

Effective 1 April 2022

Targeted Charging Review

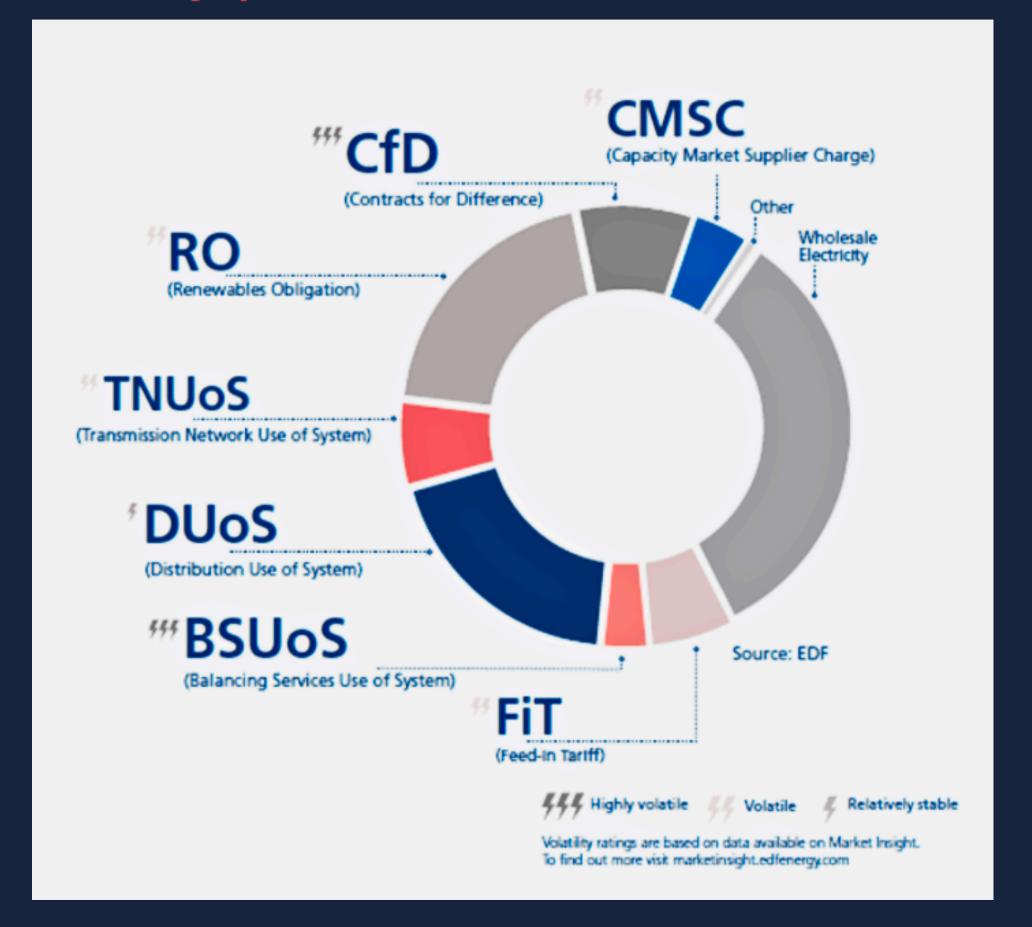


What makes up your electricity price?

