

Indicative Notice of Change to Transportation Charges

From 1st April 2026



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Introduction

This notice provides indicative levels of gas transportation charges that will apply from the 1st April 2026, in line with our Gas Transporter Licence requirement to provide 150 days' notice of such proposals.

The definitive notice of distribution transportation charges from the 1st April 2026 will be published by the 1st February 2026, in accordance with the two months' notice requirement within the Uniform Network Code.

Our Allowed Revenue

RIIO-GD3 requires networks to set charges to collect the forecast allowed revenue calculated under the price control. This allowance is split between Transportation revenue, Exit Capacity revenue which recovers the costs incurred from utilising the upstream network, the National Transmission System (NTS) and Supplier of Last Resort (SoLR) revenue.

RIIO-GD3 begins on the 1st April 2026, and the process of determining the forthcoming Price Control is ongoing, with Final Determinations expected to be published by Ofgem on 4 December 2025 and we further expect the Final Determinations Price Control Financial Model (PCFM) to be published in February 2026.

Transportation

<i>Nominal values</i>	Allowed revenue for 2025/26 (£'m)	Forecast collection for 2026/27 at current charge rates (£'m)	Forecast allowed revenue for 2026/27 (£'m)	Delta required to be resolved (£'m)	Price change required
Transportation Revenue	524.3	522.5	595.0	72.5	13.9%

Allowed revenue for 2025/26 is £524.3m. If transportation charge rates were not adjusted in 2026/27, we would collect a forecast of £522.5m. Forecast allowed revenue for 2026/27 is £595.0m which reflects an increase of £70.7m upon the previous year and a variance to forecast collection at the current charge rates of £72.5m.

Exit Capacity

<i>Nominal values</i>	Allowed revenue for 2025/26 (£'m)	Forecast collection for 2026/27 at current charge rates (£m)	Forecast allowed revenue for 2026/27 (£'m)	Delta required to be resolved (£m)	Price change required
Exit Capacity Revenue	51.4	49.7	63.3	13.6	27.4%

Allowed revenue for 2025/26 is £51.4m. If exit capacity charge rates were not adjusted in 2026/27, we would collect a forecast of £49.7m. Forecast allowed revenue for 2026/27 is £63.3m which reflects an increase of £11.9m upon the previous year and a variance to forecast collection at the current charge rates of £13.6m. The allowed revenue in 2026/27 is made up of our base allowance plus the cost true ups and correction factors from 2024/25 and 2025/26. The base allowance in 2026/27 is calculated using the latest published final and indicative price information from National Gas NTS.

SoLR

When the Office of Gas and Electricity Markets (Ofgem) revokes a supply licence (usually because of insolvency), it can appoint a 'Supplier of Last Resort' (SoLR) on a case-by-case basis to take over the supply of gas and/or electricity to the insolvent supplier's customers. The aim is to provide seamless continuity of service for customers. The regulatory regime for this is primarily provided for in the Standard Conditions of the supply licences held by Great Britain's (GB's) electricity suppliers and gas suppliers.

The gas and electricity supply standard licence conditions allow a supplier acting as SoLR to make a claim for any reasonable additional, otherwise unrecoverable, costs they incur. Historically SoLRs have claimed for the following categories of costs:

- Customer credit balances;
- Working capital; and
- Operational costs (including customer service, IT, complaints/enquiries specific to the SoLR, onboarding costs, communication and wholesale energy purchase costs).

For the 2026/27 regulatory year, Ofgem's finalised position is a net 'negative' value for SoLR as the truing up process has identified the need for some Shippers to refund over-payments. This net balance, including prior year true-up adjustments, is currently -£4.6m for WWU, a £3.7m reduction compared with 2024 claims reflected in 2025/26 revenues.

Indicative Transportation Charges

To collect the estimated Allowed Revenue, for 2026/27 of £653.7m, prices are forecast to change as follows:

	Forecast allowed revenue for 2026/27 (£'m)	Indicative Price Change on 1 April 2026
Transportation	595.0	13.9% increase
Exit Capacity	63.3	27.4% increase
SoLR	-4.6	408.2% decrease
Total	653.7	14.4% increase

We are also required to levy charges for transportation income excluding exit capacity and SoLR in the proportions set out in the Uniform Network Code Section Y (UNC). Our Charges should seek to recover allowances in the following proportion:

System Charges		Customer Capacity
71.8%		28.2%
System Capacity (plus any Optional Tariff)	Commodity	
95%	5%	

Therefore, we will adjust the specific unit rates to bring collection in line with the proportions set out in UNC. All networks are required to maintain such revenue splits to retain cost reflectivity in their charging.

The specific price increases required to maintain the collection apportionment required are:

Total Revenue					
14.4%					
Transportation Revenue			Exit Capacity		SoLR
13.9%			27.4%		-408.2%
Capacity		Commodity	By Exit Zone		
System	Customer	19.5%	SW1	26.2%	
			SW2	26.3%	
14.2%	12.6%		SW3	28.4%	
			WA1	26.0%	
			WA2	28.1%	

Reason for the price change

Reason for the price change

In setting network charges each network must consider:

1. The movement in allowed revenue year on year; and
2. Changes to the chargeable base (i.e., demand) which have occurred over the past charging year and forecast to occur in the next.

