RIIO-2 Price Control Financial Model (PCFM)

Electricity Distribution
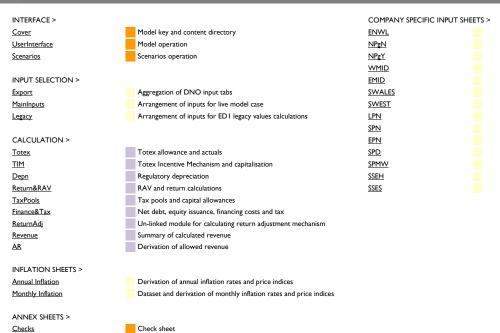
Model Version	ED2 PCFM SSES 20231229.xlsx
Publication date	29/12/2023

Model key

Sample	Calculated value		Sample	Information and interface
Sample	Import		Sample	Fixed input value
Sample	Export		Sample	Ofgem annual update input
Sample	Named range		Sample	Other annual update input
Sample	Formula change in cells to the right		Sample	Input linked from annual update
			Sample	Notes and instructions
			Sample	Check
			Sample	Row not currently used

Contents

End of sheet

UserInterface

Model operation

Active Licensee select   SSES ▼

Price base year (financial year ending)   2021

Check status   *OK*

Lists used in this tab

Source for "Active company" drop-down list

ENWL
NPgN
NPgY
WMID
EMID
SWALES
SWEST
LPN
SPN
EPN
SPD
SPMW
SSEH
SSES

14   *Adjacent named range: m_identity - key variable used across the model*

SSES   *Adjacent named range: n_identity - key variable used across the model*

0   *Adjacent named range: n_groupidentity - used for AllOutput metadata*

End of sheet

	Company select	ENW			Base date	2021											
14																	
Parameter	Licence Co	Units		Term	Constant	Annual values											
PCFM year ending					31 Mar 2016	31 Mar 2016	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028

Real to nominal prices conversion factor

Combined RPI-CPIH real to nominal prices conversion factor (financial year average)	scalar			0.882	0.901		0.935	0.963	0.988	1.000	1.058	1.194	1.289	1.328	1.351	1.372	1.397

Variable value terms

Totex allowance

Non-variant allowances

Parameter	Units	Term	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Non-variant allowed load related capex	£m 20/21 prices		93.1	84.9	82.3	52.4	32.0
Non-variant allowed non-load related capex - asset replacement	£m 20/21 prices		61.6	73.8	73.9	84.5	77.2
Non-variant allowed non-load related capex - other	£m 20/21 prices		24.8	39.2	37.8	36.9	33.2
Non-variant allowed faults	£m 20/21 prices		42.9	44.4	44.1	42.7	42.3
Non-variant allowed tree cutting	£m 20/21 prices		18.2	19.8	17.9	17.3	17.6
Non-variant allowed 100% 'revenue pool' expenditure	£m 20/21 prices		18.2	19.1	18.6	18.0	17.3
Non-variant allowed controllable opex	£m 20/21 prices		142.8	149.6	145.7	140.9	141.2

Variant allowances

Parameter	Units	Term	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
RPEs (bucket 1 allowances)	£m 20/21 prices	RPEAt	-3.5	0.4	4.8	9.0	12.3
RPEs (bucket 2 allowances)	£m 20/21 prices	RPEAt	-0.1	0.0	0.5	0.9	1.2
Physical Security Re-opener	£m 20/21 prices	PSUPt	-	-	-	-	-
Specified Street Works Costs Re-opener	£m 20/21 prices	SWRt	-	-	-	-	-
Rail Electrification Costs Re-opener	£m 20/21 prices	RECt	-	-	-	-	-
Net Zero Re-opener	£m 20/21 prices	NZt	-	-	-	-	-
Coordinated Adjustment Mechanism Re-opener	£m 20/21 prices	CAMt	-	-	-	-	-
Electricity System Restoration Re-opener	£m 20/21 prices	ESRt	-	-	3.0	3.0	3.0
Environmental Re-opener	£m 20/21 prices	EVRt	-	-	16.5	16.5	16.5
Network Asset Risk Metric Expenditure	£m 20/21 prices	NARMt	32.7	40.2	37.1	36.3	33.3
Load Related Expenditure: Secondary Reinforcement	£m 20/21 prices	SRVDt	7.5	38.5	40.4	39.9	36.2
Load Related Expenditure: Low Voltage Services	£m 20/21 prices	LVSVDt	1.6	2.1	2.5	2.4	1.6
Load Related Expenditure Re-opener	£m 20/21 prices	LREt	-	-	-	30.0	35.0
Digitalisation Re-opener	£m 20/21 prices	DIGit	-	-	-	-	-
PCB Interventions	£m 20/21 prices	PCBt	9.3	11.6	5.6	1.7	1.6
Visual Amenity Projects	£m 20/21 prices	VAPt	2.2	2.2	2.2	2.1	2.0
Cyber Resilience OT baseline	£m 20/21 prices	CROTt	1.6	2.6	0.6	0.2	0.3
Cyber Resilience OT Re-opener	£m 20/21 prices	CROTREt	1.4	2.2	1.5	1.2	1.2
Cyber Resilience IT Re-opener	£m 20/21 prices	CRITREt	1.0	1.2	1.2	1.3	1.4
Off-gas Grid Mechanistic Price Control Deliverable	£m 20/21 prices	OGGt	-	-	-	-	-
Shetland Link Contribution (SSEH only)	£m 20/21 prices	SLKCt	-	-	-	-	-
West Coast of Cumbria Re-opener (ENWL only)	£m 20/21 prices	WCCt	-	-	-	-	-
Shetland Enduring Solution Re-opener (SSEH only)	£m 20/21 prices	SESt	-	-	-	-	-
Shetland Extension Fixed Energy Costs Re-opener (SSEH only)	£m 20/21 prices	SEFECt	-	-	-	-	-
Hebrides and Orkney Re-opener (SSEH only)	£m 20/21 prices	HOt	-	-	-	-	-
Smart Street Mechanistic Price Control Deliverable (ENWL only)	£m 20/21 prices	SSMPt	-	-	-	-	-
Worst Served Customers	£m 20/21 prices	WSCt	0.6	0.6	0.6	0.6	0.6
EV Optioneering Projects	£m 20/21 prices	EOPt	-	-	-	-	-
Cyber Resilience IT baseline	£m 20/21 prices	CRITt	0.7	1.9	1.5	1.5	1.4
Wayleaves and Diversions Re-opener	£m 20/21 prices	WDVt	-	14.0	15.0	15.0	15.0
Indirects Scaler	£m 20/21 prices	ISt	1.0	4.4	4.6	7.8	7.9
LineSIGHT Mechanistic Price Control Deliverable (ENWL only)	£m 20/21 prices	LMPt	-	-	-	-	-
New Depot (EMID, SWALES, SWEST and WMID only)	£m 20/21 prices	NEWDt	-	-	-	-	-
New Control Room (SSES and SSEH only)	£m 20/21 prices	CTRLt	-	-	2.8	7.0	13.8	4.1
Storm Arwen Re-opener	£m 20/21 prices	SARt	-	0.5	1.0	1.0	1.0
High Value Projects Re-opener	£m 20/21 prices	HVPt	-	-	-	-	-
Strategic Investment	£m 20/21 prices	SINVt	-	-	-	-	-
Carry-over Green Recovery Scheme	£m 20/21 prices	CGRSt	31.7	-	-	-	-
1-in-20 Severe Weather Event	£m 20/21 prices	OTSWt	-	-	-	-	-
Net to Gross Load Related Expenditure	£m 20/21 prices	NGLREt	-	-	-	-	-
0	£m 20/21 prices	0	-	-	-	-	-
0	£m 20/21 prices	0	-	-	-	-	-
0	£m 20/21 prices	0	-	-	-	-	-
0	£m 20/21 prices	0	-	-	-	-	-
0	£m 20/21 prices	0	-	-	-	-	-
0	£m 20/21 prices	0	-	-	-	-	-
0	£m 20/21 prices	0	-	-	-	-	-

Variant allowances: totex subcategory allocations and other attributes

Parameter	Units	UM / PCD/ Other (for info only)	RPE Incl. or Excl. (for info only)	Cap rate allocation (1 or 2)	Check	Load related capex (%)	Non-load related capex - asset replacement (%)	Non-load related capex - other (%)	Faults (%)	Tree cutting (%)	100% 'revenue pool' expenditure (%)	Controllable opex (%)
RPEs (bucket 1 allowances)	mixed inputs	Other		0.00	1.0	15%	26%	8%	10%	4%	4%	33%
RPEs (bucket 2 allowances)	mixed inputs	Other		0.00	2.0	85%	15%	0%	0%	0%	0%	0%
Physical Security Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	100%	0%	0%	0%	0%	0%
Specified Street Works Costs Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	0%	0%	0%	0%	0%	100%
Rail Electrification Costs Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	100%	0%	0%	0%	0%	0%
Net Zero Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		100%	0%	0%	0%	0%	0%	0%
Coordinated Adjustment Mechanism Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	0%	100%	0%	0%	0%	0%
Electricity System Restoration Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	100%	0%	0%	0%	0%	0%
Environmental Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	100%	0%	0%	0%	0%	0%
Network Asset Risk Metric Expenditure	mixed inputs	PCD	RPEs Apply	1.0		0%	100%	0%	0%	0%	0%	0%
Load Related Expenditure: Secondary Reinforcement	mixed inputs	Volume driver	RPEs Apply	2.0		100%	0%	0%	0%	0%	0%	0%
Load Related Expenditure: Low Voltage Services	mixed inputs	Volume driver	RPEs Apply	2.0		100%	0%	0%	0%	0%	0%	0%
Load Related Expenditure Re-opener	mixed inputs	Re-opener	RPEs Apply	2.0		100%	0%	0%	0%	0%	0%	0%
Digitalisation Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	0%	50%	0%	0%	0%	50%
PCB Interventions	mixed inputs	Volume driver	RPEs Apply	2.0		0%	100%	0%	0%	0%	0%	0%
Visual Amenity Projects	mixed inputs	UIOLI	RPEs Don't Apply	1.0		0%	0%	100%	0%	0%	0%	0%
Cyber Resilience OT baseline	mixed inputs	PCD	RPEs Apply	1.0		0%	0%	100%	0%	0%	0%	0%
Cyber Resilience OT Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	0%	100%	0%	0%	0%	0%
Cyber Resilience IT Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	0%	0%	0%	0%	0%	100%
Off-gas Grid Mechanistic Price Control Deliverable	mixed inputs	PCD	RPEs Apply	1.0		0%	0%	0%	0%	0%	0%	0%
Shetland Link Contribution (SSEH only)	mixed inputs	Other	RPEs Don't Apply	2.0		0%	0%	90%	0%	0%	0%	10%
West Coast of Cumbria Re-opener (ENWL only)	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	0%	100%	0%	0%	0%	0%
Shetland Enduring Solution Re-opener (SSEH only)	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	0%	0%	0%	0%	0%	100%
Shetland Extension Fixed Energy Costs Re-opener (SSEH only)	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	100%	0%	0%	0%	0%	0%
Hebrides and Orkney Re-opener (SSEH only)	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	100%	0%	0%	0%	0%	0%
Smart Street Mechanistic Price Control Deliverable (ENWL only)	mixed inputs	PCD	RPEs Apply	1.0		100%	0%	0%	0%	0%	0%	0%
Worst Served Customers	mixed inputs	UIOLI	RPEs Don't Apply	2.0		0%	0%	0%	100%	0%	0%	0%
EV Optioneering Projects	mixed inputs	UIOLI	RPEs Don't Apply	1.0		0%	0%	0%	0%	0%	0%	100%
Cyber Resilience IT baseline	mixed inputs	PCD	RPEs Apply	1.0		0%	0%	0%	0%	0%	0%	100%
Wayleaves and Diversions Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	0%	100%	0%	0%	0%	0%
Indirects Scaler	mixed inputs	Other	RPEs Don't Apply	2.0		0%	0%	0%	0%	0%	0%	100%
LineSIGHT Mechanistic Price Control Deliverable (ENWL only)	mixed inputs	PCD	RPEs Apply	1.0		0%	0%	100%	0%	0%	0%	0%
New Depot (EMID, SWALES, SWEST and WMID only)	mixed inputs	PCD	RPEs Apply	1.0		0%	0%	100%	0%	0%	0%	0%
New Control Room (SSES and SSEH only)	mixed inputs	PCD	RPEs Apply	1.0		0%	0%	100%	0%	0%	0%	0%
Storm Arwen Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	0%	0%	100%	0%	0%	0%
High Value Projects Re-opener	mixed inputs	Re-opener	RPEs Don't Apply	2.0		0%	100%	0%	0%	0%	0%	0%
Strategic Investment	mixed inputs	Other	RPEs Don't Apply	2.0		100%	0%	0%	0%	0%	0%	0%
Carry-over Green Recovery Scheme	mixed inputs	Other	RPEs Don't Apply	2.0		100%	0%	0%	0%	0%	0%	0%
1-in-20 Severe Weather Event	mixed inputs	Other	RPEs Don't Apply	2.0		0%	0%	0%	100%	0%	0%	0%
Net to Gross Load Related Expenditure	mixed inputs	Other	RPEs Don't Apply	2.0		100%	0%	0%	0%	0%	0%	0%
0	mixed inputs	-	-	-		0%	0%	0%	0%	0%	0%	0%
0	mixed inputs	-	-	-		0%	0%	0%	0%	0%	0%	0%
0	mixed inputs	-	-	-		0%	0%	0%	0%	0%	0%	0%
0	mixed inputs	-	-	-		0%	0%	0%	0%	0%	0%	0%
0	mixed inputs	-	-	-		0%	0%	0%	0%	0%	0%	0%
0	mixed inputs	-	-	-		0%	0%	0%	0%	0%	0%	0%

