

MINI GUIDE

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.

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

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.

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.

Insite metering & billing charge - This covers: our metering & billing fees, the prepay system software-as-a-service (SaaS) charges (where tariffs are set for a PAYG scheme), 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.

Administrative 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).

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.

scan to read our blog post
or visit

www.insite-energy.co.uk/blog/making-sense-your-bill-breaking-down-heat-charges