The movement in allowed revenue compared to the prior year is explained as follows:

Allowed Revenue Movement

		2025/26 (£'m)	2026/27 (£'m)	Change (£'m)	Commentary
Fast Money	Nominals	157.9	144.8	-13.1	Reflects the profile of totex expenditure forecast year on year and the changes to totex allowances (including ex-ante capitalisation rates) as a result of the Draft Determinations for RIIO-GD3.
Depreciation	Nominals	171.5	180.9	9.4	Movement largely relates to an inflationary increase.
Return on RAV	Nominals	110.0	158.8	48.8	Movement largely relates to the proposed methodological change to WACC and the approach of a semi-nominal return on debt and real return on equity per the Draft Determinations for RIIO-GD3.
Pass through	Nominals	128.4	154.8	26.4	The increase is due to a significant rise in business rates, along with higher exit capacity costs due to increased NTS rates from 1st October 2025 and a further forecast increase from 1st October 2026.
Other	Nominals	46.7	36.2	-10.5	Variance mainly relates to reduction in Other Revenue Allowances allowed by Ofgem in the Draft Determinations for RIIO-GD3 combined with the Business Plan Penalty included by Ofgem in the Draft Determinations for RIIO-GD3.
AIP Adjustment Term	Nominals	-23.3	-21.5	1.8	The AIP adjustment in 2026/27 reflects the difference in the latest forecast allowances for 2025/26 and those used for price setting in January 2025.
Legacy Allowed Revenue	Nominals	-6.3	0.0	6.3	Legacy Allowed Revenue in respect of the close out of RIIO-GD1 stops at the end of RIIO-GD2. Legacy adjustments in respect of RIIO-GD2 will be reflected in RIIO-GD3 revenues in due course following the end of the current price control
'K'	Nominals	-10.1	-0.3	9.8	Variance reflects a reduction in the projected over recoveries in 2026/27 compared with the year previous.
Total Allowed Revenue	Nominals	574.8	653.7	78.9	
Of which					
Transportation	Nominals	524.3	595.0	70.7	
Exit Capacity	Nominals	51.4	63.3	11.9	
SoLR	Nominals	-0.9	-4.6	-3.7	

Uncertainties and assumptions

There are a number of significant movements that can, and are expected to, occur between these estimates and final price setting in January 2026. These include, but are not limited to:

2026/2027 Price Setting

Our indicative charges are based on our latest view of Allowed Revenue for the 2026/27 regulatory year which reflects the corrected Draft Determinations position for RIIO-GD3 and also reflects the AIP and K adjustment from the Legacy RIIO-GD2 PCFM submitted to Ofgem on 29 September 2025. There will be further changes to the forecast allowed revenue used to calculate our indicative price change following Ofgem's Final Determinations which will be published on 4 December 2025 including changes to totex allowances, financial parameters (WACC, inflation and RPE's) and incentives, and potentially further methodological changes to the RIIO price control.

Chargeable Base

A network demand snapshot is provided by Xoserve each October and used to determine the indicative price change for the upcoming regulatory year. For the final price change calculations, a snapshot is provided by Xoserve in December and any significant variations between the two snapshots would be adjusted for in the final 60-day notice of charges.

Current and Indicative Charges from 1st April 2026

	Current Price effective from 1 st April 2025	Indicative Price effective from 1 st April 2026
LDZ SYSTEM COMMODITY CHARGES	Pence per kwh	
UP TO 73,200 KWH PER ANNUM	0.0533	0.0637
73,200 KWH - 732,000 KWH PER ANNUM	0.0465	0.0556
732,000 KWH PER ANNUM AND ABOVE	0.5405	0.6459
	x SOQ ^	
	-0.2775	-0.2775
SUBJECT TO A MINIMUM RATE OF	0.0038	0.0045

LDZ SYSTEM CAPACITY CHARGES	Pence per peak day kwh per day	
UP TO 73,200 KWH PER ANNUM	0.2868	0.3275
73,200 KWH - 732,000 KWH PER ANNUM	0.2488	0.2841
732,000 KWH PER ANNUM AND ABOVE	2.2277	2.5440
	x SOQ ^	
	-0.2513	-0.2513
SUBJECT TO A MINIMUM RATE OF	0.0211	0.0241

LDZ CUSTOMER CAPACITY CHARGES	Pence per peak day kwh per day	
UP TO 73,200 KWH PER ANNUM	0.1549	0.1744
73,200 KWH - 732,000 KWH PER ANNUM	0.0060	0.0068
732,000 KWH PER ANNUM AND ABOVE	0.1223	0.1377
	x SOQ ^	
	-0.2100	-0.2100