Non-energy costs make up around

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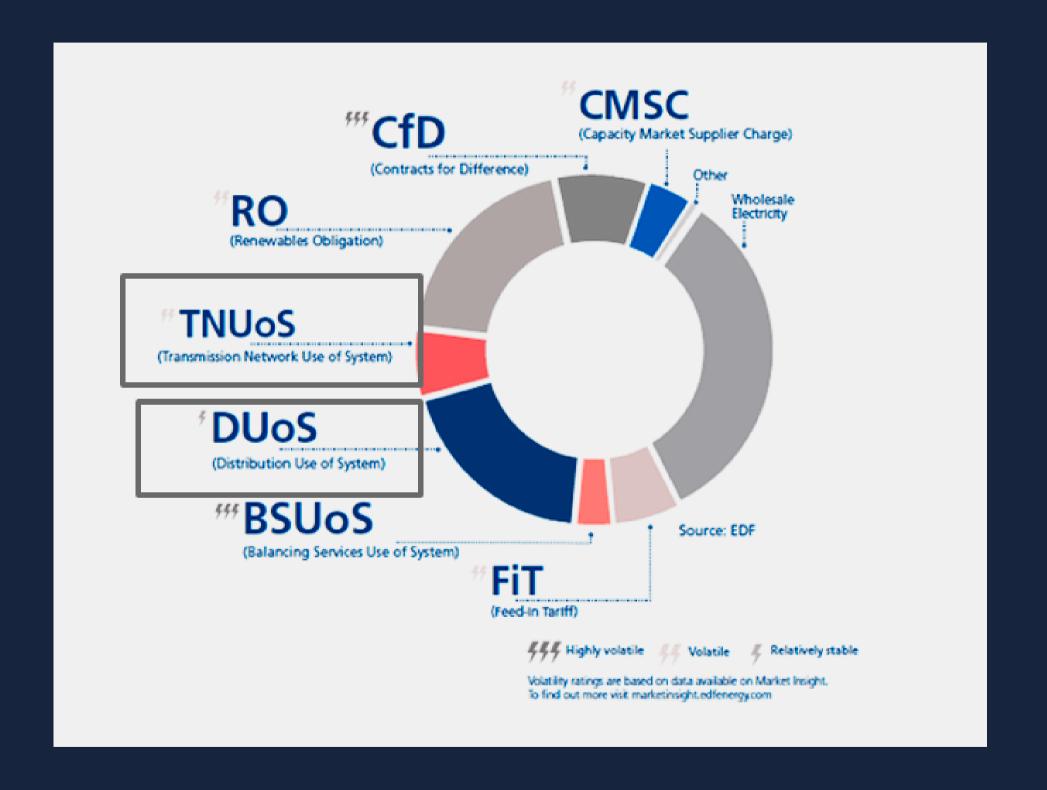
of a typical bill



What's the Targeted Charging Review?

That's 25% of your bill!

The aim: To make these charges fairer for everyone, so similar sized energy users are paying similar amounts.



What's changed?

- Changes came into effect April 2022. Earlier residual and forward looking costs were lumped together for both DUOS and TNUOS and built into unit rates.
- Residual costs pay to keep the network running.
- Forward-Looking charges reward users for decreasing energy use around peak times .
- The change only effects the residual cost, which is 90% of the cost of TNUOS and 50% for DUOS
- Effective April 2022, network operators charge suppliers, a fixed amount, to cover the residual costs, of every business customer's site.



