

# Tariff breakdown

## Peppermint Heights

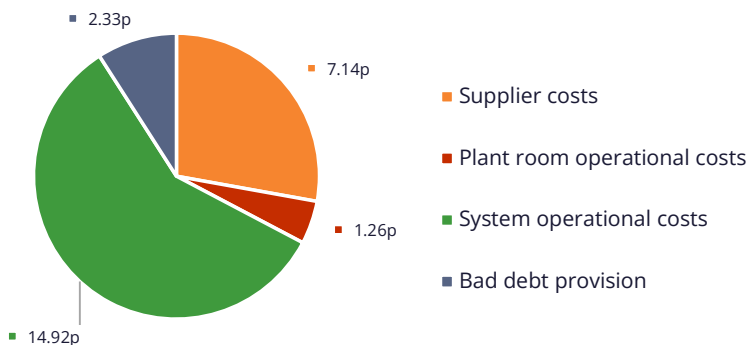
Insite Energy work on behalf of your heat supplier, Sovereign Network Homes, to provide metering and billing services to you.

Below is an explanation of your heating & hot water tariff calculations. These solely cover operational costs, and your heat supplier makes no profit from this.

For more information on why your tariff has been reviewed, please refer to the Tariff change notification letter sent to you.

### Your unit rate breakdown

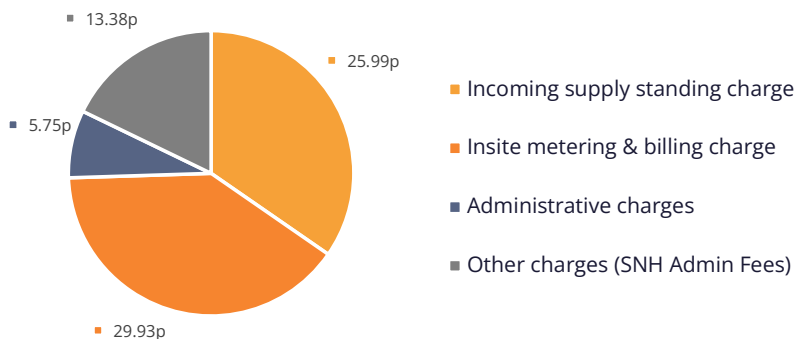
25.65 p/kWh



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

### Your daily standing charge breakdown

75.05 p/day



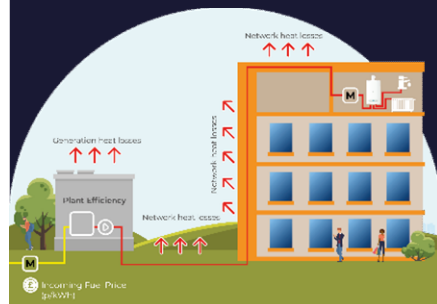
**⚠ Please note, your heat supplier does not profit from the operation of your heat network**

### Standard components of your heat tariff

Your **unit rate** 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.



# Glossary

To help you understand the different elements that go into your tariff, we've put the below glossary together for you.

## Unit rate glossary

- Supplier costs** - The cost per kilowatt-hour (kWh) of fuel consumed by the boilers in the plant room. This generates the energy used for heating & hot water in your home.
- Plant room operational costs** - The cost of any heat lost via the boilers and pipework within the plant room. Heat loss during pumping is unavoidable and inflates the cost of heat created from fuel consumption.
- System operational costs** - The cost of any heat lost through the pipework across the heat network. Heat loss during pumping is unavoidable and inflates the cost of heat created from fuel consumption. We calculate heat losses across the network by comparing the volume of fuel consumed to the heat consumed within the network's properties. If this data is unavailable, a standard efficiency calculation of 40% is used.
- Bad debt provision** - The total unrecovered debt determined from the percentage (%) of charged or billed value to residents. If this data is unknown, this will initially be estimated at 10%. This is only applicable to credit billing accounts.

## Daily standing charge glossary

- Incoming supply standing charge** - The daily standing charge your heat supplier pays on the incoming fuel supply contract to cover the fixed costs of providing gas, charged regardless of how much energy you use.
- Adminstrative charges** - This covers: tariff review fees (cost of calculating and setting your tariff), tariff letter costs (postage costs of sending you your tariff change notification letters), and reporting fees (a licence fee incurred to monitor and present a range of data across the network to support financial and operational management).
- Insite metering & billing charge** - This covers: our metering & billing fees, the cost of reading all landlord meters installed around the network allowing us to monitor system efficiency and heat losses, costs associated to the sim cards within the router allowing us to remotely collect your meter reads, and payment transaction fees charged by the payment platform for every payment.
- PAYG Software-as-a-Service fees** - The ongoing costs charged by the pay-as-you-go manufacturer for accessing and utilising their software applications over the internet. These fees cover costs associated with software maintenance, updates, and other services provided by the Software-as-a-Service (SaaS) provider. These fees are unavoidable due to the need for access to accurate data essential for fair and transparent billing.



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