Actual totex

RIIO-2 Actual expenditure: capitalisation rate allocation 1

Parameter	Units	Term	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Actual load related capex	£m 20/21 prices	ALC	40.7	76.4	75.7	83.5	82.9
Actual non-load related capex - asset replacement	£m 20/21 prices	ANCA	108.2	145.0	164.4	178.2	158.0
Actual non-load related capex - other	£m 20/21 prices	ANCO	21.3	18.3	2.6	5.5	1.9
Actual faults	£m 20/21 prices	AFA	43.9	43.8	44.2	43.7	43.1
Actual tree cutting	£m 20/21 prices	ATC	18.7	19.7	17.9	17.2	17.5
Actual 100% 'revenue pool' expenditure	£m 20/21 prices	ARP	15.2	16.0	15.5	14.9	14.7
Actual controllable opex	£m 20/21 prices	ACO	154.7	156.5	156.0	150.9	151.4

RIIO-2 Actual expenditure: capitalisation rate allocation 2

Parameter	Units	Term	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Actual load related capex	£m 20/21 prices	ALCU	9.1	40.5	42.8	72.2	72.7
Actual non-load related capex - asset replacement	£m 20/21 prices	ANCAU	-	-	-	-	-
Actual non-load related capex - other	£m 20/21 prices	ANCOU	11.7	29.5	43.8	39.7	39.7
Actual faults	£m 20/21 prices	AFAU	-	-	-	-	-
Actual tree cutting	£m 20/21 prices	ATCU	-	-	-	-	-
Actual 100% 'revenue pool' expenditure	£m 20/21 prices	ARPU	-	-	-	-	-
Actual controllable opex	£m 20/21 prices	ACOU	-	-	-	-	-

Selected Inputs

	Company select	SPD			Base date	2021												

SSMD 14	Parameter	Licence Co	Units	Term	Constant	Annual values												
	PCFM year ending				31 Mar 2020	31 Mar 2016	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028

Pass-through costs

Parameter	Units	Term											2024	2025	2026	2027	2028
Licence Fee Payments	£m 20/21 prices	LFt											2.9	2.9	2.9	2.9	2.9
Prescribed Rates	£m 20/21 prices	RBt											31.4	33.4	33.6	40.8	40.8
Pass-through Transmission Connection Point Charges	£m 20/21 prices	TBt											11.1	13.2	13.3	13.1	11.4
Smart Meter Communication Licensee Costs	£m 20/21 prices	SMCt											3.1	2.8	2.8	2.8	2.7
Smart Meter Information Technology Costs	£m 20/21 prices	SMITt											1.7	0.9	0.9	1.0	1.0
Ring Fence Costs	£m 20/21 prices	RFt											-	-	-	-	-
Supplier of Last Resort Net Costs	£m 20/21 prices	SLRt											21.8	(0.4)	-	-	-
Valid Bad Debt Claims	£m 20/21 prices	IBDAt											0.0	0.1	-	-	-
Pension Scheme Established Deficit repair expenditure	£m 20/21 prices	EDEt											7.2	(1.0)	(1.0)	(0.5)	-
Failed Supplier Recovered Costs	£m 20/21 prices	SRCt											-	-	-	-	-
Shetland Variable Energy Costs (SSEH only)	£m 20/21 prices	SECt											-	-	-	-	-
Assistance for high-cost distributors adjustment (SSEH only)	£m 20/21 prices	HBt											-	-	-	-	-
Spare	£m 20/21 prices												-	-	-	-	-
Spare	£m 20/21 prices												-	-	-	-	-

Incentive revenue

Parameter	Units	Term											2024	2025	2026	2027	2028
Time to connect ODI	£m 20/21 prices	TTCt											-	0.1	0.1	0.1	0.2
Broad Measure of Customer Service ODI	£m 20/21 prices	BMCSt											(0.6)	(0.1)	(0.1)	0.2	0.7
Interruptions incentive scheme ODI	£m 20/21 prices	IQt											(5.3)	(3.2)	(0.4)	1.2	1.3
Major connections ODI	£m 20/21 prices	MCt											-	-	-	-	-
Consumer Vulnerability ODI	£m 20/21 prices	CVIt											-	1.3	-	-	2.9
Distribution System Operator ODI	£m 20/21 prices	DSOIt											0.7	1.3	1.5	1.6	1.6
Dig, Fix and Go ODI (ENWL only)	£m 20/21 prices	DFGt											-	-	-	-	-
Collaborative Streetworks ODI (EPN, LPN and SPN only)	£m 20/21 prices	CSWt											-	-	-	-	-
Spare	£m 20/21 prices												-	-	-	-	-
Spare	£m 20/21 prices												-	-	-	-	-
Business Plan Incentive reward/penalty	£m 20/21 prices	BPIt											2.3	-	-	-	-

Other revenue allowances

Parameter	Units	Term											2024	2025	2026	2027	2028
Network Innovation Allowance	£m 20/21 prices	NIAt											1.3	1.6	2.0	-	-
Carry-over Network Innovation Allowance	£m 20/21 prices	CNIAt											0.5	-	-	-	-
Revenue adjustments in respect of connection performance failures	£m 20/21 prices	CGSRAt											-	-	-	-	-
Aggregate Amount	£m 20/21 prices	AUMt											-	-	-	-	-
Initial Profile Adjustment	£m 20/21 prices	PADt											-	-	-	-	-
Time Value of Money Profile Adjustment	£m 20/21 prices	TPADt											-	-	-	-	-
Network Innovation Allowance: cost multiplier	%												111%				
Carry-over Network Innovation Allowance: cost multiplier	%												111%				
Revenue adjustments in respect of connection performance failures: cost multiplier	%												111%				

Directly Attributable Revenue Terms

DRS

Parameter	Units	Term											2024	2025	2026	2027	2028
DRS1. Connection services revenue	£m 20/21 prices	DRS1R											-	-	-	-	-
DRS1. Connection services costs	£m 20/21 prices	DRS1C											-	-	-	-	-
DRS2. Diversionary works under obligation revenue	£m 20/21 prices	DRS2R											(6.9)	(7.1)	(7.0)	(6.6)	(6.4)
DRS2. Diversionary works under obligation costs	£m 20/21 prices	DRS2C											6.9	7.1	7.0	6.6	6.4
DRS3. Works required by any alteration of premises revenue	£m 20/21 prices	DRS3R											(4.7)	(4.9)	(4.8)	(4.5)	(4.4)
DRS3. Works required by any alteration of premises costs	£m 20/21 prices	DRS3C											4.7	4.9	4.8	4.5	4.4
DRS11. Top-up, standby and enhanced system security revenue	£m 20/21 prices	DRS11R											-	-	-	-	-
DRS11. Top-up, standby and enhanced system security costs	£m 20/21 prices	DRS11C											-	-	-	-	-
DRS12. Revenue protection services revenue	£m 20/21 prices	DRS12R											-	-	-	-	-
DRS12. Revenue protection services costs	£m 20/21 prices	DRS12C											-	-	-	-	-
DRS13. Metering Services revenue	£m 20/21 prices	DRS13R											-	-	-	-	-
DRS13. Metering Services costs	£m 20/21 prices	DRS13C											-	-	-	-	-
DRS14. Smart Meter Roll-out rechargeable services revenue	£m 20/21 prices	DRS14R											-	-	-	-	-
DRS14. Smart Meter Roll-out rechargeable services costs	£m 20/21 prices	DRS14C											-	-	-	-	-
DRS15. Miscellaneous revenue	£m 20/21 prices	DRS15R											-	-	-	-	-
DRS15. Miscellaneous costs	£m 20/21 prices	DRS15C											-	-	-	-	-

Finance inputs

Allowed return on capital

Parameter	Units	Term	Constant	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
iBoxx trailing average	annual real %	iBTAt										3.04%	3.11%	3.17%	3.18%	3.20%
Risk-free rate	annual real %	RFRt										1.46%	2.72%	2.43%	2.49%	2.56%
Equity Beta	scalar											75.86%	75.86%	75.86%	75.86%	75.86%
Total Market Return	%											6.50%	6.50%	6.50%	6.50%	6.50%
Benchmark gearing	%											60.00%	60.00%	60.00%	60.00%	60.00%
Notional gearing	%											60.00%	60.00%	60.00%	60.00%	60.00%
RIIO-1 vanilla WACC	annual real %			3.76%	3.67%	3.59%	3.46%	3.36%	3.26%	3.15%	3.04%					
RIIO-1 notional gearing	%			65%	65%	65%	65%	65%	65%	65%	65%					

Real Price Effects

Parameter	Units	Term											2024	2025	2026	2027	2028
Cumulative RPEs	%	RPEIt										99.19%	100.09%	101.02%	102.02%	103.06%

Notional finance parameters

Parameter	Units											2024	2025	2026	2027	2028
Minimum equity issuance threshold	%											5.00%	5.00%	5.00%	5.00%	5.00%
Equity issuance costs	%											5.00%	5.00%	5.00%	5.00%	5.00%
Assumed dividends as % of notional equity portion of RAV	%											3.00%	3.00%	3.00%	3.00%	3.00%
Equity issuance gearing target	%											60.00%	60.00%	60.00%	60.00%	60.00%
CPIH index-linked debt as a percentage of net debt	%											25.00%	25.00%	25.00%	25.00%	25.00%
RPI index-linked debt as a percentage of net debt	%											0.00%	0.00%	0.00%	0.00%	0.00%

Totex capitalisation rates and TIM

Parameter	Units	Term	Constant
Capitalisation rate 1	%		65.00%
Capitalisation rate 2	%		85.00%
Totex Incentive Strength Rate	%	TISt	49.30%

RAV

Parameter	Units	Constant	2016	2017	2018	2019	2020	2021	2022	2023
Metering write off	£m 20/21 prices	23.7								
Vesting year	year ending	31/03/1991								
Pre-vesting asset depn in first year (months)	months	3.5								
Pre-vesting asset life	years	15								
Post-vesting asset life	years		23	26	29	33	36	39	42	45
Accelerated post-vesting asset life	years		23	26	29	33	36	39	42	45
Smoothing period following full depreciation of pre-vesting assets	years	15								
RIIO-2 asset life	years	45								
Pre-RIIO net additions to RAV	£m 20/21 prices									
Pre-RIIO transfers to depreciation	£m 20/21 prices									
Pre-RIIO Other legacy adjustments' price control RAV additions adjustment	£m 20/21 prices									