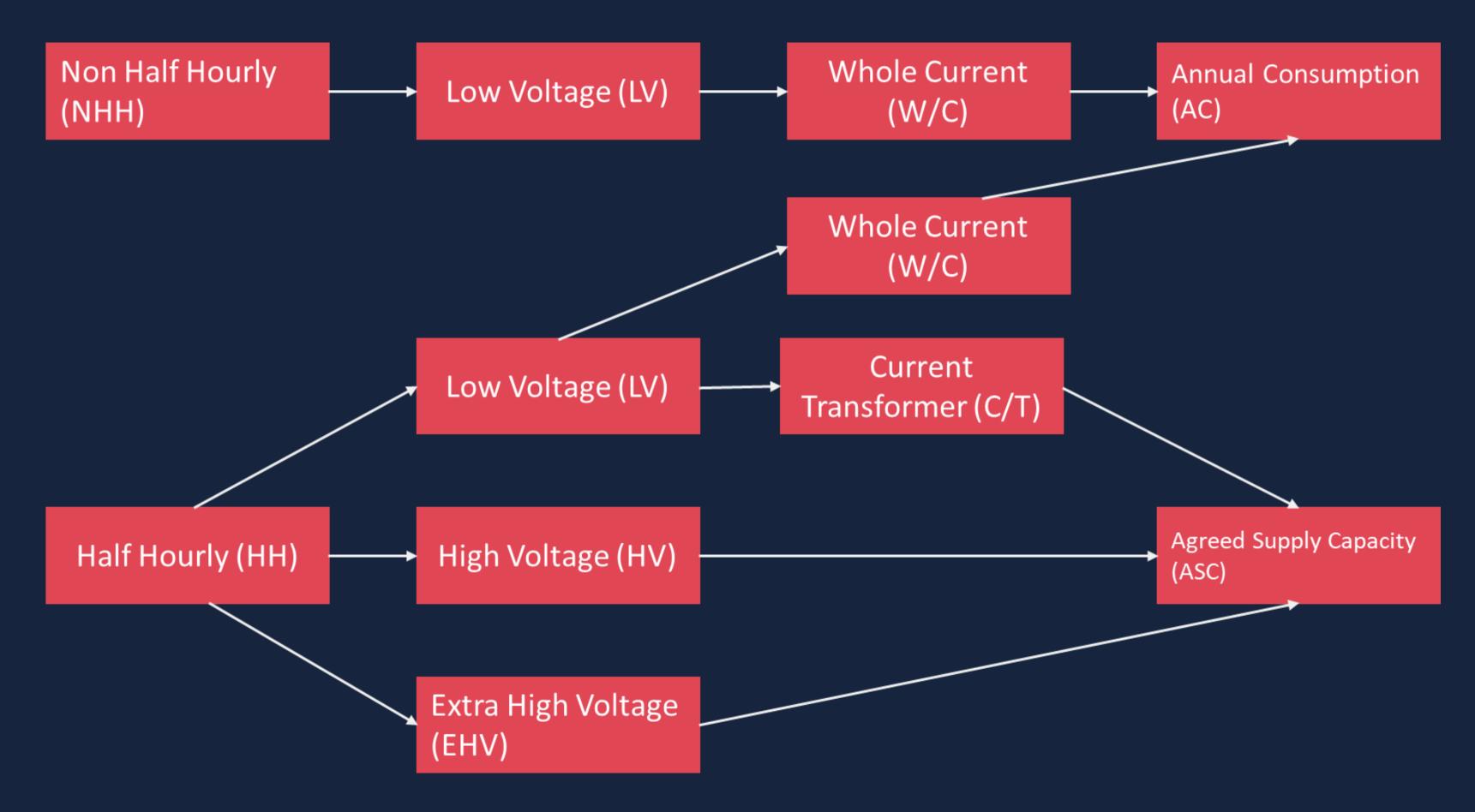
KEY FACTS

April 2022

Residual Costs 90% Of TNUoS

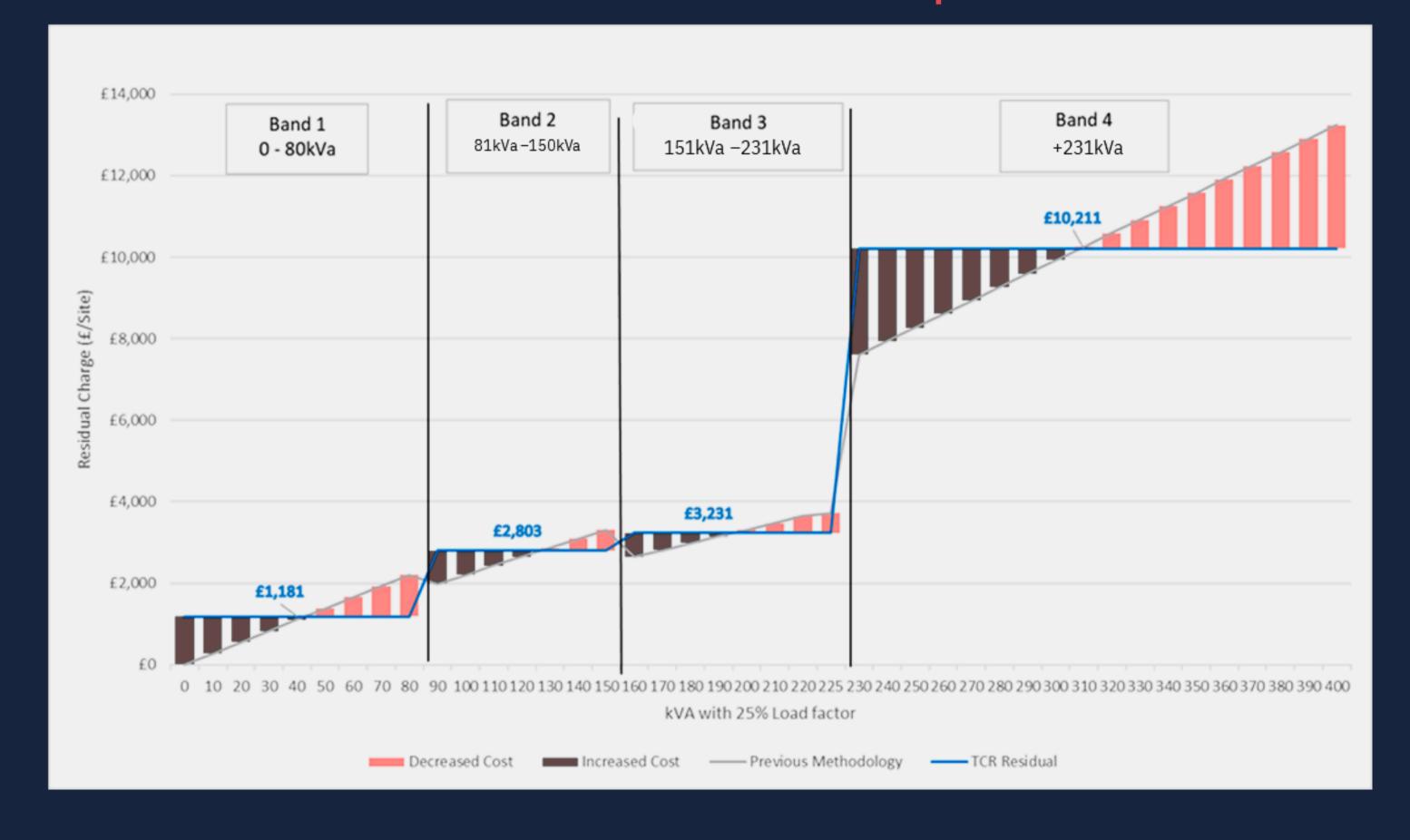
50% Of DUoS Fixed amount

How it works?

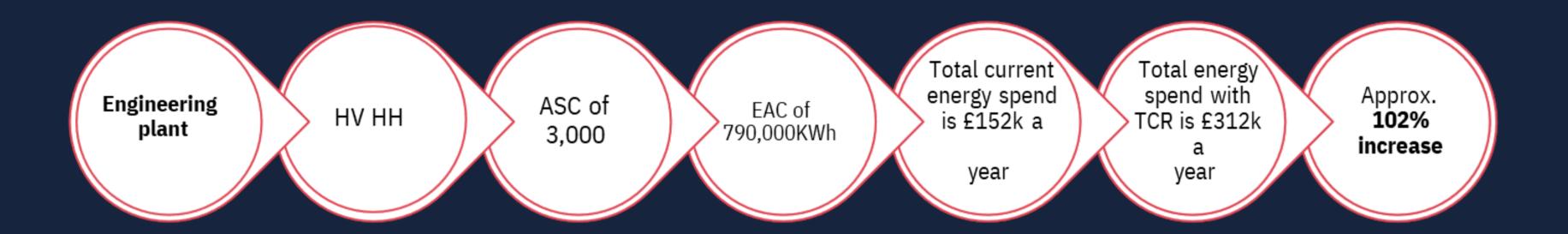


What are the bandings?

Low voltage non	Annual Consumption	-	3,571	1 st Band
		3,572	12,553	2 nd Band
half hourly		12,554	25,279	3 rd Band
		25,280	-	4 th Band
Low voltage half hourly-whole current	Annual Consumption	-	3,571	1 st Band
		3,572	12,553	2 nd Band
		12,554	25,279	3 rd Band
		25,280	-	4 th Band
Low voltage half hourly -current transformer	Agreed Supply Capacity	-	80	1 st Band
		81	150	2 nd Band
		151	231	3 rd Band
		232	-	4 th Band
High voltage	Agreed Supply Capacity	-	422	1 st Band
		423	1,000	2 nd Band
		1,001	1,800	3 rd Band
		1,801	-	4 th Band
Extra High voltage	Agreed Supply Capacity	-	5,000	1 st Band
		5,001	12,000	2 nd Band
		12,001	21,500	3 rd Band
		21,501	-	4 th Band



This is a site with much higher ASC than needed...

