Tariff breakdown

MINI GUIDE

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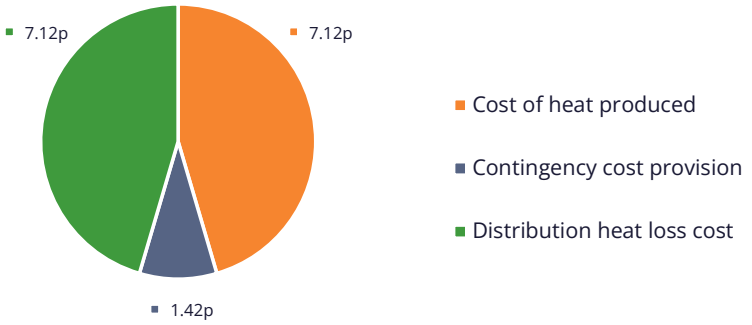
Effective from: **20th December 2026**

Insite Energy, selected as the ESCo Manager by your heat supplier, SES Manager & SES Nominee c/o Insite Energy, handle all operational services associated with your heat network, incl. metering & billing and maintenance on their behalf.

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.

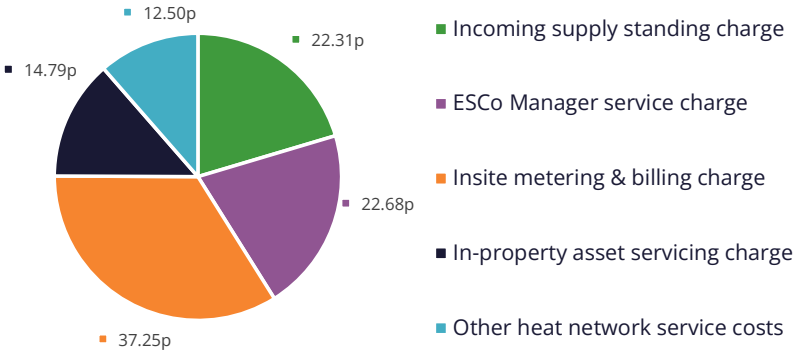
For more information on why your tariff has been reviewed, please refer to the tariff change notification letter sent to you.

Your unit rate breakdown 15.66 p/kWh



The average cost of operating efficiency for heat networks equates to 56% of the unit charge breakdown.

Your daily standing charge breakdown 109.54 p/day



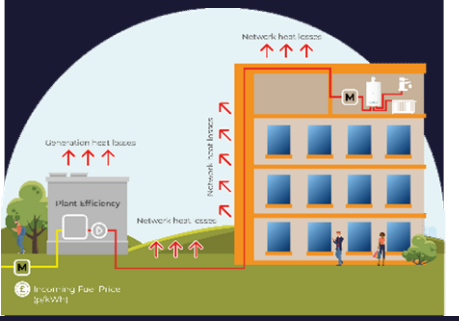
Please note, your heat supplier does not profit from the operation of your heat network

Standard components of your heat tariff

Your **unit rate** covers the cost of the energy generated in the communal plant room. It also includes any associated heat losses between the plant room 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 supplier, 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 supplier, the costs associated with running and maintaining the heat network will either be included within your building service charge or your heating & 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

Cost of heat produced - 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.

Distribution heat loss cost - The cost of any heat lost through the pipework across the heat network. Heat loss during energy distribution is unavoidable and increases the cost of heat produced in the plant room. We calculate heat losses across the network by comparing the heat energy leaving the plant room to the heat consumed within the network's properties. If this data is unavailable, a standard efficiency calculation of 60% is used.

Contingency cost provision - Contingency cost provisions are necessary to cover any unforeseen operational costs which cannot be accurately predicted. Such costs may include unexpected fluctuations in efficiency based on seasonality or demand, and other unforeseen operational costs which may include unrecoverable heat charges. They are necessary to ensure the cost of operating the heat network is met, and a reliable heat supply is maintained for all residents.

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 delivering gas or electricity into the plant room. This is then used to generate the heat energy for your home and is charged regardless of how much energy is used.

Insite metering & billing charge - This may cover: our metering & billing fees, the cost of reading all landlord meters around the network allowing us to monitor system efficiency and heat losses, costs associated with remotely collecting your meter reads, and transaction fees charged by the payment platform for every payment made.

Other heat network service costs - These may include: costs to perform tariff reviews, tariff communication costs, monitoring and reporting fees (a licence fee incurred to monitor and present a range of data across the network to support financial and operational management) and compliance reporting.

ESCo Manager service charge - The cost of Insite providing ESCo Manager services to your heat network. This includes: the procurement, and management of mechanical, energy and service provider contracts (ensuring that contractual quality and cost related KPI's are adhered to), and financial management of the energy account (ensuring we only recover the costs to operate and serve the heat network).

In-property asset servicing charge - Planned Preventative Maintenance (PPM) and servicing charges associated to (where applicable); heat interface units (HIU), cooling interface units (CIU), fan cooling units (FCU), and mechanical ventilation with heat recovery units (MVHR).

scan to read our blog post or visit
www.insite-energy.co.uk/residents/news-insights/how-is-my-energy-bill-calculated-a-breakdown-of-heat-network-tariffs/