Operational performance and return adjustment

Parameter	Units	Term	Constant
Notional gearing	%	G	60.00%
Threshold 1	annual real %	T1	3.00%
Threshold 2	annual real %	T2	4.00%
Adjustment rate 1	%	AR1	50.00%
Adjustment rate 2	%	AR2	90.00%

Calculation of Forecasting Penalty

Parameter	Units	Term	Constant							2022	2023	2024	2025	2026	2027	2028
Calculated base revenue (last year of RIIO-1, per RIIO-1 definition) (for use in Correction term)	£m real	ED1BRt	490.4													
Revenue as billed (ignoring bad debt)	£m nominal	BILLRt									619.5	1,047.9	-	-	-	-
Allowed Revenue (as published)	£m nominal	AR*t									666.9	1,035.2	-	-	-	-
Base Revenue (as published)	£m real	BRt	472.4								541.8	548.6	-	-	-	-
Valid Bad Debt Claim	£m nominal	BDAt									0.0	-	-	-	-	-
Recovered Bad Debt (enter as a -ive)	£m nominal	RBDt									(0.1)	-	-	-	-	-
Base Revenue Forecasting Penalty Adjustment	Scalar	BRFPAt									-	-	-	-	-	-
Recovered Revenue Forecasting Penalty Adjustment	Scalar	RRFPAt									-	-	-	-	-	-
Over/undercollection percentage for penal rate adjustment	%		6.00%													
Applicable BR penalty interest rate	%		1.15%													
Applicable AR penalty interest rate	%		1.15%													

code	Parameter	Licence Co	Units	Term	Constant	Annual values													
14					31 Mar 2015	31 Mar 2016	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
	PCFM year ending																	

Tax inputs

Parameter	Units	Term	2024	2025	2026	2027	2028
Tax liability allowance adjustments - driven by tax trigger events	£m 20/21 prices	TTEt	(23.5)	(37.0)	(38.3)	(44.3)	(42.6)
Adjusted net debt	£m nominal	ANDt	-	-	-	-	-
Tax deductible net interest cost	£m nominal	TDNlt	-	-	-	-	-
Tax allowance adjustment	£m nominal	TAXAt	-	-	-	-	-
General Pool Opening Balance Adjustment	£m nominal	OGPAt	-	(20.6)	(28.1)	(29.2)	(29.9)
Special Rate Pool Opening Balance Adjustment	£m nominal	OSRPAt	-	(70.1)	(119.3)	(126.1)	(152.3)
Corporation tax rate	%	CTt	25.00%	25.00%	25.00%	25.00%	25.00%
General pool capital allowance rate	%	GCAt	18.00%	18.00%	18.00%	18.00%	18.00%
Special Rates capital allowance rate	%	SRCAt	6.00%	6.00%	6.00%	6.00%	6.00%
Structures and buildings capital allowance rate	%	SBCAt	3.00%	3.00%	3.00%	3.00%	3.00%
Deferred Revenue Expenditure capital allowance rate	%	DRCAt	2.22%	2.22%	2.22%	2.22%	2.22%
Tax trigger deadband	£m 20/21 prices		2.6	2.7	2.5	2.2	1.8
Notional gearing for tax clawback gearing level test	%		65%	64%	63%	61%	60%

Variant and non-variant allowances: tax pool allocations

Parameter	Units	Term	2024	2025	2026	2027	2028
General: Load related capex	%	ARGPt	0%	0%	0%	0%	0%
General: Non-load related capex - asset replacement	%	ARGPt	5%	5%	5%	5%	5%
General: Non-load related capex - other	%	ARGPt	30%	30%	30%	30%	30%
General: Faults	%	ARGPt	0%	0%	0%	0%	0%
General: Tree cutting	%	ARGPt	0%	0%	0%	0%	0%
General: 100% 'revenue pool' expenditure	%	ARGPt	2%	2%	2%	2%	2%
General: Controllable opex	%	ARGPt	3%	3%	3%	3%	3%
Special Rate: Load related capex	%	ARSRt	98%	98%	98%	98%	98%
Special Rate: Non-load related capex - asset replacement	%	ARSRt	35%	35%	35%	35%	35%
Special Rate: Non-load related capex - other	%	ARSRt	10%	10%	10%	10%	10%
Special Rate: Faults	%	ARSRt	0%	0%	0%	0%	0%
Special Rate: Tree cutting	%	ARSRt	0%	0%	0%	0%	0%
Special Rate: 100% 'revenue pool' expenditure	%	ARSRt	17%	17%	17%	17%	17%
Special Rate: Controllable opex	%	ARSRt	20%	20%	20%	20%	20%
Deferred Revenue: Load related capex	%	ARDRt	0%	0%	0%	0%	0%
Deferred Revenue: Non-load related capex - asset replacement	%	ARDRt	40%	40%	40%	40%	40%
Deferred Revenue: Non-load related capex - other	%	ARDRt	44%	44%	44%	44%	44%
Deferred Revenue: Faults	%	ARDRt	33%	33%	33%	33%	33%
Deferred Revenue: Tree cutting	%	ARDRt	50%	50%	50%	50%	50%
Deferred Revenue: 100% 'revenue pool' expenditure	%	ARDRt	21%	21%	21%	21%	21%
Deferred Revenue: Controllable opex	%	ARDRt	20%	20%	20%	20%	20%
Structures and Buildings: Load related capex	%	ARSBt	0%	0%	0%	0%	0%
Structures and Buildings: Non-load related capex - asset replacement	%	ARSBt	3%	3%	3%	3%	3%
Structures and Buildings: Non-load related capex - other	%	ARSBt	1%	1%	1%	1%	1%
Structures and Buildings: Faults	%	ARSBt	0%	0%	0%	0%	0%
Structures and Buildings: Tree cutting	%	ARSBt	0%	0%	0%	0%	0%
Structures and Buildings: 100% 'revenue pool' expenditure	%	ARSBt	0%	0%	0%	0%	0%
Structures and Buildings: Controllable opex	%	ARSBt	0%	0%	0%	0%	0%
Revenue: Load related capex	%	ARRt	2%	2%	2%	2%	2%
Revenue: Non-load related capex - asset replacement	%	ARRt	2%	2%	2%	2%	2%
Revenue: Non-load related capex - other	%	ARRt	15%	15%	15%	15%	15%
Revenue: Faults	%	ARRt	68%	68%	68%	68%	68%
Revenue: Tree cutting	%	ARRt	50%	50%	50%	50%	50%
Revenue: 100% 'revenue pool' expenditure	%	ARRt	58%	58%	58%	58%	58%
Revenue: Controllable opex	%	ARRt	55%	55%	55%	55%	55%
Non Qualifying: Load related capex	%	ARNQt	0%	0%	0%	0%	0%
Non Qualifying: Non-load related capex - asset replacement	%	ARNQt	15%	15%	15%	15%	15%
Non Qualifying: Non-load related capex - other	%	ARNQt	0%	0%	0%	0%	0%
Non Qualifying: Faults	%	ARNQt	0%	0%	0%	0%	0%
Non Qualifying: Tree cutting	%	ARNQt	0%	0%	0%	0%	0%
Non Qualifying: 100% 'revenue pool' expenditure	%	ARNQt	2%	2%	2%	2%	2%
Non Qualifying: Controllable opex	%	ARNQt	3%	3%	3%	3%	3%

Legacy adjustments

Legacy inputs for Allowed Revenue

Parameter	Units	Term	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
RIIO-1 MOD	£m 2012/13 price	MOD										(9.3)				
Legacy net RAV additions	£m 2012/13 price	LRAV	202.3	211.0	217.7	212.6	208.0	206.6	199.2	197.7						
RIIO-2 tax pools opening balance brought forwards																
General pool RIIO-2 opening balance brought forward	£m nominal	OGPt										57.9				
Special rates pool RIIO-2 opening balance brought forward	£m nominal	OSRPt										793.9				
Deferred revenue expenditure pool RIIO-2 opening balance brought forward	£m nominal	ODRPt										1,568.6				
Deferred revenue expenditure pool capex additions pre-RIIO-2	£m nominal	LODRPt									1,933.1					
Structures and buildings pool RIIO-2 opening balance brought forward	£m nominal	OSBPt										-				
Tax losses brought forwards	£m nominal	OTLt														
RPI forecast true up																
Relevant revenue adjustments	£m 2012/13 price	REV								453.1	450.9					
EDI Price index adjustment factor	Index	RPIF	1.1	1.1		1.1	1.2	1.2	1.2	1.2	1.3					
Legacy correction factor	£m nominal															
Regulated Distribution Network Revenue	£m nominal	RD	526.2	577.8	560.2	549.0	538.3	498.8	577.5	728.6						
Allowed Distribution Network Revenue	£m nominal	AR	531.2	570.7	544.3	543.7	538.4	543.4	568.9	749.6						
Average Specified Rate	scalar	It	0.5	0.3	0.4	0.7	0.7	0.1	0.2	2.3	5					
Value of PRt (interest rate adjustment) set in a direction	scalar	PRt	-	-	-	-	-	-	-	-					
Low Carbon Networks Fund																
LCNF Second Tier and Discretionary Funding Mechanism value	£m nominal	LCN2										0	-	-	-	-
Recovered LCN, determined to be unrecoverable	£m nominal	LCN1										-	-	-	-	-
Connections GS Failure Payments Adjustment	£m nominal															
Connection Guaranteed Standards Payments made	£m nominal	LCGSPM	0.0	0.0	0.1	0.6	0.1	0.1	0.3	0.6						
Total connection guaranteed standards revenue exposure	£m 2012/13 price	LTCGSR	58.2													

Legacy inputs for Incentives

Parameter	Units	Term	2022	2023
Broader Measure of Customer Service (£m real 2012/13 prices)				
Customer Satisfaction Survey term	£m 2012/13 price	CS	0.1	1.3
Complaints metric term	£m 2012/13 price	CM	-	-
Stakeholder engagement reward term	£m 2012/13 price	SE	0.8	-
Interruptions-Related Quality of Service (£m real 2012/13 prices)				
Performance on the number of supply interruptions and the duration of supply interruptions	£m 2012/13 price	QZ	8.0	0.7
Performance on severe weather supply restoration	£m 2012/13 price	QC	(0.0)	-
Performance on normal weather supply restoration	£m 2012/13 price	QD	(0.1)	(0.1)
Incentive on Connections Engagement (£m real 2012/13 prices)				
Incentive on Connections Engagement negative performance adjustment	£m 2012/13 price	ICEO	-	-
Time To Connect (£m real 2012/13 prices)				
LVSSA Time to Quote term	£m 2012/13 price	TQA	0.2	0.1
LVSSB Time to Quote term	£m 2012/13 price	TQB	-	-
LVSSA Time to Connect term	£m 2012/13 price	TCA	-	-
LVSSB Time to Connect term	£m 2012/13 price	TCB	-	-

