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[www.nationalgrid.com](http://www.nationalgrid.com)

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Dear Colleagues,

### **National Grid Metering Charges from 1<sup>st</sup> April 2011**

Please find attached schedules showing National Grid's revised metering charges to apply from 1<sup>st</sup> April 2011. This notification is provided 3 months in advance of the effective date consistent with the notice period required in National Grid's Metering contracts<sup>1</sup>.

National Grid's metering charges are regulated by a price control set by Ofgem, the gas industry regulator, under which it has set tariff caps for four key metering services<sup>2</sup>. National Grid's charges for these services must not exceed the tariff caps, which are adjusted each year in line with inflation (RPI).

In general, the revised rental charges for domestic sized meters effective from 1<sup>st</sup> April 2011 incorporate an inflationary increase of 4.7%. The domestic annual rental charges are set to the regulated tariff caps and are £15.27 for a credit meter and £35.63 for a prepayment meter.

The transaction charge for domestic meter exchange has been amended in line with inflation to £62.48, the level of the regulated tariff cap.

### **Industrial and Commercial (U16 and Above)**

This year National Grid Metering has launched a number of initiatives which improve our Industrial and Commercial product offering; these initiatives have included the provision of National Meterworks, improved Planned Performance Levels and the removal of upfront installation charges for low pressure Large Diaphragm assets. I would like to take this

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

<sup>2</sup> Tariff caps apply to domestic credit meter rental, prepayment meter rental, domestic customer requested exchange and daily meter reading services

opportunity to confirm that as previously communicated, the annual rental charges for low pressure Large Diaphragm Industrial and Commercial (I&C) meters have been frozen at 2010/11 price levels. In addition to this price freeze and to ensure other I&C rentals are more reflective of actual costs, the price freeze will be extended to include rotary meters (up to 226 scmh). It is necessary to increase rentals for the small number of high pressure meters by 24.5% to reflect the high maintenance costs associated with these complex installations. Rental charges for all other I&C meters have been amended in line with inflation of 4.7%.

We are pleased to say that looking across I&C metering as a whole the effect of these changes is an increase of just 2.7% in rentals (a reduction of around 2% in real terms).

Please note that February 2012 is a leap year. The daily rental charges for 2011/12 have therefore been adjusted accordingly (i.e. annual charges are divided by 366 days to derive the daily charges).

As in previous years, National Grid has reviewed the transaction charges for meter works. National Grid is currently undergoing a procurement exercise for the provision of meterwork services in the independent distribution networks. We anticipate that the revised commercial arrangements with service providers will allow us to drive improvements in performance. Despite the downward pressure on costs, overall, meterwork charges for 2011/12 must rise as service providers pass on increased costs such as wage and fuel inflation. Consequently, transactional charges for 2011/11 will increase on average by 6%.

The revised charges effective from 1<sup>st</sup> April 2011 will be published on National Grid's Internet site <http://www.nationalgrid.com/uk/metering>, by 31<sup>st</sup> December 2010. If you have any questions about the new charges, please send an email to [metcom@uk.ngrid.com](mailto:metcom@uk.ngrid.com) for the attention of Stewart Love.

Yours sincerely

*Vivienne Bracken*

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Director, National Grid Metering

## Annual Rental Charges

These charges replace those set out in Table 2.2 of the "Metering Charges statement from 1<sup>st</sup> April 2010"

### 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	2.4809	£9.08	2.8307	£10.36
Installation	1.6120	£5.90	1.6120	£5.90
Maintenance	0.0792	£0.29	5.2923	£19.37
<b>Total</b>	<b>4.1721</b>	<b>£15.27</b>	<b>9.7350</b>	<b>£35.63</b>

#### Larger Diaphragm Meters

Capacity (scmh)	>= 11< 21	>=21<29	>=29<51	>=51<79	>=79<121	>=121
<b>£ per annum</b>						
Provision	£18.67	£38.84	£55.41	£100.17	£173.34	£196.16
Installation	£13.29	£16.03	£26.36	£58.05	£71.73	£80.88
Maintenance	£2.92	£3.74	£5.70	£9.96	£23.15	£49.69
<b>Total</b>	<b>£34.88</b>	<b>£58.61</b>	<b>£87.47</b>	<b>£168.18</b>	<b>£268.22</b>	<b>£326.73</b>
<b>Pence per day</b>						
Provision	5.1012	10.6120	15.1393	27.3688	47.3607	53.5956
Installation	3.6311	4.3798	7.2022	15.8607	19.5984	22.0984
Maintenance	0.7978	1.0219	1.5574	2.7213	6.3251	13.5765
<b>Total</b>	<b>9.5301</b>	<b>16.0137</b>	<b>23.8989</b>	<b>45.9508</b>	<b>73.2842</b>	<b>89.2705</b>

