

1st June 2009

Dear Colleague,

Northern Gas Networks' Metering Charges from 1st September 2009

Please find attached schedules showing Northern Gas Networks' revised metering charges to apply from 1st September 2009. This notification is provided 3 months in advance of the effective date consistent with the notice period required in Northern Gas Networks' Metering contracts.

Northern Gas Networks' metering charges are regulated by a price control set by Ofgem, the gas industry regulator. Ofgem has set tariff caps for four key metering services and charges for these services must not exceed the tariff caps, which are increased each year by inflation (RPI).

Northern Gas Networks has not implemented charge increases since 1st May 2007. The revised rental charges effective from 1st August 2009 incorporate an increase in respect of inflation for this two year period of 8.75%. The domestic annual charges are set to the regulated tariff caps and are £14.73 for a credit meter, £34.38 for a prepayment meter. The transactional charge for a customer requested domestic meter exchange is capped at £60.28. The charge for a daily meter reading service is capped at £445.49.

Northern Gas Networks is also adjusting its transaction charges for meter works to reflect increases in underlying costs since 2007. Overall transaction charges will increase by 11%.

The revised charges effective from 1st September 2009 will be published on Northern Gas Networks' Internet site <http://www.northerngasnetworks.co.uk>. If you have any questions about the new charges, please contact:

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Yours sincerely

Gareth Mills
Commercial Manager

Annual Rental Charges

These charges replace those set out in Table 2.2 of the “Metering Charges statement from 1st May 2007”

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	2.4659	£9.00	2.6801	£9.78
Installation	1.4029	£5.12	1.4029	£5.12
Maintenance	0.1668	£0.61	5.3362	£19.48
Total	4.03562	£14.73	9.4192	£34.38

Larger Diaphragm Meters

Capacity (scmh)	≥11<21	≥21<29	≥29<51	≥51<79	≥79<121	≥121
£ per annum						
Provision	£30.24	£57.12	£84.96	£148.48	£228.59	£249.53
Installation	£13.43	£16.19	£26.64	£58.66	£72.48	£81.73
Maintenance	£3.47	£3.78	£4.96	£7.28	£14.40	£28.60
Total	£47.14	£77.09	£116.56	£214.41	£315.47	£359.85
Pence per day						
Provision	8.2858	15.6480	23.2754	40.6782	62.6277	68.3632
Installation	3.6796	4.4364	7.2996	16.0711	19.8579	22.3905
Maintenance	0.9504	1.0368	1.3586	1.9932	3.9448	7.8359
Total	12.9159	21.1212	31.9336	58.7426	86.4305	98.5895

Rotary Meters

Capacity (scmh)	<28	≥28<57	≥57<113	≥113<170	≥170<226	≥226<396
£ per annum						
Provision	£99.82	£130.14	£152.48	£227.51	£281.38	£434.45
Installation	£55.77	£69.93	£127.91	£165.58	£202.76	£327.19
Maintenance	£135.64	£136.26	£164.47	£165.76	£166.43	£166.69
Total	£291.23	£336.33	£444.86	£558.42	£650.57	£928.34
Pence per day						
Provision	27.3482	35.6549	41.7747	62.3328	77.0899	119.0285
Installation	15.2785	19.1578	35.0441	45.3649	55.5516	89.6423
Maintenance	37.1625	37.3323	45.0610	45.4126	45.5973	45.6688
Total	79.7893	92.1450	121.8798	153.1102	178.2388	254.3396

Capacity (scmh)	≥396<509	≥509<792	≥792<1,358	≥1,358<1,810	≥1,810
£ per annum					
Provision	£474.20	£638.48	£689.53	£884.07	£1,490.17
Installation	£417.16	£460.73	£587.19	£669.99	£1,022.52
Maintenance	£195.86	£197.48	£202.02	£639.90	£643.80
Total	£1,087.22	£1,296.68	£1,478.74	£2,193.97	£3,156.48
Pence per day					
Provision	129.9183	174.9257	188.9112	242.2103	408.2662
Installation	114.2912	126.2268	160.8747	183.5601	280.1415
Maintenance	53.6596	54.1036	55.3490	175.3160	176.3826
Total	297.8691	355.2561	405.1348	601.0864	864.7903

Turbine Meters

Capacity (scmh)	<283	≥283<509	≥509<792	≥792<1,216	≥1,216<1,952
£ per annum					
Provision	£312.51	£451.56	£637.74	£814.67	£915.82
Installation	£315.59	£373.72	£483.10	£594.78	£708.69
Maintenance	£488.77	£507.90	£522.15	£542.42	£563.75
Total	£1,116.88	£1,333.18	£1,642.99	£1,951.88	£2,188.26
Pence per day					
Provision	85.6201	123.7151	174.7231	223.1985	250.9102
Installation	86.4632	102.3883	132.3555	162.9543	194.1609
Maintenance	133.9108	139.1516	143.0547	148.6083	154.4510
Total	305.9941	365.2550	450.1332	534.7611	599.5222