Legacy inputs for Passthrough

Parameter	Units	Term	2022	2023
Licence Fee adjustment				
Licence fee payments	£m nominal	LFA	3.1	3.4
Licence fee allowance	£m 2012/13 price	LFE	1.5	1.5
Business Rates adjustment				
Business rates payments	£m nominal	RBA	40.8	40.8
Business rates allowance	£m 2012/13 price	RBE	40.5	40.5
Transmission Connection Point Charges adjustment				
Pass-through Transmission Connection Point Charges incurred	£m nominal	PTPA	17.1	10.0
Pass-through Transmission Connection Point Charges allowance	£m 2012/13 price	PTPE	13.4	13.7
Smart Meter Communication Licensee Costs adjustment				
Smart Meter Communication Licensee Costs incurred	£m nominal	SMCA	3.5	3.8
Smart Meter Communication Licensee Costs allowance	£m 2012/13 price	SMCE	-	-
Smart Meter Information Technology Costs adjustment				
Smart Meter Information Technology Costs incurred	£m nominal	SMIA	0.3	0.7
Smart Meter Information Technology Costs allowance	£m 2012/13 price	SMIE	-	-
Ring Fence Costs adjustment				
Ring Fence Costs incurred	£m nominal	RFA	-	-
Ring Fence Costs allowance	£m 2012/13 price	RFE	0.1	0.1
Shetland Variable Energy Costs adjustment				
Shetland variable Energy Costs Actual incurred	£m nominal	SECA	-	-
Shetland variable Energy Costs allowance	£m 2012/13 price	SECE	-	-
Shetland Extension Variable Energy Costs adjustment				
Shetland Extension Variable Energy Costs incurred	£m nominal	SEVECA	-	-
Shetland Extension Variable Energy Costs allowance	£m 2012/13 price	SEVECE	-	-
Shetland New Energy Solution Residual Costs adjustment				
Shetland New Energy Solution Residual Costs incurred	£m nominal	SNESRCA	-	-
Shetland New Energy Solution Residual Costs allowance	£m 2012/13 price	SNESRCE	-	-
Supplier of Last Resort adjustment				
Supplier of Last Resort Net Costs incurred	£m nominal	SLRA	1.1	2.2
Eligible Bad Debt adjustment adjustment				
Eligible Use of System Bad Debt Costs incurred	£m nominal	EBDA	1.4	4.9	0.1
Recovered Bad Debt	£m nominal	RBD	0.0	0.1	0.1
COVID-19 Bad Debt term				
Aggregate value of provisional COVID-19 Bad Debt incurred	£m nominal	PCBD	-	-
Credited Amount by the Administrator or Liquidator	£m nominal	RCBD	-	-
Aggregate value of COVID-19 Bad Debt incurred	£m nominal	CBDA	-	-

End of sheet

Parameter	Units	Constant	Annual values	Check status	OK											
PCFM year ending		31 Mar 2020	31 Mar 2016	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028

General

Price control timeline

	Units	Constant	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Start of RIIO-1	year ending	31 Mar 2016													
End of RIIO-1	year ending	31 Mar 2023													
Start of RIIO-2	year ending	31 Mar 2024													
End of RIIO-2	year ending	31 Mar 2028													
Pre RIIO-1 year	flag		-	-	-	-	-	-	-	-	-	-	-	-	-
RIIO-1 year	flag		1	1	1	1	1	1	1	1	-	-	-	-	-
RIIO-2 year	flag		-	-	-	-	-	-	-	-	1	1	1	1	1
Start of RIIO-1	flag		1	-	-	-	-	-	-	-	-	-	-	-	-
Start of RIIO-2	flag		-	-	-	-	-	-	-	-	1	-	-	-	-
RIIO-1 regearing period	flag		-	1	1	1	1	1	1	1	-	-	-	-	-
RIIO-2 regearing period	flag		-	-	-	-	-	-	-	-	-	1	1	1	1

Expenditure Inputs

Totex allowance

Non-variant allowances (included in capitalisation rate allocation 1)

	Units	2024	2025	2026	2027	2028
Non-variant allowed load related capex	£m 20/21 prices	93.1	84.9	82.3	52.4	32.0
Non-variant allowed non-load related capex - asset replacement	£m 20/21 prices	61.6	73.8	73.9	84.5	77.2
Non-variant allowed non-load related capex - other	£m 20/21 prices	24.8	39.2	37.8	36.9	33.2
Non-variant allowed faults	£m 20/21 prices	42.9	44.4	44.1	42.7	42.3
Non-variant allowed tree cutting	£m 20/21 prices	18.2	19.8	17.9	17.3	17.6
Non-variant allowed 100% 'revenue pool' expenditure	£m 20/21 prices	18.2	19.1	18.6	18.0	17.9
Non-variant allowed controllable opex	£m 20/21 prices	142.8	149.6	145.7	140.9	141.2

Variant allowances: capitalisation rate allocation 1

	Units	2024	2025	2026	2027	2028
Variant allowed load related capex	£m 20/21 prices	(0.5)	0.1	0.7	1.4	1.9
Variant allowed non-load related capex - asset replacement	£m 20/21 prices	31.7	43.1	45.4	52.5	40.5
Variant allowed non-load related capex - other	£m 20/21 prices	4.1	5.4	3.7	3.6	3.8
Variant allowed faults	£m 20/21 prices	(0.3)	0.0	0.5	0.9	1.2
Variant allowed tree cutting	£m 20/21 prices	(0.1)	0.0	0.2	0.4	0.5
Variant allowed 100% 'revenue pool' expenditure	£m 20/21 prices	(0.1)	0.0	0.2	0.4	0.5
Variant allowed controllable opex	£m 20/21 prices	(0.4)	2.1	3.1	4.4	5.4

Variant allowances: capitalisation rate allocation 2

	Units	2024	2025	2026	2027	2028
Variant allowed load related capex	£m 20/21 prices	40.7	40.5	43.3	73.0	73.7
Variant allowed non-load related capex - asset replacement	£m 20/21 prices	9.3	25.6	40.2	36.4	36.3
Variant allowed non-load related capex - other	£m 20/21 prices	1.4	2.2	1.5	1.2	1.2
Variant allowed faults	£m 20/21 prices	-	0.5	1.0	1.0	1.0
Variant allowed tree cutting	£m 20/21 prices	-	-	-	-	-
Variant allowed 100% 'revenue pool' expenditure	£m 20/21 prices	-	-	-	-	-
Variant allowed controllable opex	£m 20/21 prices	2.0	5.6	5.8	9.1	9.3

Actual totex: capitalisation rate allocation 1

	Units		2024	2025	2026	2027	2028
Actual load related capex	£m 20/21 prices	ALC	40.7	76.4	75.7	83.5	82.9
Actual non-load related capex - asset replacement	£m 20/21 prices	ANCA	108.2	145.0	164.4	178.2	158.0
Actual non-load related capex - other	£m 20/21 prices	ANCO	21.3	18.3	2.6	5.5	1.9
Actual faults	£m 20/21 prices	AFA	43.9	43.8	44.2	43.7	43.1
Actual tree cutting	£m 20/21 prices	ATC	18.7	19.7	17.9	17.2	17.5
Actual 100% 'revenue pool' expenditure	£m 20/21 prices	ARP	15.2	16.0	15.5	14.9	14.7
Actual controllable opex	£m 20/21 prices	ACO	154.7	156.5	156.0	150.9	151.4
Total actual expenditure in capitalisation rate allocation 1	£m 20/21 prices		402.9	475.6	476.4	494.0	469.6

Actual totex: capitalisation rate allocation 2

	Units		2024	2025	2026	2027	2028
Actual load related capex	£m 20/21 prices	ALCU	9.1	40.5	42.8	72.2	72.7
Actual non-load related capex - asset replacement	£m 20/21 prices	ANCAU	-	-	-	-	-
Actual non-load related capex - other	£m 20/21 prices	ANCOU	11.7	29.5	43.8	39.7	39.7
Actual faults	£m 20/21 prices	AFAU	-	-	-	-	-
Actual tree cutting	£m 20/21 prices	ATCU	-	-	-	-	-
Actual 100% 'revenue pool' expenditure	£m 20/21 prices	ARPU	-	-	-	-	-
Actual controllable opex	£m 20/21 prices	ACOU	-	-	-	-	-
Total actual expenditure in capitalisation rate allocation 2	£m 20/21 prices		20.8	70.0	86.6	112.0	112.4

Pass-through costs

	Units		2024	2025	2026	2027	2028
Licence Fee Payments	£m 20/21 prices	LFt	2.9	2.9	2.9	2.9	2.9
Prescribed Rates	£m 20/21 prices	RBt	31.4	33.4	33.6	40.8	40.8
Pass-through Transmission Connection Point Charges	£m 20/21 prices	TBt	11.1	13.2	13.3	13.1	11.4
Smart Meter Communication Licensee Costs	£m 20/21 prices	SMCt	3.1	2.8	2.8	2.8	2.7
Smart Meter Information Technology Costs	£m 20/21 prices	SMITt	1.7	0.9	0.9	1.0	1.0
Ring Fence Costs	£m 20/21 prices	RFt	-	-	-	-	-
Supplier of Last Resort Net Costs	£m 20/21 prices	SLRt	21.8	(0.4)	-	-	-
Valid Bad Debt Claims	£m 20/21 prices	IBDAt	0.0	0.1	-	-	-
Pension Scheme Established Deficit repair expenditure	£m 20/21 prices	EDEt	7.2	(1.0)	(1.0)	(0.5)	-
Failed Supplier Recovered Costs	£m 20/21 prices	SRCt	-	-	-	-	-
Shetland Variable Energy Costs (SSEH only)	£m 20/21 prices	SECt	-	-	-	-	-
Assistance for high-cost distributors adjustment (SSEH only)	£m 20/21 prices	HBt	-	-	-	-	-
Spare	£m 20/21 prices		-	-	-	-	-
Spare	£m 20/21 prices		-	-	-	-	-
Total pass-through costs	£m 20/21 prices		79.2	51.9	52.5	60.0	58.8

Incentive revenue

	Units		2024	2025	2026	2027	2028
Time to connect ODI	£m 20/21 prices	TTCt	-	0.06	0.15	0.15	0.20
Broad Measure of Customer Service ODI	£m 20/21 prices	BMCSt	(0.60)	(0.11)	(0.11)	0.24	0.73
Interruptions incentive scheme ODI	£m 20/21 prices	IQt	(5.33)	(3.18)	(0.43)	1.18	1.32
Major connections ODI	£m 20/21 prices	MCt	-	-	-	-	-
Consumer Vulnerability ODI	£m 20/21 prices	CVIt	-	1.31	-	-	2.93
Distribution System Operator ODI	£m 20/21 prices	DSOIt	0.71	1.31	1.45	1.60	1.63
Dig, Fix and Go ODI (ENWL only)	£m 20/21 prices	DFGt	-	-	-	-	-
Collaborative Streetworks ODI (EPN, LPN and SPN only)	£m 20/21 prices	CSWt	-	-	-	-	-
Spare	£m 20/21 prices		-	-	-	-	-
Spare	£m 20/21 prices		-	-	-	-	-
Total output delivery incentives	£m 20/21 prices		(5.22)	(0.61)	1.06	3.17	6.82
Business Plan Incentive reward/penalty	£m 20/21 prices	BPIt	2.3	-	-	-	-

Other revenue allowances

Assumed cost multipliers for revenue calc (%)

	Units			2024	2025	2026	2027	2028
Network Innovation Allowance	£m 20/21 prices	NIAt	111.11%	1.3	1.6	2.0	-	-
Carry-over Network Innovation Allowance	£m 20/21 prices	CNIAt	111.11%	0.5	-	-	-	-
Revenue adjustments in respect of connection performance failures	£m 20/21 prices	CGSRAt	111.11%	-	-	-	-	-
Aggregate Amount	£m 20/21 prices	AUMt		-	-	-	-	-
Initial Profile Adjustment	£m 20/21 prices	PADt		-	-	-	-	-
Time Value of Money Profile Adjustment	£m 20/21 prices	TPADt		-	-	-	-	-
Total Other Revenue Allowances	£m 20/21 prices			1.8	1.6	2.0	-	-
Costs associated with Other Revenue Allowances	£m 20/21 prices			(2.0)	(1.8)	(2.2)	-	-