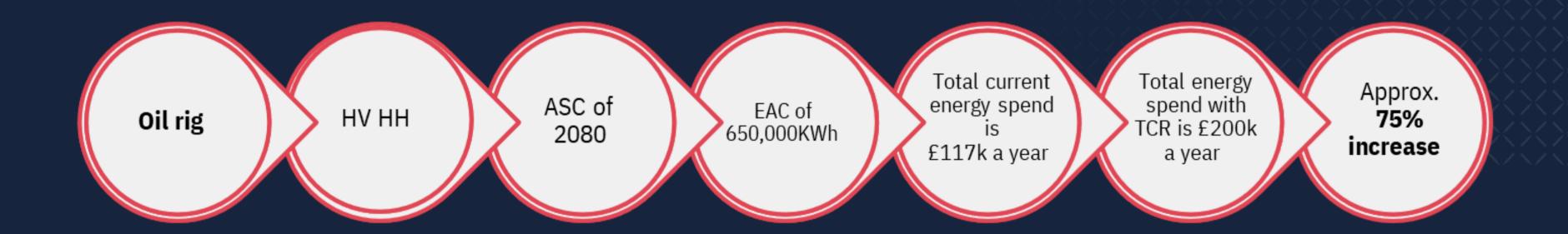


High voltage

Agreed Supply Capacity

-	422	1 st Band
423	1,000	2 nd Band
1,001	1,800	3 rd Band
1,801	-	4 th Band

This is a site without energy consumption in the winter...

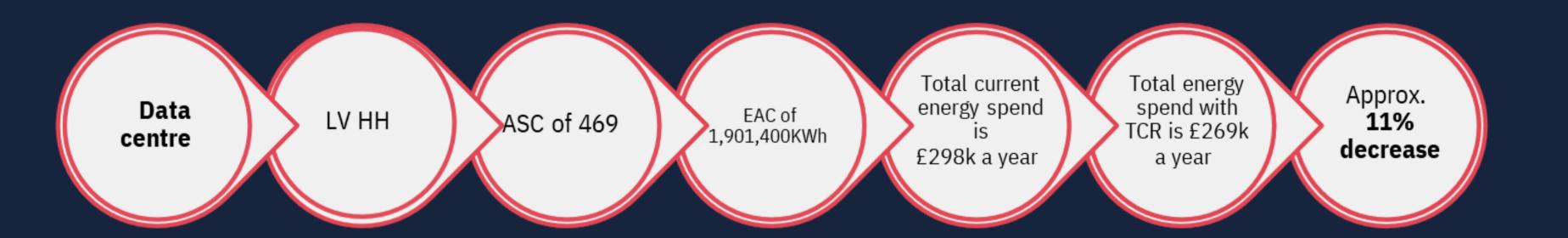


High voltage

Agreed Supply Capacity

-	422	1 st Band
423	1,000	2 nd Band
1,001	1,800	3 rd Band
1,801	-	4 th Band

This is a site which has the right ASC for its demand and has a flat consumption pattern...



Low voltage half hourly -current transformer

Agreed Supply Capacity

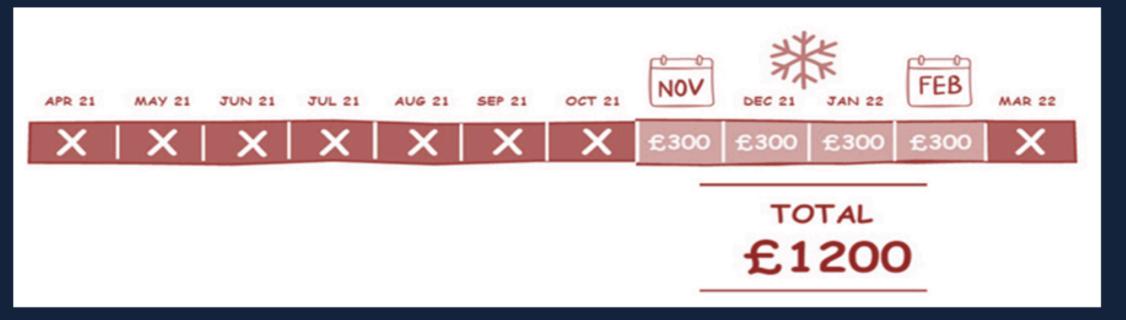
-	80	1 st Band
81	150	2 nd Band
151	231	3 rd Band
232	-	4 th Band