LDZ CUSTOMER FIXED CHARGES	Pence per day	
73,200 KWH - 732,000 KWH PER ANNUM - BI ANNUAL READ SITES	48.3853	54.4818
73,200 KWH - 732,000 KWH PER ANNUM - MONTHLY READ SITES	51.5198	58.0113

Current and Indicative
Charges from 1st
April 2026

	Current Price effective from 1 st April 2025	Indicative Price effective from 1 st April 2026
EXIT CAPACITY UNIT RATES BY EXIT ZONE	Pence per peak day kwh per day	
SW1	0.0233	0.0294
SW2	0.0388	0.0490
SW3	0.0264	0.0339
WA1	0.0308	0.0388
WA2	0.0285	0.0365

Charges to recover SoLR Allowed Revenue

	Current price effective from 1 st April 2025	Indicative Price effective from 1 st April 2026
SUPPLIER OF LAST RESORT CHARGES	Pence per peak day kwh per day	
LRSP Domestic Charge	-0.0009	-0.0047
LRSP Industrial Charge	0.0000	0.0000

Indicative LDZ System Entry Commodity Charge for Distributed Gas

Site Name	GEMINI Name	Alias	LDZ System Entry Commodity Charge (p/kWh) Current Prices effective 1 st April 2025	LDZ System Entry Commodity Charge (p/kWh) Forecasted prices effective 1 st April 2026
Bromham House Farm	BROMOS		-0.1606	-0.1984
Cannington Biomethane	CANNOS		-0.1742	-0.2125
Bishops Cleeve Biomethane	CLEEOS	Grundon Landfill / Wingmoor Farm	-0.1569	-0.1946
Enfield Biomethane	ENFDOS	Gorst Energy	-0.0982	-0.1238
Five Fords Biomethane	FIVEOS		-0.0982	-0.1238
Fraddon	FRADOS	Penare Farm	-0.1569	-0.1946
Frogmary Biomethane	FROGOS	SEG	-0.1676	-0.2057
Great Hele Biomethane	HELEOS	Condote	-0.1657	-0.2037
Helscott Farm Biomethane	HELSOS	East Helscott	-0.1657	-0.2037
Rotherdale	ROTHOS	Vale Green 2	-0.1118	-0.1379
Spittles Farm	SPITOS	Bearley Farm	-0.1033	-0.1291
Springhill Biomethane	SPNGOS		-0.0945	-0.1200
Pennans Farm	PENSOS		-0.1657	-0.2037
Northwick Biomethane	NOCKOS		-0.0982	-0.1238
Avonmouth Wessex	WESXOS	Wessex Water	-0.1770	-0.2153
Willand Biomethane	WILLOS	Lloyd Maunder	-0.0828	-0.1079
Wyke Farm	WYKEOS		-0.1716	-0.2098
Evercreech Biomethane	EVEROS		-0.1349	-0.1718
Trowbridge Biomethane	TRWBOS		-0.0828	-0.1079
Charlton Park Biomethane	CPFAOS		-0.1569	-0.1946
Great Porthamel Farm	GPBTOS	GP Biotec	-0.1011	-0.1268
Brains Farm	BRNFOS		-0.1657	-0.2037

Indicative LDZ System Entry Commodity Charge for Distributed Gas

The LDZ System Entry Commodity charge rates reflect the operating costs associated with the entry of the distributed gas and the benefits in terms of deemed NTS Exit and distribution network usage reductions. The rate associated with the LDZ system Entry Commodity Charge is calculated on a site-by-site basis. There are currently 22 sites located within our network. Should further sites be connected during the charging year a separate statement will be issued specific to those new connections.

Further information

If you have any further queries or require any further details on this notice, please contact the Pricing Team: pricing@wwutilities.co.uk.

Our ambition, priorities and values

Our new ambition

Trusted to expertly serve customers and communities with safe, reliable and affordable energy services today, whilst investing wisely to create a sustainable, greener future.



Our new priorities



Demanding SAFETY ALWAYS

We never compromise on the safety, wellbeing and health of our colleagues and customers, always raising the bar and improving standards.



Driving OUTSTANDING SERVICE

We strive to exceed customer expectations by offering fair, inclusive, quality services for all, whilst looking after those most in need.



Delivering VALUE FOR MONEY

We always spend and invest money wisely; working smarter to offer affordable, value for money services.



Doing all we can to provide SUSTAINABLE ENERGY

We're future proofing to deliver reliable, greener energy for heat, power and transport, and reducing our environmental impact to achieve net zero targets.



Designing OUR FUTURE

We're building a skilled, resilient, and diverse team to work in partnership with our stakeholders. Together, helping our communities and society thrive.

Our values



We put customers first

We build trust by giving excellent service, listening and taking action on what our customers tell us.



We take pride

We take ownership and are accountable for our work, going above and beyond to get great results.



We work as a team

We build relationships with colleagues and partners, share best practice and encourage honest, open conversations.



We bring energy

We approach all our work with enthusiasm, always challenging outcomes to do better by embracing new ideas and innovative solutions.