Directly Attributable Revenue Terms

Directly Remunerated Services

	Units		2024	2025	2026	2027	2028
DRS1. Connection services revenue	£m 20/21 prices	DRS1R	-	-	-	-	-
DRS1. Connection services costs	£m 20/21 prices	DRS1C	-	-	-	-	-
DRS 2. Diversionary works under obligation revenue	£m 20/21 prices	DRS2R	(6.9)	(7.1)	(7.0)	(6.6)	(6.4)
DRS 2. Diversionary works under obligation costs	£m 20/21 prices	DRS2C	6.9	7.1	7.0	6.6	6.4
DRS 3. Works required by any alteration of premises revenue	£m 20/21 prices	DRS3R	(4.7)	(4.9)	(4.8)	(4.5)	(4.4)
DRS 3. Works required by any alteration of premises costs	£m 20/21 prices	DRS3C	4.7	4.9	4.8	4.5	4.4
DRS11. Top-up, standby and enhanced system security revenue	£m 20/21 prices	DRS11R	-	-	-	-	-

Parameter	Units	Constant	Constant (31 Mar 2018)	31 Mar 2016	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending																
DRS11. Top-up, standby and enhanced system security costs	£m 20/21 prices	DRS11C										-	-	-	-	-
DRS12. Revenue protection services revenue	£m 20/21 prices	DRS12R										-	-	-	-	-
DRS12. Revenue protection services costs	£m 20/21 prices	DRS12C										-	-	-	-	-
DRS13. Metering Services revenue	£m 20/21 prices	DRS13R										-	-	-	-	-
DRS13. Metering Services costs	£m 20/21 prices	DRS13C										-	-	-	-	-
DRS14. Smart Meter Roll-out rechargeable services revenue	£m 20/21 prices	DRS14R										-	-	-	-	-
DRS14. Smart Meter Roll-out rechargeable services costs	£m 20/21 prices	DRS14C										-	-	-	-	-
Overall revenue from DRS (excluding DRS15)	£m 20/21 prices											(11.7)	(12.0)	(11.8)	(11.1)	(10.8)
Overall costs from DRS (excluding DRS15)	£m 20/21 prices											11.7	12.0	11.8	11.1	10.8
DRS15. Miscellaneous revenue	£m 20/21 prices	DRS15R										-	-	-	-	-
DRS15. Miscellaneous costs	£m 20/21 prices	DRS15C										-	-	-	-	-
Directly remunerated services contributing to allowed revenue	£m 20/21 prices											-	-	-	-	-
Directly remunerated services impacting core net debt	£m 20/21 prices											-	-	-	-	-
Directly remunerated services impacting tax allowance	£m 20/21 prices											-	-	-	-	-

Finance inputs

CAPM calculator tool: allowed return on debt

Parameter	Units	Code										31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
iBoxx trailing average	annual real %	iBTAt										3.04%	3.11%	3.17%	3.18%	3.20%
Allowed return on debt	annual real %	CDE										3.04%	3.11%	3.17%	3.18%	3.20%

CAPM calculator tool: allowed return on equity

Parameter	Units	Code										2024	2025	2026	2027	2028
Risk-free rate	annual real %	RFRt										1.46%	2.72%	2.43%	2.49%	2.56%
Equity Beta	scalar											75.86%	75.86%	75.86%	75.86%	75.86%
Total Market Return	%											6.50%	6.50%	6.50%	6.50%	6.50%
Allowed return on equity at 60% gearing	annual real %	ARoEt										5.28%	5.59%	5.52%	5.53%	5.55%
Benchmark gearing	%											60.00%	60.00%	60.00%	60.00%	60.00%
Vanilla WACC at 60% gearing	annual real %											3.94%	4.10%	4.11%	4.12%	4.14%
Allowed return on capital at 60% gearing	annual real %											3.94%	4.10%	4.11%	4.12%	4.14%
Notional gearing	%	G										60.00%	60.00%	60.00%	60.00%	60.00%
Cost of equity at notional gearing	annual real %											5.28%	5.59%	5.52%	5.53%	5.55%
Allowed return on equity	annual real %											5.28%	5.59%	5.52%	5.53%	5.55%

Vanilla allowed return on capital

Parameter	Units	Code		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
RIIO-1 vanilla WACC	%			3.76%	3.67%	3.59%	3.46%	3.36%	3.26%	3.15%	3.04%					
RIIO-2 Allowed return on debt (aka "Cost of debt")	annual real %											3.040%	3.110%	3.170%	3.180%	3.200%
RIIO-2 Allowed return on equity (aka "Cost of equity")	annual real %											5.283%	5.588%	5.518%	5.532%	5.549%
Notional gearing	%			65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	60.00%	60.00%	60.00%	60.00%	60.00%
Vanilla WACC	annual real %	WACCt		3.76%	3.67%	3.59%	3.46%	3.36%	3.26%	3.15%	3.04%	3.94%	4.10%	4.11%	4.12%	4.14%

Inflation and price conversion

Price indices and inflation rates

Parameter	Units			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
RPI inflation (financial year average) used for RIIO-2 RPI debt inflation	annual %			1.08%	2.14%	3.74%	3.06%	2.59%	1.21%	5.78%	12.87%	8.75%	4.32%	2.62%	2.61%	2.81%
CPIH inflation (financial year average) used for RIIO-2 RPI debt inflation	annual %			0.44%	1.37%	2.63%	2.13%	1.70%	0.80%	3.67%	8.77%	6.25%	3.05%	1.71%	1.54%	1.80%
Forecast Debt inflation (RPI long term forecast)	annual %											3.00%	3.00%	3.00%	3.00%	3.00%
Forecast Debt inflation (CPIH long term forecast)	annual %											2.00%	2.00%	2.00%	2.00%	2.00%
Combined RPI-CPIH real to nominal prices conversion factor (aka splice index) (financial year average)	scalar			0.882	0.901	0.935	0.963	0.988	1.000	1.058	1.194	1.289	1.328	1.351	1.372	1.397
Combined RPI-CPIH real to nominal prices conversion factor (aka splice index) (financial year end) (used in Tax clawback)	scalar			0.888	0.918	0.948	0.974	0.995	1.016	1.119	1.257	1.312	1.341	1.361	1.384	1.409
Combined RPI-CPIH (aka splice index) inflation rate (for information only)	annual %			1.44%	3.33%	3.35%	2.74%	2.08%	2.19%	10.05%	12.35%	4.43%	2.16%	1.52%	1.67%	1.83%

Other finance inputs

Parameter	Units											2024	2025	2026	2027	2028
Minimum equity issuance threshold	%											5.00%	5.00%	5.00%	5.00%	5.00%
Equity issuance costs	%											5.00%	5.00%	5.00%	5.00%	5.00%
Assumed dividends as % of notional equity portion of RAV	%											3.00%	3.00%	3.00%	3.00%	3.00%
Equity issuance gearing target	%											60.00%	60.00%	60.00%	60.00%	60.00%
CPIH index-linked debt as a percentage of net debt	%											25.00%	25.00%	25.00%	25.00%	25.00%
RPI index-linked debt as a percentage of net debt	%											-	-	-	-	-

TIM and capitalisation

Parameter	Units		Constant									2024	2025	2026	2027	2028
Capitalisation rate 1	%											65.00%	65.00%	65.00%	65.00%	65.00%
Capitalisation rate 2	%											85.00%	85.00%	85.00%	85.00%	85.00%
Totex Incentive Strength Rate	%		49.30%													

RAV and assets

Pre-vesting assets

Parameter	Units		Constant
Pre-vesting asset life	years		15.0
Metering write off	£m 20/21 prices		23.7
Vesting year	year ending		31/03/1991
Pre-vesting asset depn in first year (months)	months		3.5

Post-vesting assets

Pre-RIIO-2 treatment

Parameter	Units		Constant	2016	2017	2018	2019	2020	2021	2022	2023
Post-vesting asset life	years			23.1	26.3	29.4	32.5	35.6	38.8	41.9	45.0
Accelerated post-vesting asset life	years			23.1	26.3	29.4	32.5	35.6	38.8	41.9	45.0
Smoothing period following full depreciation of pre-vesting assets	years		15.0								
Pre-RIIO net additions to RAV	£m 20/21 prices			-	-	-	-	-	-	-	-
Pre-RIIO transfers to depreciation	£m 20/21 prices			-	-	-	-	-	-	-	-
Pre-RIIO Other legacy adjustments' price control RAV additions adjustment	£m 20/21 prices										

RIIO-2 treatment

Parameter	Units	Code	Constant	2016	2017	2018	2019	2020	2021	2022	2023
Depreciation asset lives	years		45.0								
Legacy net RAV additions	£m 20/21 prices	LRAV		243.2	253.6	261.8	255.6	250.0	248.4	239.5	237.6

Operational performance and return adjustment

Parameter	Units	Code	Constant
Notional gearing	%	G	60.0%
Threshold 1	annual real %	T1	3.0%
Threshold 2	annual real %	T2	4.0%
Adjustment rate 1	%	AR1	50.0%
Adjustment rate 2	%	AR2	90.0%

Calculation of Forecasting Penalty

Parameter	Units	Code	Constant	2023	2024	2025	2026	2027	2028
Calculated base revenue (last year of RIIO-1, per RIIO-1 definition) (for use in Correction term)	£m 20/21 prices	ED1BRt		490.4					
Revenue as billed (ignoring bad debt)	£m nominal	BILLRt		728.6	619.5	1,047.9	-	-	-
Recovered Revenue	£m nominal	RRt		728.6	619.6	1,047.9	-	-	-
Allowed Revenue (as published)	£m nominal	AR*t			666.9	1,035.2	-	-	-
Base Revenue (as published)	£m 20/21 prices	BRt		472.4	541.8	548.6	-	-	-
Valid Bad Debt Claim	£m nominal	BDAt			0.0		-	-	-
Recovered Bad Debt	£m nominal	RBDt			(0.1)	-	-	-	-
Base Revenue Forecasting Penalty Adjustment	Scalar	BRFPAt			-	-	-	-	-
Recovered Revenue Forecasting Penalty Adjustment	Scalar	RRFPAt			-	-	-	-	-
Over/undercollection percentage for penal rate adjustment	%		6.00%						
Applicable BR penalty interest rate	%		1.15%						
Applicable AR penalty interest rate	%		1.15%						