The transition charge

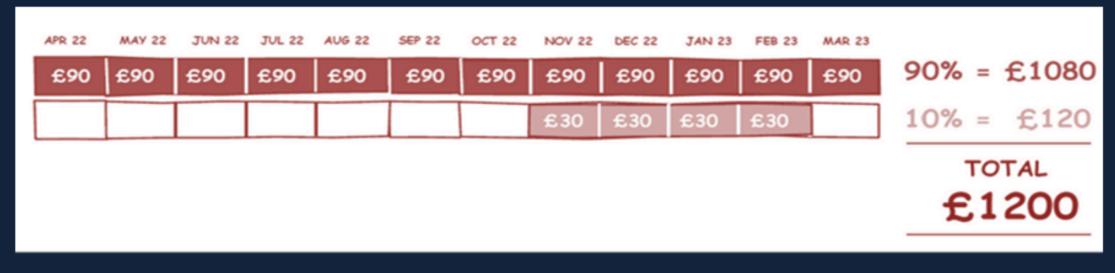
To allow for the switchover and make sure everyone's paying the right amount, there'll be a transition charge between **April 2022** and **April 2023** for **TNUoS** for **half-hourly** sites.

If your contract starts before April 2022 but ends after, it'll include some charges under the old system and some under the new.

Old way of charging



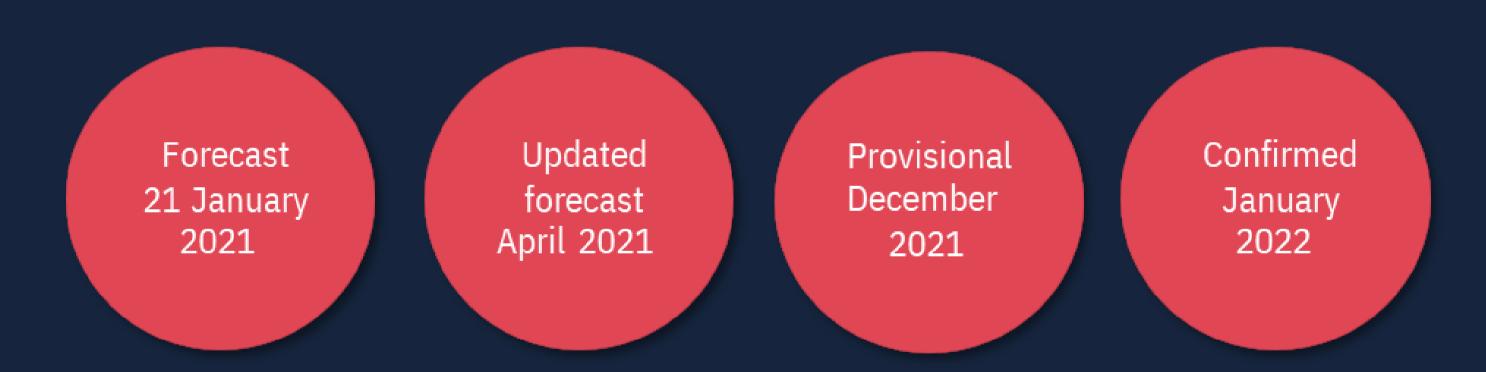
New way of charging





When will you know the actual costs?





National Grid published its five year forecast of costs on 21 January 2021. You can see this information here.

When will you know the actual costs?

DUoS2022 –23: The Distribution companies published their confirmed costs for April 22 to April 23 in December 2020.

- DNO WPD GSP 11,14,21,22 https://www.westernpower.co.uk/our-network/use-of-system-charges/charging-Statements
- DNO NPG GSP 15, 23 https://www.northernpowergrid.com/use-of-system-charges
- DNO SP GSP 13,18 https://www.spenergynetworks.co.uk/pages/connections_use_of_system_and_metering_services.aspx
- DNO SSE GSP 17,20 https://www.ssen.co.uk/about-ssen/library/charging-statements-and-information/
- <u>DNO ENW GSP 16</u> <u>https://www.enwl.co.uk/about-us/regulatory-information/use-of-system-charges/</u>



Get In Touch

Speak to one of our energy consultants at a time that works for you.

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