



## **METERING CHARGES**

**Effective from: 1 September 2010**

### **NORTHERN GAS NETWORKS LIMITED**

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## Foreword

This booklet sets out the metering charges that Northern Gas Networks Limited will apply for services provided under the Uniform Network Code and Northern Gas Networks Limited Metering Contracts<sup>1</sup> from 1 September 2010.

The diagram below shows Northern Gas Networks Limited



The level of the Northern Gas Networks Limited metering charges is regulated by a price control set by Ofgem, the gas industry regulator. To achieve price control, Ofgem has set tariff caps for four key metering services. Northern Gas Networks Limited's charges for these services must not exceed the tariff caps, which are increased each year by inflation.

Charges will apply in respect Northern Gas Networks Limited's meters in its gas distribution network.

Northern Gas Networks Limited would welcome your views on any aspect of its metering service, its charges or the contents of this statement. Please send your comments to Gareth Mills, Commercial Manager, Northern Gas Networks, 1100 Century Way, Thorpe Business Park, Colton, Leeds, LS15 8TU.

The latest version of this publication is available from Northern Gas Networks website at [www.northerngas.co.uk](http://www.northerngas.co.uk).

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<sup>1</sup> Agreement and General Conditions of Contract for; The Provision and Maintenance of Metering Equipment Contract, Transactional Meter Works not exceeding 7 bar, Above 7 bar Transactional Meter Works and Adversarial Meterworks.

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## 1. Introduction

Northern Gas Networks Limited provides gas transportation, metering and daily meter reading services throughout its area of operation for the companies that supply domestic, industrial and commercial consumers.

Northern Gas Networks Limited is an Ofgem Approved Meter Installer (OAMI) and provides a range of meter provision, installation and maintenance services.

For further details of these services please contact: **Gareth Mills** on **0113 3975327** or e-mail to [gmills@northerngas.co.uk](mailto:gmills@northerngas.co.uk)

This publication sets out Northern Gas Networks Limited's charges from 1 September 2010 for its metering services provided under the Provision and Maintenance of Metering Equipment Contract, Transactional Meter Works not exceeding 7 bar Contract, Above 7 bar Transactional Meterworks Contract, Adversarial Meterworks Contract, and the Uniform Network Code.

## **2. Charges from 1 September 2010**

### **2.1 Introduction**

This section sets out the charges for the Uniform Network Code and Northern Gas Networks Limited's Metering Contracts. This document does not override or vary any of the statutory, licence or Network Code or other contractual obligations upon Northern Gas Networks Limited.

For more information on these charges, please contact Gareth Mills, Commercial Manager, Northern Gas Networks, 1100 Century Way, Thorpe Business Park, Colton, Leeds LS15 8TU.

#### **2.1.1 Annual and Transactional Charges**

Annual charges apply in respect of all metering equipment provided and maintained by Northern Gas Networks Limited on a per meter basis.

Transactional (one-off) charges are made in respect of specific meter work activities carried out by Northern Gas Networks Limited, as set out in section 2.3, including the installation of metering equipment.

All charges are shown exclusive of VAT.

#### **2.1.2 Domestic Meter Installations**

Annual charges for provision, installation (where applicable) and maintenance of domestic size meters<sup>2</sup> vary with payment mechanism; that is whether the meter is a credit or a prepayment meter. This approach reflects some of the additional costs of providing prepayment metering services compared to credit meters.

#### **2.1.3 Larger Meter Installations**

Annual charges for provision, installation and maintenance of industrial and commercial size meters<sup>3</sup> vary with the method of flow measurement (diaphragm, rotary or turbine). Separate charges apply for provision, installation and maintenance of metering installations connected to high-pressure systems<sup>4</sup>.

Annual charges for meter provision, installation and maintenance also vary with the meter's 'badged capacity' or Qmax<sup>5</sup>, since meter capacity is the main cost driver for a given meter type. Separate charges apply for provision, installation and maintenance of daily read equipment (dataloggers) and volume converters (correctors).

#### **2.1.4 Invoicing**

Invoices derived from the charges in this publication will be issued by National Grid on behalf of Northern Gas Networks Limited. If a gas supplier has an invoice query, this should normally be submitted via SAP Rainbow using the relevant Transaction Type Reason Code as detailed in the Query Submission section of the MAM Manual.

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<sup>2</sup> Where the meter capacity is less than 11 standard cubic meters per hour (scmh).

<sup>3</sup> Where the meter capacity is greater than or equal to 11scmh.

<sup>4</sup> Operating at pressures greater than 7 barg.