Parameter	Units	Code	Constant	Annual values	Check notes	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Tax											
Tax policy											
Corporation tax rate	%	CTt					25.00%	25.00%	25.00%	25.00%	25.00%
General pool capital allowance rate	%	GCAt					18.00%	18.00%	18.00%	18.00%	18.00%
Special Rates capital allowance rate	%	SRCAt					6.00%	6.00%	6.00%	6.00%	6.00%
Structures and buildings capital allowance rate	%	SBCAt					3.00%	3.00%	3.00%	3.00%	3.00%
Deferred Revenue Expenditure capital allowance rate	%	DRCAt					2.22%	2.22%	2.22%	2.22%	2.22%
Capital allowances and tax losses											
General pool RIIO-2 opening balance brought forward	£m nominal	OGPt					57.9				
Special rates pool RIIO-2 opening balance brought forward	£m nominal	OSRPt					793.9				
Deferred revenue expenditure pool RIIO-2 opening balance brought forward	£m nominal	ODRPt					1,568.6				
Deferred revenue expenditure pool capex additions pre-RIIO-2	£m nominal	LODRPt				1,933.1					
Structures and buildings pool RIIO-2 opening balance brought forward	£m nominal	OSBPt					-				
Tax losses brought forwards	£m nominal						-				
Tax trigger and tax clawback											
Tax liability allowance adjustments - driven by tax trigger events	£m 20/21 prices	TTEt					(23.5)	(37.0)	(38.3)	(44.3)	(42.6)
Adjusted net debt	£m nominal	ANDt					-	-	-	-	-
Tax deductible net interest cost	£m nominal	TDNIt					-	-	-	-	-
Tax allowance adjustment	£m nominal	TAXAt					-	-	-	-	-
Tax trigger deadband	£m 20/21 prices						2.6	2.7	2.5	2.2	1.8
Notional gearing for tax clawback gearing level test	%						65%	64%	63%	61%	60%
Allocation of allowances to totex categories											
Allocation of costs to totex categories											
Total variant and non-variant allowances:											
Load related capex	£m 20/21 prices						133.2	125.5	126.3	126.8	107.6
Non-load related capex - asset replacement	£m 20/21 prices						102.6	142.5	159.4	173.3	154.1
Non-load related capex - other	£m 20/21 prices						30.3	46.8	43.0	41.7	38.2
Faults	£m 20/21 prices						42.5	44.9	45.6	44.6	44.5
Tree cutting	£m 20/21 prices						18.0	19.8	18.1	17.7	18.1
100% 'revenue pool' expenditure	£m 20/21 prices						18.0	19.1	18.8	18.3	18.4
Controllable opex	£m 20/21 prices						144.3	157.2	154.6	154.4	155.9
Total non-variant allowances:											
Load related capex	£m 20/21 prices						93.1	84.9	82.3	52.4	32.0
Non-load related capex - asset replacement	£m 20/21 prices						61.6	73.8	73.9	84.5	77.2
Non-load related capex - other	£m 20/21 prices						24.8	39.2	37.8	36.9	33.2
Faults	£m 20/21 prices						42.9	44.4	44.1	42.7	42.3
Tree cutting	£m 20/21 prices						18.2	19.8	17.9	17.3	17.6
100% 'revenue pool' expenditure	£m 20/21 prices						18.2	19.1	18.6	18.0	17.9
Controllable opex	£m 20/21 prices						142.8	149.6	145.7	140.9	141.2
Total variant allowances (capitalisation rate allocation 1)											
Load related capex	£m 20/21 prices						(0.5)	0.1	0.7	1.4	1.9
Non-load related capex - asset replacement	£m 20/21 prices						31.7	43.1	45.4	52.5	40.5
Non-load related capex - other	£m 20/21 prices						4.1	5.4	3.7	3.6	3.8
Faults	£m 20/21 prices						(0.3)	0.0	0.5	0.9	1.2
Tree cutting	£m 20/21 prices						(0.1)	0.0	0.2	0.4	0.5
100% 'revenue pool' expenditure	£m 20/21 prices						(0.1)	0.0	0.2	0.4	0.5
Controllable opex	£m 20/21 prices						(0.4)	2.1	3.1	4.4	5.4
Total variant allowances (capitalisation rate allocation 2)											
Load related capex	£m 20/21 prices						40.7	40.5	43.3	73.0	73.7
Non-load related capex - asset replacement	£m 20/21 prices						9.3	25.6	40.2	36.4	36.3
Non-load related capex - other	£m 20/21 prices						1.4	2.2	1.5	1.2	1.2
Faults	£m 20/21 prices						-	0.5	1.0	1.0	1.0
Tree cutting	£m 20/21 prices						-	-	-	-	-
100% 'revenue pool' expenditure	£m 20/21 prices						-	-	-	-	-
Controllable opex	£m 20/21 prices						2.0	5.6	5.8	9.1	9.3
Summary of costs											
RPEs (bucket 1 allowances)	£m 20/21 prices	RPEAt	1.00	100%		22.9	(3.5)	0.4	4.8	9.0	12.3
RPEs (bucket 2 allowances)	£m 20/21 prices	RPEAt	2.00	100%		2.5	(0.1)	0.0	0.5	0.9	1.2
Physical Security Re-opener	£m 20/21 prices	PSUPt	2.00	100%		-	-	-	-	-	-
Specified Street Works Costs Re-opener	£m 20/21 prices	SWRt	2.00	100%		-	-	-	-	-	-
Rail Electrification Costs Re-opener	£m 20/21 prices	RECt	2.00	100%		-	-	-	-	-	-
Net Zero Re-opener	£m 20/21 prices	NZt	2.00	100%		-	-	-	-	-	-
Coordinated Adjustment Mechanism Re-opener	£m 20/21 prices	CAMt	2.00	100%		-	-	-	-	-	-
Electricity System Restoration Re-opener	£m 20/21 prices	ESRt	2.00	100%		9.0	-	-	3.0	3.0	3.0
Environmental Re-opener	£m 20/21 prices	EVRt	2.00	100%		49.5	-	-	16.5	16.5	16.5
Network Asset Risk Metric Expenditure	£m 20/21 prices	NARMt	1.00	100%		179.5	32.7	40.2	37.1	36.3	33.3
Load Related Expenditure: Secondary Reinforcement	£m 20/21 prices	SRVDt	2.00	100%		162.4	7.5	38.5	40.4	39.9	36.2
Load Related Expenditure: Low Voltage Services	£m 20/21 prices	LVSVDt	2.00	100%		10.0	1.6	2.1	2.5	2.4	1.6
Load Related Expenditure Re-opener	£m 20/21 prices	LREt	2.00	100%		65.0	-	-	-	30.0	35.0
Digitalisation Re-opener	£m 20/21 prices	DIGIt	2.00	100%		-	-	-	-	-	-
PCB Interventions	£m 20/21 prices	PCBt	2.00	100%		29.8	9.3	11.6	5.6	1.7	1.6
Visual Amenity Projects	£m 20/21 prices	VAPt	1.00	100%		10.6	2.2	2.2	2.2	2.1	2.0
Cyber Resilience OT baseline	£m 20/21 prices	CROTt	1.00	100%		5.1	1.6	2.6	0.6	0.2	0.3
Cyber Resilience OT Re-opener	£m 20/21 prices	CROTREt	2.00	100%		7.4	1.4	2.2	1.5	1.2	1.2
Cyber Resilience IT Re-opener	£m 20/21 prices	CRITREt	2.00	100%		6.1	1.0	1.2	1.2	1.3	1.4
Off-gas Grid Mechanistic Price Control Deliverable	£m 20/21 prices	OGGt	1.00	100%		-	-	-	-	-	-
Shetland Link Contribution (SSEH only)	£m 20/21 prices	SLKCt	2.00	100%		-	-	-	-	-	-
West Coast of Cumbria Re-opener (ENWL only)	£m 20/21 prices	WCCt	2.00	100%		-	-	-	-	-	-
Shetland Enduring Solution Re-opener (SSEH only)	£m 20/21 prices	SESt	2.00	100%		-	-	-	-	-	-
Shetland Extension Fixed Energy Costs Re-opener (SSEH only)	£m 20/21 prices	SEFECt	2.00	100%		-	-	-	-	-	-
Hebrides and Orkney Re-opener (SSEH only)	£m 20/21 prices	HOt	2.00	100%		-	-	-	-	-	-
Smart Street Mechanistic Price Control Deliverable (ENWL only)	£m 20/21 prices	SSMPt	1.00	100%		-	-	-	-	-	-
Worst Served Customers	£m 20/21 prices	WSCt	1.00	100%		3.0	0.6	0.6	0.6	0.6	0.6
EV Optioneering Projects	£m 20/21 prices	EOPt	1.00	100%		-	-	-	-	-	-
Cyber Resilience IT baseline	£m 20/21 prices	CRITt	1.00	100%		7.0	0.7	1.9	1.5	1.5	1.4
Wayleaves and Diversions Re-opener	£m 20/21 prices	WDVt	2.00	100%		59.0	-	14.0	15.0	15.0	15.0
Indirects Scaler	£m 20/21 prices	ISt	1.00	100%		25.6	1.0	4.4	4.6	7.8	7.9
LineSIGHT Mechanistic Price Control Deliverable (ENWL only)	£m 20/21 prices	LMPt	1.00	100%		-	-	-	-	-	-
New Depot (EMID, SWALES, SWEST and WMID only)	£m 20/21 prices	NEWDt	1.00	100%		-	-	-	-	-	-
New Control Room (SSES and SSEH only)	£m 20/21 prices	CTRLt	1.00	100%		27.8	-	2.8	7.0	13.8	4.1
Storm Arwen Re-opener	£m 20/21 prices	SARt	2.00	100%		3.5	-	0.5	1.0	1.0	1.0
High Value Projects Re-opener	£m 20/21 prices	HVPt	2.00	100%		-	-	-	-	-	-
Strategic Investment	£m 20/21 prices	SINVt	2.00	100%		-	-	-	-	-	-
Carry-over Green Recovery Scheme	£m 20/21 prices	CGRSt	2.00	100%		31.7	31.7	-	-	-	-
1-in-20 Severe Weather Event	£m 20/21 prices	OTSWt	2.00	100%		-	-	-	-	-	-
Net to Gross Load Related Expenditure	£m 20/21 prices	NGLREt	2.00	100%		-	-	-	-	-	-
0	£m 20/21 prices	0	0.00	0%		-	-	-	-	-	-
0	£m 20/21 prices	0	0.00	0%		-	-	-	-	-	-
0	£m 20/21 prices	0	0.00	0%		-	-	-	-	-	-
0	£m 20/21 prices	0	0.00	0%		-	-	-	-	-	-
0	£m 20/21 prices	0	0.00	0%		-	-	-	-	-	-
0	£m 20/21 prices	0	0.00	0%		-	-	-	-	-	-
0	£m 20/21 prices	0	0.00	0%		-	-	-	-	-	-
0	£m 20/21 prices	0	0.00	0%		-	-	-	-	-	-
0	£m 20/21 prices	0	0.00	0%		-	-	-	-	-	-
Total variant allowances	£m 20/21 prices						87.5	125.1	145.5	184.1	175.3
Check						-					

Parameter	Units	Constant	Annual values		Check status	OK
PCFM year ending		31 Mar 2016	31 Mar 2016 31 Mar 2017 31 Mar 2018 31 Mar 2019 31 Mar 2020 31 Mar 2021 31 Mar 2022 31 Mar 2023 31 Mar 2024 31 Mar 2025 31 Mar 2026 31 Mar 2027 31 Mar 2028			

