



CIRCULAR TO DEPARTMENTS AND AUTHORITIES NO 6 OF 2013

**GAS HOT WATER SYSTEMS - AREAS NORTH OF THE 26 DEGREES SOUTH
LATITUDE**

This Circular replaces Circular 7 of 2008.

Tenants occupying Department of Housing houses equipped with gas hot water systems are eligible for a reimbursement relating to the additional cost of having to purchase gas for use in the gas hot water system. This is not an entitlement to payment of the full subsidy to all tenants of houses with gas hot water systems. Reimbursement is based upon the individual usage in excess of 1.25 45kg bottles used in a subsidy period.

Due to movements in the Consumer Price Index since the subsidy was last reviewed, the level of subsidy for gas used in the operation of gas hot water systems has been set at up to a maximum amount of \$33.00 per month as from 1 July 2013.

To assist in establishing the procedure for this reimbursement the following examples may be used as a guide.

Example 1

Annual purchase 6 bottles at \$175 = \$1050.00
Normal domestic usage of 1.25 bottles @ \$175 = \$218.75
Balance is \$831.25
Cost of gas for heating water - \$831.25 divided by 12 = \$69.27 per month average costs
Officer to be reimbursed the maximum amount of \$33 x 12 months = \$396

Example 2

Annual purchase 3 bottles at \$175 = \$525.00
Normal domestic usage of 1.25 bottles @ \$175 = \$218.75
Balance is \$306.25
Cost of gas for heating water is \$306.25 divided by 12 = \$25.52 per month average costs
Officer to be reimbursed \$25.52 x 12 months = \$306.25

Kristin Berger
for **BOB HORSTMAN**
EXECUTIVE DIRECTOR
LABOUR RELATIONS

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