<sup>5</sup> An indication of the upper limit of a measuring device's accuracy envelope.

## 2.2 Annual Rental Charges

The tables in this section show the annual charges, expressed both in £ sterling per annum for general purposes, and in pence per day for billing purposes.

### 2.2.1 Low, Medium and Intermediate Pressure Metering Installations (<= 7barg)

#### Domestic Size Meters (Meter capacity less than 11 scmh)

	Credit Meter		Prepayment Meter	
	pence per day	per annum	pence per day	per annum
Provision	2.4411	£8.91	2.6513	£9.68
Installation	1.3883	£5.07	1.3883	£5.07
Maintenance	0.1651	£0.60	5.2809	£19.28
<b>Total</b>	<b>3.9945</b>	<b>£14.58</b>	<b>9.3205</b>	<b>£34.02</b>

#### Larger Diaphragm Meters

Capacity (scmh)	≥11<21	≥21<29	≥29<51	≥51<79	≥79<121	≥121
<b>per annum</b>						
Provision	£33.24	£57.09	£71.65	£136.27	£209.96	£228.67
Maintenance	£3.47	£3.78	£4.96	£7.28	£14.40	£28.60
<b>Total</b>	<b>£36.71</b>	<b>£60.88</b>	<b>£76.61</b>	<b>£143.55</b>	<b>£224.36</b>	<b>£257.27</b>
<b>Pence per day</b>						
Provision	9.1065	15.6421	19.6309	37.3350	57.5245	62.6486
Maintenance	0.9504	1.0368	1.3586	1.9932	3.9448	7.8359
<b>Total</b>	<b>10.0570</b>	<b>16.6789</b>	<b>20.9895</b>	<b>39.3283</b>	<b>61.4693</b>	<b>70.4845</b>

#### Rotary Meters

Capacity (scmh)	<28	≥28<57	≥57<113	≥113<170	≥170<226	≥226<396
<b>per annum</b>						
Provision	£98.79	£128.79	£150.90	£225.16	£278.46	£429.95
Maintenance	£134.24	£134.85	£162.77	£164.04	£164.71	£164.96
<b>Total</b>	<b>£233.02</b>	<b>£263.64</b>	<b>£313.67</b>	<b>£389.19</b>	<b>£443.17</b>	<b>£594.91</b>
<b>Pence per day</b>						
Provision	27.0648	35.2854	41.3417	61.6868	76.2910	117.7949
Maintenance	36.7774	36.9454	44.5940	44.9419	45.1247	45.1955
<b>Total</b>	<b>63.8422</b>	<b>72.2308</b>	<b>85.9357</b>	<b>106.6287</b>	<b>121.4157</b>	<b>162.9904</b>

Rotary Meters (cont.)

Capacity (scmh)	≥396<509	≥509<792	≥792<1,358	≥1,358<1,810	≥1,810
<b>per annum</b>					
Provision	£469.29	£631.86	£682.38	£874.91	£1,474.73
Maintenance	£193.83	£195.43	£199.93	£633.27	£637.12
<b>Total</b>	<b>£663.12</b>	<b>£827.29</b>	<b>£882.31</b>	<b>£1,508.18</b>	<b>£2,111.85</b>
<b>Pence per day</b>					
Provision	128.5719	173.1128	186.9533	239.7000	404.0350
Maintenance	53.1035	53.5429	54.7754	173.4990	174.5546
<b>Total</b>	<b>181.6754</b>	<b>226.6556</b>	<b>241.7287</b>	<b>413.1991</b>	<b>578.5896</b>

Turbine Meters

Capacity (scmh)	<283	≥283<509	≥509<792	≥792<1,216	≥1,216<1,952
<b>per annum</b>					
Provision	£309.27	£446.88	£631.13	£806.23	£906.33
Maintenance	£483.71	£502.64	£516.74	£536.80	£557.90
<b>Total</b>	<b>£792.98</b>	<b>£949.52</b>	<b>£1,147.87</b>	<b>£1,343.03</b>	<b>£1,464.23</b>
<b>Pence per day</b>					
Provision	84.7327	122.4330	172.9123	220.8853	248.3098
Maintenance	132.5229	137.7094	141.5720	147.0682	152.8503
<b>Total</b>	<b>217.2556</b>	<b>260.1424</b>	<b>314.4843</b>	<b>367.9535</b>	<b>401.1601</b>