Variant allowances: allocations

Parameter	Units	UM / PCD	RPE Incl. or Excl.	Cap rate allocation	Load related capex	Non-load related capex asset replacement	Non-load related capex other	Faults	Tree cutting	100% 'revenue pool' expenditure	Controllable opex
RPEs (bucket 1 allowances)	%	Other	0.00	1.00	15%	26%	8%	10%	4%	4%	33%
RPEs (bucket 2 allowances)	%	Other	0.00	2.00	85%	15%	8%	0%	0%	0%	0%
Physical Security Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	100%	0%	0%	0%	0%	0%
Specified Street Works Costs Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	0%	0%	0%	0%	0%	100%
Rail Electrification Costs Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	100%	0%	0%	0%	0%	0%
Net Zero Re-opener	%	Re-opener	RPEs Don't Ap	2.00	100%	0%	0%	0%	0%	0%	0%
Coordinated Adjustment Mechanism Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	0%	100%	0%	0%	0%	0%
Electricity System Restoration Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	100%	0%	0%	0%	0%	0%
Environmental Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	100%	0%	0%	0%	0%	0%
Network Asset Risk Metric Expenditure	%	PCD	RPEs Apply	1.00	0%	100%	0%	0%	0%	0%	0%
Load Related Expenditure: Secondary Reinforcement	%	Volume driver	RPEs Apply	2.00	100%	0%	0%	0%	0%	0%	0%
Load Related Expenditure: Low Voltage Services	%	Volume driver	RPEs Apply	2.00	100%	0%	0%	0%	0%	0%	0%
Load Related Expenditure Re-opener	%	Re-opener	RPEs Apply	2.00	100%	0%	0%	0%	0%	0%	0%
Digitalisation Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	0%	50%	0%	0%	0%	50%
PCB Interventions	%	Volume driver	RPEs Apply	2.00	0%	100%	0%	0%	0%	0%	0%
Visual Amenity Projects	%	UIOLI	RPEs Apply	1.00	0%	0%	100%	0%	0%	0%	0%
Cyber Resilience OT baseline	%	PCD	RPEs Apply	1.00	0%	0%	100%	0%	0%	0%	0%
Cyber Resilience OT Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	0%	100%	0%	0%	0%	0%
Cyber Resilience IT Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	0%	0%	0%	0%	0%	100%
Off-gas Grid Mechanistic Price Control Deliverable	%	PCD	RPEs Apply	1.00	100%	0%	0%	0%	0%	0%	0%
Shetland Link Contribution (SSEH only)	%	Other	RPEs Don't Ap	2.00	0%	0%	90%	0%	0%	0%	10%
West Coast of Cumbria Re-opener (ENWL only)	%	Re-opener	RPEs Don't Ap	2.00	0%	0%	100%	0%	0%	0%	0%
Shetland Enduring Solution Re-opener (SSEH only)	%	Re-opener	RPEs Don't Ap	2.00	0%	0%	0%	0%	0%	0%	100%
Shetland Extension Fixed Energy Costs Re-opener (SSEH only)	%	Re-opener	RPEs Don't Ap	2.00	0%	100%	0%	0%	0%	0%	0%
Hebrides and Orkney Re-opener (SSEH only)	%	Re-opener	RPEs Don't Ap	2.00	0%	100%	0%	0%	0%	0%	0%
Smart Street Mechanistic Price Control Deliverable (ENWL only)	%	PCD	RPEs Apply	1.00	100%	0%	0%	0%	0%	0%	0%
Worst Served Customers	%	UIOLI	RPEs Don't Ap	1.00	0%	0%	100%	0%	0%	0%	0%
EV Optioneering Projects	%	UIOLI	RPEs Don't Ap	1.00	0%	0%	100%	0%	0%	0%	0%
Cyber Resilience IT baseline	%	PCD	RPEs Apply	1.00	0%	0%	0%	0%	0%	0%	100%
Wayleaves and Diversions Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	100%	0%	0%	0%	0%	0%
Indirects Scaler	%	Other	RPEs Don't Ap	2.00	0%	0%	0%	0%	0%	0%	100%
LineSIGHT Mechanistic Price Control Deliverable (ENWL only)	%	PCD	RPEs Apply	1.00	0%	0%	100%	0%	0%	0%	0%
New Depot (EMID, SWALES, SWEST and WMID only)	%	PCD	RPEs Apply	1.00	0%	0%	100%	0%	0%	0%	0%
New Control Room (SSES and SSEH only)	%	PCD	RPEs Apply	1.00	0%	100%	0%	0%	0%	0%	0%
Storm Arwen Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	0%	0%	100%	0%	0%	0%
High Value Projects Re-opener	%	Re-opener	RPEs Don't Ap	2.00	0%	100%	0%	0%	0%	0%	0%
Strategic Investment	%	Other	RPEs Don't Ap	2.00	100%	0%	0%	0%	0%	0%	0%
Carry-over Green Recovery Scheme	%	Other	RPEs Don't Ap	2.00	100%	0%	0%	0%	0%	0%	0%
1-in-20 Severe Weather Event	%	Other	RPEs Don't Ap	2.00	0%	0%	0%	100%	0%	0%	0%
Net to Gross Load Related Expenditure	%	Other	RPEs Don't Ap	2.00	100%	0%	0%	0%	0%	0%	0%
0	%		0.00	0.00	0.00	0%	0%	0%	0%	0%	0%
0	%		0.00	0.00	0.00	0%	0%	0%	0%	0%	0%
0	%		0.00	0.00	0.00	0%	0%	0%	0%	0%	0%
0	%		0.00	0.00	0.00	0%	0%	0%	0%	0%	0%
0	%		0.00	0.00	0.00	0%	0%	0%	0%	0%	0%
0	%		0.00	0.00	0.00	0%	0%	0%	0%	0%	0%
0	%		0.00	0.00	0.00	0%	0%	0%	0%	0%	0%
0	%		0.00	0.00	0.00	0%	0%	0%	0%	0%	0%

Allocation of variant costs into tax pools

Pool	Category	Units					
General	Load related capex	%	0.00%	0.00%	0.00%	0.00%	0.00%
General	Non-load related capex - asset replacement	%	5.00%	5.00%	5.00%	5.00%	5.00%
General	Non-load related capex - other	%	30.00%	30.00%	30.00%	30.00%	30.00%
General	Faults	%	0.00%	0.00%	0.00%	0.00%	0.00%
General	Tree cutting	%	0.00%	0.00%	0.00%	0.00%	0.00%
General	100% 'revenue pool' expenditure	%	2.00%	2.00%	2.00%	2.00%	2.00%
General	Controllable opex	%	2.50%	2.50%	2.50%	2.50%	2.50%
Special Rate	Load related capex	%	98.00%	98.00%	98.00%	98.00%	98.00%
Special Rate	Non-load related capex - asset replacement	%	35.00%	35.00%	35.00%	35.00%	35.00%
Special Rate	Non-load related capex - other	%	10.00%	10.00%	10.00%	10.00%	10.00%
Special Rate	Faults	%	0.00%	0.00%	0.00%	0.00%	0.00%
Special Rate	Tree cutting	%	0.00%	0.00%	0.00%	0.00%	0.00%
Special Rate	100% 'revenue pool' expenditure	%	17.00%	17.00%	17.00%	17.00%	17.00%
Special Rate	Controllable opex	%	20.00%	20.00%	20.00%	20.00%	20.00%
Deferred Revenue	Load related capex	%	0.00%	0.00%	0.00%	0.00%	0.00%
Deferred Revenue	Non-load related capex - asset replacement	%	40.00%	40.00%	40.00%	40.00%	40.00%
Deferred Revenue	Non-load related capex - other	%	44.00%	44.00%	44.00%	44.00%	44.00%
Deferred Revenue	Faults	%	32.50%	32.50%	32.50%	32.50%	32.50%
Deferred Revenue	Tree cutting	%	50.00%	50.00%	50.00%	50.00%	50.00%
Deferred Revenue	100% 'revenue pool' expenditure	%	21.00%	21.00%	21.00%	21.00%	21.00%
Deferred Revenue	Controllable opex	%	20.00%	20.00%	20.00%	20.00%	20.00%
Structures and Buildings	Load related capex	%	0.00%	0.00%	0.00%	0.00%	0.00%
Structures and Buildings	Non-load related capex - asset replacement	%	3.00%	3.00%	3.00%	3.00%	3.00%
Structures and Buildings	Non-load related capex - other	%	1.00%	1.00%	1.00%	1.00%	1.00%
Structures and Buildings	Faults	%	0.00%	0.00%	0.00%	0.00%	0.00%
Structures and Buildings	Tree cutting	%	0.00%	0.00%	0.00%	0.00%	0.00%
Structures and Buildings	100% 'revenue pool' expenditure	%	0.00%	0.00%	0.00%	0.00%	0.00%
Structures and Buildings	Controllable opex	%	0.00%	0.00%	0.00%	0.00%	0.00%
Revenue	Load related capex	%	2.00%	2.00%	2.00%	2.00%	2.00%
Revenue	Non-load related capex - asset replacement	%	2.00%	2.00%	2.00%	2.00%	2.00%
Revenue	Non-load related capex - other	%	15.00%	15.00%	15.00%	15.00%	15.00%
Revenue	Faults	%	67.50%	67.50%	67.50%	67.50%	67.50%
Revenue	Tree cutting	%	50.00%	50.00%	50.00%	50.00%	50.00%
Revenue	100% 'revenue pool' expenditure	%	58.00%	58.00%	58.00%	58.00%	58.00%
Revenue	Controllable opex	%	55.00%	55.00%	55.00%	55.00%	55.00%
Non Qualifying	Load related capex	%	0.00%	0.00%	0.00%	0.00%	0.00%
Non Qualifying	Non-load related capex - asset replacement	%	15.00%	15.00%	15.00%	15.00%	15.00%
Non Qualifying	Non-load related capex - other	%	0.00%	0.00%	0.00%	0.00%	0.00%
Non Qualifying	Faults	%	0.00%	0.00%	0.00%	0.00%	0.00%
Non Qualifying	Tree cutting	%	0.00%	0.00%	0.00%	0.00%	0.00%
Non Qualifying	100% 'revenue pool' expenditure	%	2.00%	2.00%	2.00%	2.00%	2.00%
Non Qualifying	Controllable opex	%	2.50%	2.50%	2.50%	2.50%	2.50%

End of sheet

Parameter		Units	Constant		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending			31 Mar 2028						

Legacy adjustments

Caclulation of legacy indexes

Price adjustment factor for RIIO-1 years		Scalar	RPIF						
Splice index conversion from real to nominal (from 20/21 price base)				1.202	1.289	1.328	1.351	1.372	1.397
Splice index conversion from real to nominal (from 12/13 price base)		Scalar	$PI_t / PI_{2012/13}$		1.550	1.597	1.624	1.650	1.679
$WACC_t$		%			3.94%	4.10%	4.11%	4.12%	4.14%
$WACC_t + 1$		Scalar	PVF		1.039	1.041	1.041	1.041	1.041

Treatment of legacy items from ED1 PCFM

RIIO-1 MOD from ED1 closeout model (£m 12/13 prices)		£m 12/13 prices	MOD		(9.3)				
Phasing		£m 12/13 prices			(1.87)	(1.87)	(1.87)	(1.87)	(1.87)
WACC		%			3.94%	4.10%	4.11%	4.12%	4.14%
Compounding WACC for TVM adjustment		Scalar	CWACCt		1.00	1.04	1.08	1.13	1.17
Legacy MOD		£m 12/13 prices			(1.87)	(1.94)	(2.02)	(2.10)	(2.19)
Legacy MOD		£m nominal	LMODt		(2.89)	(3.10)	(3.28)	(3.47)	(3.68)

Treatment of legacy items from ED1 RRP

Base demand revenue

True-up of RPI forecast

Legacy relevant revenue adjustments		£m 12/13 prices	REV						
True-up of RPI forecast		£m nominal	LTRU		19.8	61.5			

Legacy correction factor

Regulated Distribution Network Revenue		£m nominal	RD						
Allowed Distribution Network Revenue		£m nominal	AR						
Under/Over Recovery		£m nominal	RD-AR						
Average Specified Rate		scalar	It		5.0				
Value of PRt (interest rate adjustment) set in a direction		scalar							
Interest rate adjustment		scalar	PRt						
Correction factor		£m nominal	K		9.0				
Legacy correction factor for AR tab		£m nominal	LK		(9.0)				

Low Carbon Networks Fund

LCNF Second Tier and Discretionary Funding Mechanism value		£m nominal	LCN2		0.0	-	-	-	-
Recovered LCN, determined to be unrecoverable		£m nominal	LCN1		-	-	-	-	-
Low Carbon Networks Fund		£m nominal	LCN		0.0	-	-	-	-

Connections GS Failure Payments Adjustment

Connection Guaranteed Standards Payments Made		£m nominal	CGSPM						
CGSPM cumulative to year t-2		£m nominal	SumCGSPMt-2		1.1	1.7			
Total connection guaranteed standards revenue exposure		£m 12/13 prices	TCGSR	58.2					
CGSRA cumulative to t-1		£m nominal	SumCGSRAt-1		-	-			
Connections performance standards payments adjustment		£m nominal	CGSRA		-	-			

Incentives

Broad Measure of Customer Service (£m real 2012/13 prices)

Legacy RRP Customer Satisfaction Survey term		£m 12/13 prices	CS						
Legacy RRP Complaints metric term		£m 12/13 prices	CM						
Legacy RRP Stakeholder engagement reward term		£m 12/13 prices	SE						
Broad measure of customer service revenue adjustment		£m nominal	BM		1.1	1.8			

Interruptions-related quality of service incentive revenue adjustment

Legacy RRP Performance on the number of supply interruptions and the duration of supply interruptions		£m 12/13 prices	QZ						
Legacy RRP Performance on severe weather supply restoration		£m 12/13 prices	QC						
Legacy RRP Performance on normal weather supply restoration		£m 12/13 prices	QD						
Interruptions-related quality of service incentive revenue adjustment		£m nominal	IQ		13.1	1.0			

Incentive on Connections Engagement (£m real 2012/13 prices)

