Basis and Charges

- 4.1 The charging basis and charges for each of the User Pays Services is shown in Appendix 1. For the services categorised as Non-Code, further details of the triggers for incurring charges are provided in the Conditions for the Provision of Services and Service Schedules published by xoserve. The Conditions also include details of the invoice dispute process for Non-Code services.

- 4.2 Gas Transporters are required to keep this publication under review and may from time to time modify the statement. It is envisaged that the first review will be no more than six months after the commencement of the new regime.

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Appendix 1 – Schedule of User Pays Services and User Pays Service Charges

Service Item	Description	Type	Services Recipient	Service Detail	Charging Basis	Charge (£)
1.Provision of Information	A range of services supporting the provision of information to various parties.	Non Code service	Those persons entitled to receive the service.	Internet based service to allow authorised users access to supply meter point data online. (Schedule 4 of the Conditions)	Monthly Charge for an IAD Registered User Account	£40
					Monthly Charge for an IAD Major Energy User Account. (Chargeable to the relevant Registered User(s))	£8
					IAD Daily Failure Charge Rate (IAD Registered User Account)	£1.90
					IAD Daily Failure Charge Rate (IAD Major Energy User Account)	£0.38
				User Telephone Enquiry. Telephone call(s) to information centre to obtain Supply Meter Point data. (Schedule 7 of the Conditions)	Band A*	-
					Band B up to 1,000 calls annually (charged in 12 equal monthly instalments)	£2,100 pa
					Band C up to 5,000 calls annually (charged in 12 equal monthly instalments)	£10,320 pa
*Band A equates to pay-as-you-go at £2.70 a call. This is aimed at infrequent						

Service Item	Description	Type	Services Recipient	Service Detail	Charging Basis	Charge (£)
				callers.	Band D up to 20,000 calls annually (charged in 12 equal monthly instalments)	£36,000 pa
					Band E up to 50,000 calls annually (charged in 12 equal monthly instalments)	£74,040 pa
					Band F up to 70,000 calls annually (charged in 12 equal monthly instalments)	£92,040 pa
					Band G up to 150,000 calls annually (charged in 12 equal monthly instalments)	£126,000 pa
					Charge per call in excess of annual band	£2.70
					Charge per call in excess of monthly allowance	£2.70
				Provision of M Number DVD containing supply meter point data. (Schedule 5 of the Conditions)	Annual Service	£1,200 pa
					Ad Hoc Per DVD	£450

Service Item	Description	Type	Services Recipient	Service Detail	Charging Basis	Charge (£)
				Provision of data by email for users Meter Point Reference Numbers. (Schedule 3 of the Conditions)	Per email report 1-999 MPRNs	£60
					Per email report 1,000-5,000 MPRNs	£100
2. Registered User Portfolio Reports	A range of portfolio information reports available to Users. (Schedule 6 of the Conditions)	Non Code service	Shippers under UNC	Query Management – Standards of Services	Annual Service (12 reports per year)	£204 pa
					Ad Hoc Service (per report)	£50
				Registered User Portfolio Statement	Annual Service (12 reports per year)	£324 pa
					Ad Hoc Service (per report)	£125
				Registered User Portfolio (for User portfolios not exceeding one million Supply Points)	Annual Service (12 reports per year)	£1500 pa
					Ad Hoc Service (per report)	£750
				Registered User Portfolio (for User portfolios exceeding one million Supply Points)	Service Charge on application to xoserve	

Service Item	Description	Type	Services Recipient	Service Detail	Charging Basis	Charge (£)
				CSEPs Portfolio Report	Annual Service (12 reports per year)	£324 pa
					Ad Hoc Service (per report)	£50
				Unique Sites Portfolio	Annual Service (12 reports per year)	£324 pa
					Ad Hoc Service (per report)	£50
				Annual Asset Portfolio	Annual Service (one report per year)	£1260 pa
					Ad Hoc Service (per report)	£2000
				Transco Asset Portfolio	Annual Service (12 reports per year)	£504 pa
					Ad Hoc Service (per report)	£150
3. AQ Enquiry	Tool to calculate a Speculative AQ Value of a Users Supply Meter Point on provision of meter read information.	Non Code service	Shippers under UNC	Provision of a Speculative AQ Value (Schedule 2 of the Conditions)	Per AQ Enquiry Requested	£0.01

Service Item	Description	Type	Services Recipient	Service Detail	Charging Basis	Charge (£)
4. Must Reads	If a shipper does not provide meter readings in compliance with the Uniform Network Code, the Gas Transporter may initiate processes to obtain a meter read, referred to as a 'must read'. A charge will be made for each must read.	Code services	Shippers under UNC	One meter at the supply point	Per Read Requested	£40
			Shippers under UNC	Two meters at the supply point	Per Read Requested	£60
			Shippers under UNC	Three or more meters at the supply point	Per Read Requested	£80
5. Shipper Agreed Reads	Where Users cannot agree with an estimated opening reading, xoserve will load an agreed revised reading submitted by the incumbent shipper.	Code services	Shippers under UNC	U01 File	Per Read	£0.11
				Email File	Per Read	£2.75
				Facsimile Transaction	Per Read	£8.24
6. User Admission	The delivery and installation of IX equipment on the applicant's premises are required to enable the sending and receipt of	Code services	Applicant Users who wish to be admitted to UNC	(a) The delivery and installation of IX equipment	Charged after accession to UNC ¹	Price on Application

¹ Applicant users will be required to sign an IXN installation agreement which will provide for the recovery of installation and removal costs in the event that an applicant user does not become a shipper user, as per current arrangements.

Service Item	Description	Type	Services Recipient	Service Detail	Charging Basis	Charge (£)
	<p>communications under the Gas Transporter's Network Code.</p> <p>In addition, in order to accede to a Gas Transporter's Network Code a number of conditions are required to be satisfied. This process requires administration.</p>	Non Code service		(b) Administration of the shipper admission process.	Charged on application.	£3,500
7 Ad-hoc additional services	Ad-hoc services which are additional to those provided in items 1 to 6 inclusive and which are not contestable, i.e. there is no alternative source for the additional service.	Non Code service	Shippers under UNC	As agreed at the time of request.	Priced by quotation	Priced by quotation

Appendix 2 – Activity Cost Basis Methodology



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