Capacity (scmh)	≥1,952<3,027	≥3,027<4,894	≥4,894<8,119	≥8,119
<b>per annum</b>				
Provision	£1,416.90	£1,877.29	£2,267.26	£2,792.26
Maintenance	£581.56	£603.56	£618.88	£650.43
<b>Total</b>	<b>£1,998.46</b>	<b>£2,480.85</b>	<b>£2,886.14</b>	<b>£3,442.69</b>
<b>Pence per day</b>				
Provision	388.1924	514.3258	621.1668	765.0033
Maintenance	159.3312	165.3581	169.5568	178.1990
<b>Total</b>	<b>547.5236</b>	<b>679.6838</b>	<b>790.7236</b>	<b>943.2023</b>

### 2.2.2 High Pressure Metering Installations (>7 barg)

Capacity (scmh)	< 10,192	≥10,192<14,906	≥14,906<25,878	≥25,878<36,866
<b>per annum</b>				
Provision	£4,202.50	£4,452.34	£4,452.34	£6,238.69
Maintenance	£6,565.61	£7,208.91	£8,673.82	£6,487.13
<b>Total</b>	<b>£10,768.11</b>	<b>£11,661.25</b>	<b>£13,126.16</b>	<b>£12,725.82</b>
<b>Pence per day</b>				
Provision	1,151.3705	1,219.8183	1,219.8183	1,709.2288
Maintenance	1,798.7971	1,975.0442	2,376.3901	1,777.2962
<b>Total</b>	<b>2,950.1676</b>	<b>3,194.8625</b>	<b>3,596.2084</b>	<b>3,486.5250</b>

Capacity (scmh)	≥36,866<63,524	≥63,524
<b>£ per annum</b>		
Provision	£6,435.47	£5,929.40
Maintenance	£7,774.55	£14,691.74
<b>Total</b>	<b>£14,210.03</b>	<b>£20,621.14</b>
<b>Pence per day</b>		
Provision	1,763.1432	1,624.4931
Maintenance	2,130.0145	4,025.1351
<b>Total</b>	<b>3,893.1576</b>	<b>5,649.6282</b>

### 2.2.3 Volume converters (Correctors)

	Pence per Day	per annum
Provision	35.2471	£128.65
Installation	14.2091	£51.86
Maintenance	24.0013	£87.60
<b>Total</b>	<b>73.4574</b>	<b>£268.12</b>

### 2.2.4 Dataloggers (This charge excludes the daily meter reading charge set at the tariff cap)

	Pence per day	£ per annum
Provision	9.7527	£35.60
Installation	43.5225	£158.86
Maintenance	65.8368	£240.30
<b>Total</b>	<b>119.1120</b>	<b>£434.76</b>

## 2.3 Transactional Charges

These charges replace those set out in Table 2.3 of the "Metering Charges statement from 1<sup>st</sup> September 2009"

Any work downstream of the outlet of the meter is excluded unless specifically mentioned. In all cases, service pipe installation, alteration and disconnection and meter box provision is excluded and will be subject to additional charges.

### 2.3.1 Domestic-Size Meters

The following charges relate to domestic-size meter installations, where the meter capacity is less than 11 standard cubic metres per hour (scmh).

#### Installation of domestic meters

Title	Description	Charge
Install domestic credit meter	Includes time and materials (pressure controlling equipment, flexible connector, etc) required to install a domestic credit meter. Excludes the cost of the meter itself.	<b>£69.04</b>
Install domestic prepayment meter	Includes time and materials (pressure controlling equipment, flexible connector, etc) required to install a prepayment meter. Excludes the cost of the meter itself. Includes commissioning of the meter module in current (TGB) format and the use of a blank gas card where no Supplier gas card is on site.	<b>£75.08</b>

#### Customer requested domestic meter exchange

Title	Description	Charge
Customer requested exchange *	Includes time and materials required to exchange a credit meter to prepayment or a prepayment meter to credit. Excludes the cost of the meter itself. Includes up to 1 metre of additional inlet pipework and up to 2 metres of additional outlet pipework where an ETM cannot be installed in the place of an existing credit meter. Includes testing (excludes any trace and repair work), purging and re-lighting.	<b>£59.66</b>

\* Set to level of the tariff cap.

#### Ofgem domestic meter accuracy test

Title	Description	Charge
Ofgem accuracy test	Includes transportation of the meter and time and materials required to exchange a meter. Includes secure transportation box. Excludes the cost of the meter itself and of the accuracy test. Includes testing (excludes any trace and repair work), purging and re-lighting.	<b>£122.61</b>

#### Exchange damaged meter

Title	Description	Charge
Exchange damaged meter	Includes time and materials required to exchange a damaged meter. Excludes the cost of the meter itself. Includes testing (excludes any trace and repair work), purging and re-lighting.	<b>£59.04</b>

**Meter position alteration**

<b>Title</b>	<b>Description</b>	<b>Charge</b>
Alter position of meter only (no service pipe modification) *	Includes time and materials required to exchange a damaged meter. Excludes the cost of the meter itself. Includes testing (excludes any trace and repair work), purging and re-lighting.	<b>£97.62</b>

\* Additional outlet pipe work, in excess of 2m, will be charged at current labour and materials rates in addition to the above charges.

