



FULCRUM PIPELINES LIMITED

GAS TRANSPORTER LICENCE

STANDARD LICENCE CONDITION 4A

STATEMENT OF PRINCIPLES AND METHODS TO BE USED TO
DETERMINE CHARGES FOR GAS TRANSPORTATION SERVICES
UTILISING FULCRUM PIPELINES LIMITED NETWORKS

Effective date – 02 July 2007



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SECTION 1 - INTRODUCTION

This is a statement of the principles on which, and the methods by which Fulcrum Pipelines Limited¹ will determine gas transportation charges, pursuant to Standard Condition 4A of the Gas Transporter Licence. The Statement applies to charges determined from the Statement Effective Date, until superseded by any future Statement.

Further information relating to our connection services may be obtained from the Fulcrum website, www.fulcrum.co.uk or by writing to the Network Integrity Manager at the address given in Section 8.

SECTION 2 – TRANSPORTATION CHARGING: GENERAL PRINCIPLES

In 1995 the Gas Act 1986 was amended to allow for the creation of Independent Gas Transporters (IGTs), which develop, operate and maintain local gas transportation networks. To ensure equitable charging by independent transporters, Ofgem decided that the amounts an IGT may charge to transport gas through its network should be regulated by means of relative price control (rpc). This was introduced in January 2004. IGTs are free to choose their own methods of charging, but the maximum amount allowable is determined by rpc.

Fulcrum Pipelines' method of calculating transportation charges is the method currently set out by Ofgem for determining the maximum amounts allowable under rpc.

General information regarding regulation of IGTs can be found here:

<http://www.ofgem.gov.uk/Networks/GasDistr/IGTReg/Pages/IGTReg.aspx>

Detail of the methodology can be found here:

[http://www.ofgem.gov.uk/Networks/GasDistr/IGTReg/Documents1/3946-Decisiondoc IGT Final Proposals.pdf](http://www.ofgem.gov.uk/Networks/GasDistr/IGTReg/Documents1/3946-Decisiondoc%20IGT%20Final%20Proposals.pdf)

¹ Fulcrum Pipelines Limited, is the Licence holder for Gas Transportation. All references to "we", "us" or "our" in this document refer to Fulcrum Pipelines Limited, trading as "Fulcrum".

SECTION 3 – CONTACT INFORMATION

3.1 Requesting Our Gas Transportation Services

FULCRUM PIPELINES LIMITED
2 Europa View
Sheffield Business Park
Sheffield S9 1XH

Tel: 0845 641 3060

Email: enquiries@fulcrum.co.uk

3.2 Further Information on this document

Any comments or enquiries regarding this document should be forwarded to our Network Integrity Manager:

The Network Integrity Manager
FULCRUM PIPELINES LIMITED
2 Europa View
Sheffield Business Park
Sheffield S9 1XH

Tel: 0845 641 3060

Email: enquiries@fulcrum.co.uk

3.3 Complaints

In the first instance complaints should be raised with us by contacting:

FULCRUM PIPELINES LIMITED
2 Europa View
Sheffield Business Park
Sheffield S9 1XH

Tel: 0845 641 3060

Email: enquiries@fulcrum.co.uk

If the matter is not resolved following referral to us it should be referred to The Energy Ombudsman. The Energy Ombudsman can be contacted as follows:

Tel: 0845 055 07 06

Email: enquiries@energy-ombudsman.org.uk

If it ultimately proves necessary to refer the matter to Ofgem for a determination, correspondence should be addressed to:

THE CHAIRMAN
The Gas and Electricity Markets Authority
Office of Gas and Electricity Markets
9 Millbank
London SW1P 3GE