

# Tariff breakdown for pay-as-you-go residents at Minavil House

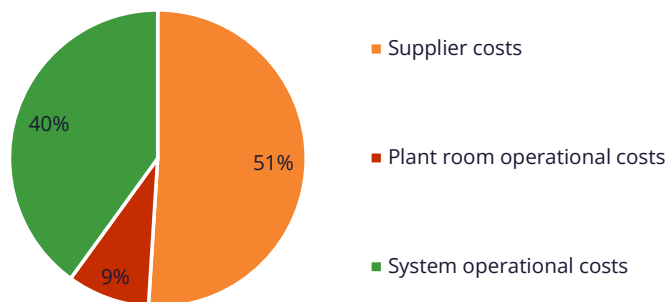
Insite Energy work on behalf of your heat provider, Clarion Housing, to provide metering and billing services to you. Below is an explanation of your heat tariff calculations. The rates applied by your heat supplier are solely determined to recover all the costs incurred through operating a heat network, and your heat supplier does not profit from the operation of the heat network.

## The wholesale energy price cap

To try and support customers over the past 12 months Clarion Housing have subsidised some of the higher tariffs. Whilst they will not be recovering these costs from their customers, they do need to review the tariffs and ensure they are now recovering all their costs. Your new heat tariff will increase by 19.89p/kWh from 1st August 2023. To help households and organisations during the energy crisis, the Government announced a wholesale gas price cap to be applied from 31st October 2022 until 31st March 2023 as part of the Energy Bills Relief Scheme (EBRS).

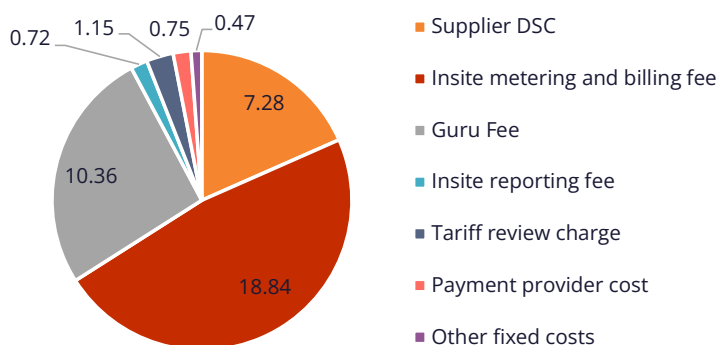
The EBRS has been replaced by the Energy Bill Discount Scheme (EBDS), and is in place from 1st April 2023 until 31st March 2024. Under this scheme, support is only provided if the wholesale gas price is above 10.7p/kWh. Clarion Housing has secured a gas contract above this price. As a result, the contracted retail gas costs at Minavil House will receive a discount of 0.697p/kWh as part of the EBDS. Building on this, the Government has also confirmed an enhanced discount for heat networks, with retail unit charges for gas capped at 7.45p/kWh exc. VAT. We will write to you once we have received further clarification from Clarion Housing to confirm whether your heat network is eligible for the additional discount.

## Your unit charge breakdown 28.43p/kWh (percentage of apportioned costs)



The average operational costs for a heat network equates to 56% of the unit charge breakdown.

## Your daily standing charge breakdown 39.57p/day (pence per day)



**⚠ Please note, your heat supplier does not profit from the operation of your heat network**

## Standard components of your heat tariff

Your **unit charge** covers the bulk cost of the energy generated in the communal plant room. It also includes any associated heat losses between the supply point and your home. Your energy consumption is measured via the heat meter installed in your home, so you only pay for what you have used. You are charged for every kilowatt-hour (kWh) consumed within your property.

Your **daily standing charge** is the fixed charge passed on by your heat provider, which covers the cost of operating the heat network and delivering energy to your home. This is an annual fixed amount that is payable every day by all residents regardless of how much energy they use.

Depending on your heat provider, the costs associated with running and maintaining the heat network will either be included within your building service charge or your heating and hot water daily standing charge.