**Meter removal, clamping and collars**

<b>Title</b>	<b>Description</b>	<b>Charge</b>
Remove meter	Remove domestic-size meter.	<b>£50.42</b>
Fit or remove clamp (Lock) *	Fit or remove clamp to/from domestic-size meter.	<b>£57.24</b>
Fit security collar to meter	Fit North of England DN-supplied security collar.	<b>£32.43</b>

\* Northern Gas Networks Limited supplied clamps and locks can only be fitted and removed by authorised North of England DN operatives.

**Northern Gas Networks Limited Craft Person (CP) hire**

<b>Title</b>	<b>Description</b>	<b>Charge</b>
CP Hire – Half Day *	Half day North of England DN Craft Person hire.	<b>£279.52</b>
CP Hire – Full Day *	Full day North of England DN Craft Person hire.	<b>£524.06</b>
CP Hire – Hourly rate (normal hours) *	North of England DN Craft Person hourly rate.	<b>£69.88</b>
CP Hire – Hourly Rate (out of hours) *	North of England DN Craft Person hourly rate.	<b>£104.82</b>

\* All work shall be carried out in accordance with “General Conditions of Contract for Adversarial Meter Works”. These charge rates also apply in respect of purging meters and downstream installations.

### 2.3.2 Large Size Meters

The following charges relate to installation and removal of larger diaphragm meters. These charges apply only in respect of standard low pressure installations, where no enhancements (e.g. bypasses) are required.

#### Large diaphragm meter installation charges

Capacity (scmh)	≥11<21	≥21<29	≥29<51	≥51<79	≥79<121	≥121
Meter only	£146.51	£175.86	£294.06	£638.01	£808.16	£909.73
Meter and housing	£402.91	£584.89	£721.02	£1,584.19	£1,809.92	£1,911.50

**Note 1:** These charges also apply where a smaller meter is exchanged for a larger meter. In these cases the applicable rate will be that corresponding to the new meter.

**Note 2:** Housing charges do not include the costs for explosion relief roofs or for the construction of bases to support the housing. Quotations should be requested if these options are required.

#### Large diaphragm meter removal charges

Capacity (scmh)	≥11<21	≥21<29	≥29<51	≥51<79	≥79<121	≥121
Meter removal	£152.37	£152.37	£230.29	£230.29	£319.56	£323.37
Adversarial meter removal*	£152.37	£152.37	£230.29	£230.29	£319.56	£323.37

\* **Note:** Further charges will apply for any additional time (such as waiting time or purging) or materials in connection with adversarial meter removals.

#### Large diaphragm meter Accuracy tests

Capacity (scmh)	≥11<21	≥21<29	≥29<51	≥51<79	≥79<121	≥121
Ofgem accuracy test*	£101.16	£106.30	£219.63	£219.63	£321.14	£321.14

\* **Note:** Includes transportation of the meter and time and materials required to exchange a meter. Includes secure transportation box. Excludes the cost of the meter itself and of the accuracy test. Includes testing (excludes any trace and repair work), purging and re-lighting.

#### Other Metering Charges

All other charges for work on industrial and commercial size meter installations, dataloggers and volume converters will be quoted on an individual basis.

### 2.4 Transfer of title of in-situ ancillary equipment

Where a Northern Gas Networks Limited meter is removed and replaced by a meter belonging to another operator the supplier may elect for the transfer of the title to the relevant Supplier of Northern Gas Networks Limited in-situ ancillary equipment in accordance with contract. Conditions apply regarding the components that may be retained in-situ. For clarification this change excludes the meter.

**Standard low pressure domestic-sized meters**

Standard charge for installation kit (excludes meter)*	£4.01
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\* **Note:** No charge applies for title transfer where the meter installation is exempted from the “install” component of annual rental charges. That is where the installation was made after 1 October 2000.

**Standard low-pressure large diaphragm meters – transfer of ancillary equipment**

Standard low-pressure diaphragm meter installations are subject to published charge; all other Industrial and Commercial (I&C) Installations are subject to quotation. Charges exclude the meters.

