

What would happen if my gas consumption increased during a spell of particularly cold weather?

With the new stepped standing charge, you will pay a lower cost per unit for your gas so you will pay proportionally less compared to what you would have previously paid, helping smooth the cost of a cold snap making it easier to budget.

Do I need to do anything?

No. You will be put in a standing charge band based on your current tariff and your average annual gas consumption. You do not need to take any action.

We have sent this information leaflet separately to ensure all our customers are advised about the change at the same time. Different customers are billed at different times throughout the year.

New banded standing charges and tariff for Super Economy 24 central heating customers effective from 1st January 2016

Band	Gas usage in kWh	Existing Standing Charge (pence per day)	New Standing Charge (pence per day)	Existing central heating tariff (Pence per kWh) up to 54.79 units per day	Existing central heating tariff (Pence per kWh) over 54.79 units per day	New single tier central heating tariff
A	Up to 2,000	34.0632	No Change	12.7399	11.7971	No Change
B	2,001 to 3,500	34.0632	63.4841	12.7399	11.7971	8.90528
C	3,501 to 5,000	34.0632	77.1572	12.7399	11.7971	8.90528
D	5,001 to 6,500	34.0632	93.2042	12.7399	11.7971	8.90528
E	6,501 to 8,500	34.0632	111.4238	12.7399	11.7971	8.90528
F	8,501 to 11,000	34.0632	134.2824	12.7399	11.7971	8.90528
G	11,001 to 18,000	34.0632	176.8419	12.7399	11.7971	8.90528
H	18,001 to 25,000	34.0632	250.8380	12.7399	11.7971	8.90528
I	Over 25,000	34.0632	No Change	12.7399	11.7971	No Change

Only Super Economy 24 central heating tariffs are affected. Standard tariffs and central heating customers who use less than 2,000 kWh or over 25,000 kWh per year are not affected. Excludes all commercial tariffs.

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New Banded Standing Charges for Central Heating Customers



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New Banded Standing Charges for Central Heating Customers

As part of our commitment to make our tariff structure clearer and more transparent we are making some changes to the way we charge for supplying gas.

From 1st January 2016 we will be introducing a new banded standing charge depending on the volume of gas that you use. The new banded standing charge does not increase the revenue that Guernsey Gas receives but the changes will make it easier to budget for your gas throughout the year, and will help us to separate the cost of supplying gas to your home or business from the cost of the gas itself, to provide a fairer pricing structure.

What is the standing charge?

The standing charge contributes towards the fixed cost of supplying gas and maintaining the gas supply infrastructure. This includes the maintenance of the 198 km of gas supply network, gas metering, gas storage and distribution, administration and the provision of the 24 hour a day, 365 days a year gas emergency service.

Why are you making this change to the standing charge?

At present only a small percentage of the actual cost of supplying gas is covered by the standing charge, the rest is recovered through the tariff charged to our customers. The change will allow the business to recover a higher percentage of the actual cost of supplying gas, allowing us to separate this from the cost of the gas supplied.

Are all tariffs being changed?

No. Only Super Economy central heating tariffs are being changed. If you are a small user consuming less than 2,000 units per year or a large user consuming over 25,000 units per year, or on a standard or commercial tariff you will not be affected.

Will it cost me more?

You will see an increase in the amount of standing charge you pay, but a decrease in the cost per unit applied to your account. Over the course of a typical year, the majority of customers will see little change, but some will see a small increase while others will see a small decrease, depending on the volume of gas that you use.

What are the different standing charge bands?

There are nine standing charge bands based on average annual gas consumption in kilowatt hours (kWh). These are a low user who consumes from 0 to 2,000kWh per year, up to a very large user who consumes over 25,000kWh per year. Low users with an average annual consumption of less than 2,000 kWh and very large users consuming over 25,000kWh are not affected.

How do I know if I am on the correct standing charge band?

The standing charge bands are based on the actual annual gas consumption for your property for up to five previous years (depending on the age of your property and the history available). We will be reviewing every customer after a three month period and then annually thereafter.

Example of how the new banded standing charge works using an average band 'E' central heating customer using 7,500 kWh per year on Super Economy 24.

	Annual Gas consumption in kWh	Tariff in pence per unit (kWh) up to 54.79 units per day	Tariff in pence per unit (kWh) over 54.79 units per day	Standing charge (pence per day)	Total standing charge per year	Total gas consumption in £	Total Cost for year £
Existing Charges	7,500	12.7399	11.7971	34.0632	£124.33	£955.49	£1,079.82
		New single tier tariff per unit (kWh)					
New stepped standing charge	7,500	8.90528		111.4238	£406.69	£667.90	£1,074.59

Only Super Economy 24 central heating tariffs are affected. Standard tariffs and central heating customers who use less than 2,000 kWh or over 25,000 kWh per year are not affected and will see no change. Excludes all commercial tariffs.

Want to know more?

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