

Slough Heat and Power

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Open letter to customers connected to the Slough Heat and Power electricity distribution network (SHP Network)

This open letter is published to inform electricity customers connected to the SHP Network of a change in how Use of System (UoS) charges will be calculated and applied from 1 April 2021. This letter provides a summary of the changes and the impact for our customers.

Please note, customers who are connected to the SHP Network do not need to undertake any actions regarding the new arrangements as these will be implemented via your electricity Supplier. This letter is purely for information purposes to inform our customers of the change in the arrangements.

What is the SHP Network?

The SHP Network is a licence exempt private electricity network that is connected to the Southern Electric Power Distribution plc (SEPD) network (SEPD Network) and provides electricity connections to around 650 customers. Although a licence exempt private electricity network, the SHP Network is open to full supply competition, which means that each customer is free to choose their own electricity Supplier.

How are the arrangements changing?

Under the present arrangements the UoS charges are set at the same level as the host DNO (SEPD) and SEPD invoices Suppliers (as SHP's billing agent) for customers connected to the SHP Network. Under the new arrangements, SEPD will continue as SHP's billing agent, but Slough Heat & Power Limited (SHP) will implement a new charging methodology for use of the SHP Network. This methodology has been approved by Ofgem and reflects the costs associated with providing the distribution network (including the portion of network provided by SEPD). The UoS charge will be levied on your Electricity Supplier (through SEPD as SHP's billing agent) who will include the charges in your electricity bill.



What impact will this have?

The impact of the new arrangements is that the customers connected to the SHP Network will incur a different UoS charge than if they were directly connected to the SEPD network. The actual impact will depend on the usage pattern of individual customers.

How do I know if I'm connected to the SHP Network?

Each metering point has a unique identifier called a Meter Point Administration Number (MPAN) and some sites may consist of a collection of MPANs where there is more than one meter. The MPAN included in your electricity bill is a 21 digit number, preceded by an S, which provides various information about your tariff, including the Line Loss Factor Class (LLFC) and Distributor ID. An example of an MPAN is shown below:



To check if your site is connected to the SHP site you should contact your Electricity Supplier or alternatively, you can use the Distributor ID and LLFC. If the Distributor ID is 20 **AND** the LLFC is one of the following, then your site is connected to the SHP Network:

LLFCs that apply to the SHP Network		
H65, H66, H96, H97, H98, H99		
79, 80, 166		
210, 211, 212, 213		
470, 473, 474, 475, 476, 477, 478, 479		
586, 587, 588, 589, 993		

The UoS tariff that we assign to each LLFC can be viewed in Appendix A



How will customers be notified of changes to UoS charges each year?

SHP shall amend the UoS charges each year. These charges are published on our website and emailed directly to Electricity Suppliers 14 months prior to the start of the relevant charging year. Customers can access the UoS charges by viewing the use of system charging statement for the relevant year on the website here <u>www.sseutilitysolutions.co.uk/products/slough-heat-and-power</u>.

Sharing of Metering Data with SHP

Please note that under the new arrangements, customer metering data that is currently being provided to SEPD, will continue to be provided to SEPD as SHP's billing agent, and will also be shared with SHP for the purposes of;

- the calculation and monitoring of Use of System Charges;
- the correct allocation of Use of System Charges to Customers;
- the communication of changes to Use of System Charges to Customers;
- the operation, design and planning of the Distribution System.

Further Information

Our website <u>www.sseutilitysolutions.co.uk/products/slough-heat-and-power</u> contains a range of documents including the charging methodology that is used to derive UoS charges for the SHP Network and a charging statement that provides information about how UoS is applied to sites and the level of tariffs.

If you would like to contact us directly for more information about the new arrangements and how it may affect you, please use the contact details below:

Yours faithfully

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Appendix A – LLFCs by tariff

SHP Tariff name	Closest Equivalent CDCM tariff name	LLFCs
33kV	n/a	H66
HV Sub	n/a	H96
HV	HV Site Specific	476
LV Sub	LV Sub Site Specific	H99
LV	LV Site Specific	470
Small LV	Non-Domestic Aggregated	166, 473, 474, 475, 479
Unmetered	Unmetered Supplies	586, 587, 588, 589
Export	See Notes below	*

NOTES:

Export tariffs: Under the approved SHP charging methodology no charges are applied to sites that export onto the SHP network. Export tariff LLFCs* [79, 80, 210, 211, 212, 213, 477, 478, 993, H65, H97, H98,] are not shown in the above table.

Definition of HV customer: The definition of an HV customer within the SHP methodology is different to that used within the CDCM and defined within DCUSA. The definition of HV for the SHP network is included within the SHP charging methodology statement which is available to download here www.sseutilitysolutions.co.uk/products/slough-heat-and-power.

33kV and HV Sub tariffs - These tariffs are generic tariffs that will apply to all customers that are defined as 33kV or HV Sub. There is no equivalent CDCM tariff as these tariffs would be charged under the EDCM if connected to a DNO and would therefore be site specific. Customers in these categories will be contacted separately to confirm the arrangements.