Capacity (scmh)	≥11<21	≥21<29	≥29<51	≥51<79	≥79<121	≥121
Charge *	£126.82	£154.86	£278.60	£535.96	£629.56	£730.88

\* **Note:** No charge applies for title transfer where the meter installation is exempted from the “install” component of annual rental charges. That is where the installation was made after 1 April 2001.

**Quotation Charges for title transfer of Ancillary Equipment at I&C Installations**

Northern Gas Networks Limited will provide quotations, on an individual basis, for the title transfer to the relevant supplier of in-situ ancillary equipment for all medium and high-pressure meters as well as for low-pressure rotary and turbine meters. The charges for making such quotations are;

	Charge per quotation
Quotations based on details of equipment as provided by customer.	£44.54
Quotations based on a North of England DN site survey. *	£111.00

\* **Note:** Site survey carried out on request for installations <7barg. In the case of Ancillary Equipment with an inlet pressure of 7 barg and above, the cost of the quotation will be on the basis of Northern Gas Networks Limited’s cost of preparing such a quotation. Northern Gas Networks Limited will endeavour to provide a best estimate of such costs in advance.

### 3. Metering Charging Methodology

In addition to publishing its charges, Northern Gas Networks Limited's Gas Transporters Licence requires it to publish an explanation of the methods by which and the principles on which its charges are calculated.

Northern Gas Networks Limited's metering charges are set so that they are in line with the price control set by Ofgem, the gas and electricity market regulator. To achieve price control for metering services, Ofgem has set tariff caps for four key services. Northern Gas Networks Limited's charges for these services must not exceed the tariff caps, which are increased each year by inflation calculated in accordance with the methodology set out in Northern Gas Networks Limited's GT licence.

Charges will apply in respect of Northern Gas Networks Limited's meters in its gas distribution network.

#### Metering Tariff Caps from 1 September 2010

Service	Tariff Cap
Provide, install and maintain domestic credit meter	£14.58
Provide, install and maintain prepayment meter	£34.02
Customer requested domestic meter exchange	£59.66
DM Daily Meter Reading	£440.87

#### Charges for domestic meter types

For the 2010/11 formula year, domestic credit and prepayment meter rental charges have been set so that they are equal to the tariff caps. Similarly the customer requested domestic meter exchange and the daily meter reading for daily metered supply points have also been set to the tariff caps.

#### Charges for Non-Domestic meter types

Other, non-tariff capped, charges are regulated through a non-discrimination condition in Northern Gas Networks' Transporter licence. Northern Gas Networks has reviewed its meter rental charges for larger meters and charges have been amended accordingly. The charges reflect the meter asset management costs which have been experienced. Annual charges have been set to recover these costs over the economic life of the metering assets to minimise the within year increases and resultant impact on customer charges. The charges also reflect some rebalancing between meter asset types to better reflect the underlying costs.

Annual charges for the provision, installation and maintenance of Industrial and Commercial meters vary with meter type and capacity.

#### Non-domestic meter types

There are presently three main types of Industrial and Commercial meters – diaphragm, rotary and turbine. Other meter types, such as orifice plate meters, are used for specialist applications.

Installations connected to high-pressure systems operating above 7 bar are considerably more complex. They typically include a flow computer and may comprise additional equipment, such as multi-stage pressure reduction, slam shut discrimination and pre-heaters.

Different meter types have different costs, particularly with respect to purchase price and maintenance costs. For example, rotary meters tend to have higher purchase prices than the

equivalent turbine meter. Diaphragm meters do not need regular maintenance, unlike rotary and turbine meters, which need to be serviced according to manufacturer's specifications.

### **Meter capacity**

Meter capacity is the main cost driver for a particular meter type. Larger meters have higher purchase prices and typically take longer to install. Larger, higher capacity metering installations also have larger, more costly regulators, valves and connecting pipe work. They may include additional equipment, such as pressure protection systems and filters.

### **Capacity bands**

In order to move from a structure reflecting the costs of individual meter models to one that may be applied to all models of a given type, the charges are expressed in terms of capacity bands. The upper and lower limits of each band were chosen so that the mid-point of the band corresponds to the capacity of the model on which the charge for that band is based.

<b>Model</b>	<b>U16</b>	<b>U25</b>	<b>U40</b>	<b>U65</b>	<b>U100</b>	<b>U160</b>
Capacity	16	25	40	65	100	160
Capacity band	11 to 21	21 to 29	29 to 51	51 to 79	79 to 121	≥121

To assist customers, Northern Gas Networks Limited's meter rental charges are shown broken down to component parts.