Capacity (scmh)	≥1,952<3,027	≥3,027<4,894	≥4,894<8,119	≥8,119
£ per annum				
Provision	£1,431.74	£1,896.95	£2,291.00	£2,821.50
Installation	£1,083.47	£1,394.60	£1,402.64	£1,590.74
Maintenance	£587.65	£609.88	£625.36	£657.24
Total	£3,102.86	£3,901.43	£4,319.01	£5,069.48
Pence per day				
Provision	392.2577	519.7120	627.6719	773.0147
Installation	296.8412	382.0829	384.2847	435.8200
Maintenance	160.9998	167.0898	171.3325	180.0652
Total	850.0987	1,068.8847	1,183.2891	1,388.9000

High Pressure Metering Installations (>7 barg)

Capacity (scmh)	< 10,192	≥10,192<14,906	≥14,906<25,878	≥25,878<36,866
£ per annum				
Provision	£4,246.51	£4,498.96	£4,545.20	£6,304.02
Installation	£3,709.61	£4,040.40	£4,793.65	£5,059.03
Maintenance	£6,634.37	£7,284.41	£8,764.66	£6,555.07
Total	£14,590.49	£15,823.77	£18,103.52	£17,918.12
Pence per day				
Provision	1,163.4281	1,232.5928	1,245.2613	1,727.1285
Installation	1,016.3304	1,106.9589	1,313.3295	1,386.0367
Maintenance	1,817.6349	1,995.7277	2,401.2766	1,795.9088
Total	3,997.3934	4,335.2794	4,959.8675	4,909.0741

Capacity (scmh)	≥36,866<63,524	≥63,524
£ per annum		
Provision	£6,502.87	£5,991.50
Installation	£5,721.02	£7,888.04
Maintenance	£7,855.97	£14,845.60
Total	£20,079.86	£28,725.14
Pence per day		
Provision	1,781.6075	1,641.5055
Installation	1,567.4039	2,161.1073
Maintenance	2,152.3209	4,067.2880
Total	5,501.3324	7,869.9008

Volume converters (Correctors)

	Pence per Day	£ per annum
Provision	35.6162	£130.00
Installation	14.3579	£52.41
Maintenance	24.2526	£88.52
Total	74.2267	£270.93

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

	Pence per day	£ per annum
Provision	9.8548	£35.97
Installation	43.9781	£160.52
Maintenance	66.526	£242.82
Total	120.3589	£439.31

Transactional Charges

These charges replace those set out in Table 2.3 of the “Metering Charges statement from 1st May 2005”

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.

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).

Activity	Charge
Install domestic credit meter	£68.57
Install domestic prepayment meter	£73.92
Customer requested exchange ¹	£60.28
Ofgem accuracy test	£69.04
Exchange damaged meter	£57.47
Alter Position of Meter only (no service pipe modification) ²	£97.62
Remove meter	£50.42
Fit or remove Clamp (Lock) ³	£57.25
Fit Security Collar to meter	£32.43
CP Hire – Half Day ⁴	£224.93
CP Hire – Full Day ⁴	£421.56
CP Hire – Hourly rate (normal hours) ⁴	£58.73
CP Hire – Hourly Rate (out of hours) ⁴	£74.98

1. Set to level of the tariff cap.
2. Additional outlet pipe work, in excess of 2m, will be charged at current labour and materials rates in addition to the above charges.
3. Northern Gas Networks supplied clamps and locks can only be fitted and removed by authorised Northern Gas Networks operatives.
4. All work shall be carried out in accordance with “General Conditions of Contract for Adversarial Meterworks”. These charge rates also apply in respect of purging meters and downstream installations.

Industrial and Commercial-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 transportation box. Includes testing, purging and re-lighting but excludes any associated trace and repair work. Excludes the cost of the meter itself.

Other Metering Charges

Transfer of title of in-situ ancillary equipment

Domestic meters – charge for sale of installation kit

Standard charge for installation kit (excludes meter)	£4.06
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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.

Large diaphragm meters - charges for sale of installation kit

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 transfer of title of ancillary equipment

	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

Daily Meter Reading services

The Annual charge for Daily Meter (DM) reading has been set to the tariff cap of £445.49. This charge is calculated on a daily basis, at 112.05 pence per day.