

31 July 2025

RE: Notice of Revised NTS Charges to apply from 1 October 2025

This notice is issued in line with National Gas' Transporters Licence in respect of the NTS and our obligations contained in the Uniform Network Code, which requires National Gas to provide at least two months' notice of changes to its gas transportation charges. This notice details The General Non-Transmission Services Charges and St Fergus Compression Charge that will apply from 1 October 2025.

A copy of our document "Notice of Gas Transmission Transportation Charges effective from 1 October 2025", which contains all charges that will apply from 1 October 2025 is available on the National Gas website <https://www.nationalgas.com/charging/transmission-system-charges> and should be read in conjunction with this note.

The charges included in this notice are calculated in accordance with Section Y of the Uniform Network Code, and UNC Code Modification 0857 which was approved in April 2024 with an implementation date of 1 October 2024.

General Non-Transmission Services Charges

The final General Non-Transmission Services Charge for October 2025 is set at **0.0206** p/kWh. The indicative values for Gas Years 26-27 to 29-30 are contained in the table below.

	Final	Future Year Indicatives			
	Oct 25 – Sep 26	Oct 26 – Sep 27	Oct 27 – Sep 28	Oct 28 – Sep 29	Oct 29 – Sep 30
General Non-Transmission Services Charges (p/kWh)	0.0206	0.0203	0.0215	0.0216	0.0218

Please note: the charges for Gas Year 2025-26 are based upon the System Operator (SO) allowed revenues determined through the [Price Control Financial Model](#) (PCFM) as at May 2025. Future year indicative prices for 26/27 on are based on the National Gas [Business Plan Financial Model](#).

St Fergus Compression Charge

The Compression Charge levied at the North Sea Midstream Partners (NSMP) sub-terminal at St. Fergus is set at **0.0205** p/kWh.

Supporting Information

The revenue values used in the production of the prices in this notice are shown below. The values used for setting the prices applicable from October 2025 use the PCFM (Price Control Financial Model) extract that are based on the PCFM published by Ofgem in May 2025.

To provide indicative values for years 27/28 to 29/30 we have used the values from the National Gas Business Plan Financial Model.

In addition to the SO revenues in the linked PCFM extract, the table below shows the values for Non-Transmission Services which considers a forecast of Non-Obligated Capacity that is recovered as a Transmission Services charge, and the Gas Year Target Revenue following the application of UNC Code Modification 0857.

Allowed Revenues used for calculation of prices:

	Apr 25 – Mar 26	Apr 26 – Mar 27	Apr 27 – Mar 28	Apr 28 – Mar 29	Apr 29 – Mar 30
NTS System Operation Revenue (£m)	260.9	325.6	353.6	352.9	348.4
Non-Transmission Services Revenue (£m)	247.7	312.4	340.5	339.8	335.4
General Non-Transmission Services Target Revenue (£m – For Gas Year starting in the Formula Year)	324.7	320.1	341.8	338.6	338.1

The essence of the methodology to calculate the General Non-Transmission Services target revenue is to take a proportion of the revenues across two Regulatory periods (April to March) to calculate a revenue target for the Gas or Tariff Year (October to September) that crosses them. This, implemented as part of UNC0857, smooths some of the revenue volatility that would otherwise impact the Prices. This means that in some years tariffs may be set to over or under recover relative to the Regulatory Revenues from the PCFM in any given year.

For the Regulatory Year ending March 2026, the tariffs calculated would result in an under recovery relative to the Allowed Revenue of c£3.2m.

To help illustrate this the table below provides some useful information on the anticipated revenue collection that underpins the charges being set.

	Apr 25 – Mar 26	Apr 26 – Mar 27	Apr 27 – Mar 28	Apr 28 – Mar 29	Apr 29 – Mar 30
SO FY Target Revenue (£m)	260.9	325.6	353.6	352.9	348.4
SO FY Forecast Revenue (£m)	257.7	334.5	347.4	352.5	350.7
SO Revenue Recovery Variance (£m)	(3.2)	8.9	(6.2)	(0.4)	2.3

As can be seen, for the Regulatory Year ending March 2026, the tariffs calculated would result in a net SO under recovery c.£3.2m relative to the Allowed Revenues and following this methodology would result in a mixture of under and over recovery across future years. This is the smoothing effect working through over time under the methodology that UNC0857 introduces.

National Gas hosted a webinar on 25th June which alongside a review of the Transmission Services charges also highlighted the key inputs and drivers behind the General Non-Transmission Charges for October 2025. These materials were based on the Indicative General Non-Transmission Services prices published at the end of May 2025, and although there has been some small revision to the final numbers the context and messaging behind the derivation of these values remains applicable to these final values. The materials from this are available on the National Gas website.

National Gas will be publishing the Transportation Models used to calculate the Transmission Services and General Non-Transmission Services prices for October 2025 on the National Gas website at <https://www.nationalgas.com/charging/transmission-system-charges>

There will be an opportunity to discuss these charges at subsequent NTS Charging Methodology Forums (NTSCMF), details of which can be found at <http://www.gasgovernance.co.uk/ntscmf/>.

If you have any questions or feedback relating to this notice, or NTS charges in general, please contact our charging team at Box.NTSGasCharges@nationalgas.com