#### Rotary Meters

Capacity (scmh)	<28	>=28<57	>=57<113	>=113<170	>=170<226	>=226<396
<b>£ per annum</b>						
Provision	£153.40	£186.77	£232.09	£275.00	£322.19	£425.58
Installation	£55.19	£69.21	£126.58	£163.86	£200.67	£339.12
Maintenance	£173.55	£174.72	£226.83	£228.48	£229.65	£242.63
<b>Total</b>	<b>£382.14</b>	<b>£430.70</b>	<b>£585.50</b>	<b>£667.34</b>	<b>£752.51</b>	<b>£1,007.33</b>
<b>Pence per day</b>						
Provision	41.9126	51.0301	63.4126	75.1366	88.0300	116.2788
Installation	15.0792	18.9098	34.5847	44.7705	54.8279	92.6557
Maintenance	47.4180	47.7377	61.9754	62.4262	62.7459	66.2923
<b>Total</b>	<b>104.4098</b>	<b>117.6776</b>	<b>159.9727</b>	<b>182.3333</b>	<b>205.6038</b>	<b>275.2268</b>

Capacity (scmh)	>=396<509	>=509<792	>=792<1,358	>=1,358<1,810	>=1,810
<b>£ per annum</b>					
Provision	£511.16	£555.70	£619.77	£1,218.89	£1,451.21
Installation	£432.38	£477.54	£608.60	£694.43	£1,059.80
Maintenance	£298.01	£300.75	£308.37	£1,166.28	£1,171.62
<b>Total</b>	<b>£1,241.55</b>	<b>£1,333.99</b>	<b>£1,536.74</b>	<b>£3,079.60</b>	<b>£3,682.63</b>
<b>Pence per day</b>					
Provision	139.6612	151.8306	169.3360	333.0301	396.5055
Installation	118.1366	130.4754	166.2842	189.7350	289.5628
Maintenance	81.4235	82.1721	84.2541	318.6557	320.1148
<b>Total</b>	<b>339.2213</b>	<b>364.4781</b>	<b>419.8743</b>	<b>841.4208</b>	<b>1006.1831</b>

## Turbine Meters

Capacity (scmh)	<283	>=283<509	>=509<792	>=792<1,216	>=1,216<1,952
<b>£ per annum</b>					
Provision	£607.03	£716.55	£775.26	£925.90	£989.46
Installation	£327.10	£387.35	£500.71	£616.47	£734.54
Maintenance	£741.66	£776.78	£805.25	£840.58	£876.12
<b>Total</b>	<b>£1,675.79</b>	<b>£1,880.68</b>	<b>£2,081.22</b>	<b>£2,382.95</b>	<b>£2,600.12</b>
<b>Pence per day</b>					
Provision	165.8552	195.7787	211.8196	252.9781	270.3443
Installation	89.3716	105.8333	136.8060	168.4344	200.6940
Maintenance	202.6393	212.2350	220.0137	229.6667	239.3770
<b>Total</b>	<b>457.8661</b>	<b>513.8470</b>	<b>568.6393</b>	<b>651.0792</b>	<b>710.4153</b>

Capacity (scmh)	>=1,952<3,027	>=3,027<4,894	>=4,894<8,119	>=8,119
<b>£ per annum</b>				
Provision	£1,485.67	£1,985.53	£2,002.33	£2,093.74
Installation	£1,122.98	£1,445.47	£1,453.78	£1,648.74
Maintenance	£917.39	£951.69	£983.94	£1,009.83
<b>Total</b>	<b>£3,526.04</b>	<b>£4,382.69</b>	<b>£4,440.05</b>	<b>£4,752.31</b>
<b>Pence per day</b>				
Provision	405.9208	542.4945	547.0846	572.0602
Installation	306.8251	394.9372	397.2077	450.4754
Maintenance	250.6530	260.0246	268.8361	275.9098
<b>Total</b>	<b>963.3989</b>	<b>1,197.4563</b>	<b>1,213.1284</b>	<b>1,298.4454</b>

## High Pressure Metering Installations (>7 barg)

Capacity (scmh)	< 10,192	>=10,192<14,906	>=14,906<25,878	>=25,878<36,866	>=36,866<63,524	>=63,524
<b>£ per annum</b>						
Provision	£7,461.56	£8,078.04	£9,318.23	£10,285.46	£11,517.58	£15,542.13
Installation	£4,569.32	£4,976.78	£5,904.59	£6,231.48	£7,046.88	£9,716.12
Maintenance	£12,060.98	£12,797.24	£14,473.86	£15,064.56	£16,538.03	£21,361.45
<b>Total</b>	<b>£24,091.86</b>	<b>£25,852.06</b>	<b>£29,696.68</b>	<b>£31,581.50</b>	<b>£35,102.49</b>	<b>£46,619.70</b>
<b>Pence per day</b>						
Provision	2,038.6776	2,207.1147	2,545.9644	2,810.2349	3,146.8799	4,246.4837
Installation	1,248.4481	1,359.7760	1,613.2760	1,702.5902	1,925.3770	2,654.6776
Maintenance	3,295.3497	3,496.5137	3,954.6066	4,116.0000	4,518.5874	5,836.4617
<b>Total</b>	<b>6,582.4754</b>	<b>7,063.4044</b>	<b>8,113.8470</b>	<b>8,628.8251</b>	<b>9,590.8443</b>	<b>12,737.6230</b>

## Volume converters (Correctors)

	Pence per day	£ per annum
Provision	36.8142	£134.74
Installation	14.8388	£54.31
Maintenance	33.4508	£122.43
<b>Total</b>	<b>85.1038</b>	<b>£311.48</b>

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

	Pence per day	£ per annum
Provision	10.1858	£37.28
Installation	45.4590	£166.38
Maintenance	68.7623	£251.67
<b>Total</b>	<b>124.4071</b>	<b>£455.33</b>

## Transactional Charges

These charges replace those set out in Table 2.3 of the “Metering Charges statement from 1<sup>st</sup> April 2010”

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).

