

## Industrial Rates

# A UK property Tax:

**update Sept 2005**

UKOPA/05/0119

	<u>Current Option Z VO/SAA Basis</u>
<b>Line Pipe Cost</b>	No change to agreed 2000 scale
<b>Coating cost</b>	Minimal change but internal will be added if present. See separate sheet.
<b>Pipe Grade Specification</b>	No change to agreed 2000 scale
<b>Cathodic Protection</b>	Sacrificial anode £3/m, impressed current £1-50/m. Per corridor, not per pipeline.
<b>Construction Cost</b>	See updated spreadsheet for Option Z.
<b>Legal Cost</b>	10% increase to £22/m but per corridor, not per pipeline.
<b>Design &amp; Administration</b>	No change to agreed 2000 % additions (+20% MAH, +15% Oth)
<b>Easement</b>	15% increase to £23/m
<b>Crossings</b>	15% increase on 2000 costs and scale.
<b>Block Valve</b>	Non Transco basic £15,000. Non Transco other +15% on 2000.
<b>Multi Pipe Allowances</b>	No change to agreed 2000 scale
<b>Different Types of Terrain Adjustment</b>	No change to agreed 2000 scale
<b>Age Allowances</b>	No change other than scale moved on 5 years.

The way forward

VO response to counter offer and recommendation to Operators

Everything to date 'Without prejudice'

- Agree or:

- Start again, Current VO 2005 published  
Litigation,  
Tribunals,  
New issues  
Individual agreements, etc.

Please report any approaches to Keith Norman or Phil Glenwright, or me