

# ADDENDUM

## Statement of LDZ Transportation Charges





# Addendum to Statement of LDZ Transportation Charges

This addendum to Wales & West Utilities Ltd's (WWU) Statement of LDZ Transportation Charges (enclosed by link) for 2022/23 is required following Ofgem's decision letter in respect of the interim solution to recover Last Resort Supply Payment (LRSP) claims from customers connected to Gas Distribution Networks (GDNs) and Independent Gas Transporters' (IGTs') networks published on 16 June 2022 (the "Decision Letter")<sup>1</sup>. Ofgem issued consent for WWU to make an intra-year revision to tariffs, pursuant to Standard Special Condition A4 of the Gas Transporter Licence, on 27 July 2022.

The Decision Letter sets out Ofgem's evaluation and conclusion in respect of the interim solution for recovering LRSP claims from IGT customers. Ofgem's preferred interim solution, option 1, was decided upon, with Suppliers of Last Resort (SoLRs) continuing to be paid directly by GDNs, with the IGTs paying the GDNs for the recovered LRSP costs relating to the customers connected via an IGT network. To avoid GDNs over-recovering the LRSP claims, GDNs are required to revise their 2022/23 tariffs by end of July, effective from 1 October 2022.

This addendum sets out the revised Local Distribution Zone (LDZ) transportation charges which will apply from 1st October 2022 to 31st March 2023 in respect of SoLR Revenue only. It is prepared as required by Standard Special Condition A4 of the Gas Transporter Licence and is being published in accordance with UNC TPD B 1.8.2 a. This document does not override or vary any of the statutory, licence or Uniform Network Code (UNC) obligations upon WWU.

The following amendments are made in respect of SoLR Revenue/unit rates:

<b>TRANSPORTATION REVENUE</b>	<b>2022/23 (£'m) Original</b>	<b>2022/23 (£'m) Amended</b>
SoLR Revenue from GDN customers	96.3	83.5
<b>SUPPLIER OF LAST RESORT CHARGES</b>	<b>From 1 April 2022 Pence per peak day kwh per day</b>	<b>From 1 October 2022 Pence per peak day kwh per day</b>
LRSP Domestic Charge	0.0914	0.0687
LRSP Industrial Charge	0.0000	0.0000

WWU's original Statement of LDZ Transportation Charges can be located:

- On WWU's website [here](#); and
- On the Joint Office website [here](#):

<sup>1</sup> Decision letter about interim solution to recovery of Last Resort Supply Payment (LRSP) claims from customers connected to gas distribution networks (GDNs) and Independent Gas Transporters' (IGTs') networks