<b>Title</b>	<b>Charge</b>
Install Domestic Credit Meter	£76.02
Install Domestic Prepayment Meter	£85.92
Customer Requested Exchange (e.g. credit to PPM) <sup>1</sup>	£62.48
Ofgem Accuracy Test (Domestic)	£103.31
Exchange damaged meter	£77.27
Alter Position of Meter only (no service pipe modification) <sup>2</sup>	£115.80
Remove meter	£59.26
Fit or remove Clamp (Lock) <sup>3</sup>	£59.34
Fit Security Collar to meter	£33.61
National Grid Operative Hire – Half Day <sup>4</sup>	£270.17
National Grid Operative Hire – Full Day <sup>4</sup>	£454.17
National Grid Operative Hire – Hourly rate (normal hours) <sup>4</sup>	£80.97

<sup>1</sup> Set to level of the tariff cap.

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

<sup>3</sup> National Grid supplied clamps and locks can only be fitted and removed by authorised National Grid operatives.

<sup>4</sup> 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.

The charges reflect the change implemented in January 2011, whereby installation charges for new large diaphragm installations are waived and instead new installations after this date are subject to Provision, Maintenance and Installation elements of the ongoing rental.

### **Large diaphragm meter installation charges**

<b>Capacity (scmh)</b>	<b>&gt;= 11 &lt; 21</b>	<b>&gt;=21 &lt; 29</b>	<b>&gt;=29 &lt; 51</b>	<b>&gt;=51 &lt; 79</b>	<b>&gt;=79 &lt; 121</b>	<b>&gt;=121</b>
Meter Only – New Installation	£0	£0	£0	£0	£0	£0
Meter and Housing – New Installation	£294.13	£389.63	£456.21	£839.88	£1,009.56	£1,229.42
Meter only – Customer Requested Exchange	£213.72	£250.06	£422.68	£978.22	£1,105.66	£1,313.36
Meter and housing – Customer Requested Exchange	£507.85	£639.69	£878.89	£1,818.10	£2,115.22	£2,542.78

Note 1. These charges are also applicable in the case of meter exchanges 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. The 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**

<b>Capacity (scmh)</b>	<b>&gt;= 11 &lt; 21</b>	<b>&gt;=21 &lt; 29</b>	<b>&gt;=29 &lt; 51</b>	<b>&gt;=51 &lt; 79</b>	<b>&gt;=79 &lt; 121</b>	<b>&gt;=121</b>
Meter removal	£140.40	£140.40	£156.72	£315.96	£353.93	£353.94
Adversarial meter removal	£140.40	£140.40	£156.72	£315.96	£353.93	£353.94

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**

<b>Capacity (scmh)</b>	<b>&gt;= 11 &lt; 21</b>	<b>&gt;=21 &lt; 29</b>	<b>&gt;=29 &lt; 51</b>	<b>&gt;=51 &lt; 79</b>	<b>&gt;=79 &lt; 121</b>	<b>&gt;=121</b>
Ofgem accuracy test	£175.03	£180.62	£259.33	£328.19	£406.70	£523.24

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.

## Standard Purging Charges

Capacity (scmh)	>= 11 < 21	>=21<29	>=29<51	>=51<79	>=79<121	>=121
Standard Purging	£165.83	£165.83	£165.83	£207.30	£228.02	£362.76

These charges are applicable if a standard rate for purging is requested for a standard low pressure diaphragm removal (including adversarial removals), rather than the purging being charging on a time and materials basis.

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

## 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)	£4.20
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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

Charge for meters installed prior to 1<sup>st</sup> April 2001

Capacity (scmh)	>= 11 < 21	>=21<29	>=29<51	>=51<79	>=79<121	>=121
Charge	£106.86	£125.03	£211.34	£489.11	£552.83	£656.68

Charge for meters installed 1<sup>st</sup> January 2011 onwards

Capacity (scmh)	>= 11 < 21	>=21<29	>=29<51	>=51<79	>=79<121	>=121
Charge	£213.72	£250.06	£422.68	£978.22	£1,105.66	£1,313.36

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 and before 1<sup>st</sup> January 2011.

#### Quotation charges for transfer of title of ancillary equipment

Quotation type	Charge
Details provided by customer	£46.17
Based on Site survey	£137.38

#### SAP Rainbow system access

	Initial access charge (£)	Annual maintenance and administration charge (£)
Read / write access	£370.90	£74.18
Read only access	£185.46	£43.28

#### Daily Meter Reading services

The Annual charge for Daily Meter (DM) reading has been set to the tariff cap of £461.73. This charge is calculated on a daily basis, at 126.1557 pence per day.