Legacy RRP Incentive on Connections Engagement negative performance adjustment		£m 12/13 prices	ICEO						
Incentive on Connections Engagement negative performance adjustment		£m nominal	ICEt		-	-	-		

Time To Connect (£m real 2012/13 prices)

Legacy RRP LVSSA Time to Quote term		£m 12/13 prices	TQA						
Legacy RRP LVSSB Time to Quote term		£m 12/13 prices	TQB						
Legacy RRP LVSSA Time to Connect term		£m 12/13 prices	TCA						
Legacy RRP LVSSB Time to Connect term		£m 12/13 prices	TCB						
Time To Connect		£m nominal	TTC		0.3	0.2			

Pass-through

Licence fee adjustment

Legacy Licence fee payments		£m nominal	LFA						
Legacy Licence fee allowance		£m 2012/13	LFE						
Licence fee adjustment		£m nominal	LLF		1.5	1.5			

Legacy

Company select: SSES

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending		31 Mar 2028					
Business Rates adjustment							
Legacy Business Rates payments	£m nominal	RBA					
Legacy Business Rates allowance	£m 2012/13	RBE					
Business Rates adjustment	£m nominal	LRB	(13.9)	(20.7)			
Transmission Connection Point Charges adjustment							
Legacy Pass-through Transmission Connection Point Charges incurred	£m nominal	PTPA					
Legacy Pass-through Transmission Connection Point Charges allowance	£m 2012/13	PTPE					
Transmission Connection Point Charges adjustment	£m nominal	LTB	0.1	(11.6)			
Smart Meter Communication Licensee Costs adjustment							
Legacy Smart Meter Communication Licensee Costs incurred	£m nominal	SMCA					
Legacy Smart Meter Communication Licensee Costs allowance	£m 2012/13	SMCE					
Smart Meter Communication Licensee Costs adjustment	£m nominal	LSMC	4.5	4.5			
Smart Meter Information Technology Costs adjustment							
Legacy Smart Meter Information Technology Costs incurred	£m nominal	SMIA					
Legacy Smart Meter Information Technology Costs allowance	£m 2012/13	SMIE					
Smart Meter Information Technology Costs adjustment	£m nominal	LSMIT	0.4	0.8			
Ring Fence Costs adjustment							
Legacy Ring Fence Costs incurred	£m nominal	RFA					
Legacy Ring Fence Costs allowance	£m 2012/13	RFE					
Ring Fence Costs adjustment	£m nominal	LRF	(0.2)	(0.2)			
Shetland Variable Energy Costs adjustment							
Legacy Shetland variable Energy Costs Actual incurred	£m nominal	SECA					
Legacy Shetland variable Energy Costs allowance	£m 2012/13	SECE					
Shetland Variable Energy Costs adjustment	£m nominal	LSEC	-	-			
Shetland Extension Variable Energy Costs adjustment							
Legacy Shetland Extension Variable Energy Costs incurred	£m nominal	SEVECA					
Legacy Shetland Extension Variable Energy Costs allowance	£m 2012/13	SEVECE					
Shetland Extension Variable Energy Costs adjustment	£m nominal	LSEVEC	-	-			
Shetland New Energy Solution Residual Costs adjustment							
Legacy Shetland New Energy Solution Residual Costs incurred	£m nominal	SNESRCA					
Legacy Shetland New Energy Solution Residual Costs allowance	£m 2012/13	SNESRCE					
Shetland New Energy Solution Residual Costs adjustment	£m nominal	LSNESRC	-	-			
Supplier of Last Resort adjustment							
Legacy supplier of Last Resort Net Costs incurred	£m nominal	SLRA					
Excess specified amount	£m nominal	ESA					
Supplier of Last Resort adjustment	£m nominal	LSLRA	1.5	2.6			
Eligible Bad Debt adjustment							
Legacy Eligible Use of System Bad Debt Costs incurred	£m nominal	EBDA					
Legacy Recovered Bad Debt	£m nominal	RBD					
Eligible Bad Debt adjustment adjustment	£m nominal	LEBD	2.0	6.6	(0.1)		
COVID-19 Bad Debt term							
Aggregate value of provisional COVID-19 Bad Debt incurred	£m nominal	PCBD					
Credited Amount by the Administrator or Liquidator	£m nominal	RCBD					
Aggregate value of COVID-19 Bad Debt incurred	£m nominal	CBDA					
COVID-19 Bad Debt term adjustment	£m nominal	LCBD	-	-			

Summary of LAR terms for AR tab

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Legacy inputs for Allowed Revenue							
Phased LMOD	£m nominal	LMOD	(2.9)	(3.1)	(3.3)	(3.5)	(3.7)
Inflation true up	£m nominal	LTRU	19.8	61.5			
Correction factor	£m nominal	LK	(9.0)				
Connections GS Failure Payments Adjustment	£m nominal	CGSRA	-	-			
Legacy inputs for Incentives (LIP)							
Broader Measure of Customer Service	£m nominal	LBM	1.1	1.8			
Interruptions-Related Quality of Service	£m nominal	LIQ	13.1	1.0			
Incentive on Connections Engagement	£m nominal	LICE	-	-	-		
Time To Connect	£m nominal	LTTC	0.3	0.2			
Legacy inputs for Passthrough (LPT)							
Licence Fee adjustment	£m nominal	LLF	1.5	1.5			
Business Rates adjustment	£m nominal	LRB	(13.9)	(20.7)			
Transmission Connection Point Charges adjustment	£m nominal	LTB	0.1	(11.6)			
Smart Meter Communication Licensee Costs adjustment	£m nominal	LSMC	4.5	4.5			
Smart Meter Information Technology Costs adjustment	£m nominal	LSMIT	0.4	0.8			
Ring Fences Costs adjustment	£m nominal	LRF	(0.2)	(0.2)			
Shetland integrated plan adjustment	£m nominal	LSEC	-	-			
Shetland Extension Variable Energy Costs adjustment	£m nominal	LSEVEC	-	-			
Shetland New Energy Solution Residual Costs adjustment	£m nominal	LSNESRC	-	-			
Supplier of Last Resort Costs adjustment	£m nominal	LSLRA	1.5	2.6			
Eligible Bad Debt Costs adjustment	£m nominal	LEBD	2.0	6.6	(0.1)		
COVID-19 Bad Debt adjustment	£m nominal	LCBD	-	-			

End of sheet

Totex							
SSES		Company select	SSES ▾				
Parameter	**Units**	**Constant**					
PCFM year ending		31 Mar 2028	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028

Totex

Allowed totex aggregated by sub-category

RIIO-2 Capitalisation Rate Allocation 1 allowances

	Units						
Allowed load related capex	£m 20/21 prices		92.6	85.0	83.0	53.8	33.8
Allowed non-load related capex - asset replacement	£m 20/21 prices		93.3	116.9	119.2	136.9	117.8
Allowed non-load related capex - other	£m 20/21 prices		28.9	44.6	41.6	40.5	37.0
Allowed faults	£m 20/21 prices		42.5	44.4	44.6	43.6	43.5
Allowed tree cutting	£m 20/21 prices		18.0	19.8	18.1	17.7	18.1
Allowed 100% 'revenue pool' expenditure	£m 20/21 prices		18.0	19.1	18.8	18.3	18.4
Allowed controllable opex	£m 20/21 prices		142.3	151.7	148.7	145.3	146.6
Total RIIO-2 capitalisation rate allocation 1 allowances	£m 20/21 prices		435.7	481.4	474.1	456.1	415.3

RIIO-2 Capitalisation Rate Allocation 2 allowances

	Units						
Allowed load related capex	£m 20/21 prices		40.7	40.5	43.3	73.0	73.7
Allowed non-load related capex - asset replacement	£m 20/21 prices		9.3	25.6	40.2	36.4	36.3
Allowed non-load related capex - other	£m 20/21 prices		1.4	2.2	1.5	1.2	1.2
Allowed faults	£m 20/21 prices		-	0.5	1.0	1.0	1.0
Allowed tree cutting	£m 20/21 prices		-	-	-	-	-
Allowed 100% 'revenue pool' expenditure	£m 20/21 prices		-	-	-	-	-
Allowed controllable opex	£m 20/21 prices		2.0	5.6	5.8	9.1	9.3
Total RIIO-2 capitalisation rate allocation 2 allowances	£m 20/21 prices		53.3	74.5	91.7	120.6	121.5

Total allowance

	Units						
Total allowed load related capex	£m 20/21 prices		133.2	125.5	126.3	126.8	107.6
Total allowed non-load related capex - asset replacement	£m 20/21 prices		102.6	142.5	159.4	173.3	154.1
Total allowed non-load related capex - other	£m 20/21 prices		30.3	46.8	43.0	41.7	38.2
Total allowed faults	£m 20/21 prices		42.5	44.9	45.6	44.6	44.5
Total allowed tree cutting	£m 20/21 prices		18.0	19.8	18.1	17.7	18.1
Total allowed 100% 'revenue pool' expenditure	£m 20/21 prices		18.0	19.1	18.8	18.3	18.4
Total allowed controllable opex	£m 20/21 prices		144.3	157.2	154.6	154.4	155.9
Total allowed totex	£m 20/21 prices		489.1	555.8	565.8	576.8	536.8
Check			-	-	-	-	-

Actual totex

Note: the actuals data to be used is set by the user on the DNOInput tab. If the PCFM dataset is selected, then the actuals figures are equal to the allowance figures.

RIIO-2 Capitalisation Rate Allocation 1 actuals/forecast actuals

	Units						
Data inputs for either forecast Actuals or Actuals are present?			1.0	1.0	1.0	1.0	1.0
Actual load related capex	£m 20/21 prices		40.7	76.4	75.7	83.5	82.9
Actual non-load related capex - asset replacement	£m 20/21 prices		108.2	145.0	164.4	178.2	158.0
Actual non-load related capex - other	£m 20/21 prices		21.3	18.3	2.6	5.5	1.9
Actual faults	£m 20/21 prices		43.9	43.8	44.2	43.7	43.1
Actual tree cutting	£m 20/21 prices		18.7	19.7	17.9	17.2	17.5
Actual 100% 'revenue pool' expenditure	£m 20/21 prices		15.2	16.0	15.5	14.9	14.7
Actual controllable opex	£m 20/21 prices		154.7	156.5	156.0	150.9	151.4
Total RIIO-2 capitalisation rate allocation 1 actual totex	£m 20/21 prices		402.9	475.6	476.4	494.0	469.6

RIIO-2 Capitalisation Rate Allocation 2 actuals/forecast actuals

	Units						
Data inputs for either forecast Actuals or Actuals are present?			1.0	1.0	1.0	1.0	1.0
Actual load related capex	£m 20/21 prices		9.1	40.5	42.8	72.2	72.7
Actual non-load related capex - asset replacement	£m 20/21 prices		-	-	-	-	-
Actual non-load related capex - other	£m 20/21 prices		11.7	29.5	43.8	39.7	39.7
Actual faults	£m 20/21 prices		-	-	-	-	-
Actual tree cutting	£m 20/21 prices		-	-	-	-	-
Actual 100% 'revenue pool' expenditure	£m 20/21 prices		-	-	-	-	-
Actual controllable opex	£m 20/21 prices		-	-	-	-	-
Total RIIO-2 capitalisation rate allocation 2 actual totex	£m 20/21 prices		20.8	70.0	86.6	112.0	112.4

Total actual/forecast actual totex

	Units						
Total actual load related capex	£m 20/21 prices		49.8	116.9	118.5	155.8	155.6
Total actual non-load related capex - asset replacement	£m 20/21 prices		108.2	145.0	164.4	178.2	158.0
Total actual non-load related capex - other	£m 20/21 prices		33.0	47.8	46.4	45.2	41.6
Total actual faults	£m 20/21 prices		43.9	43.8	44.2	43.7	43.1
Total actual tree cutting	£m 20/21 prices		18.7	19.7	17.9	17.2	17.5
Total actual 100% 'revenue pool' expenditure	£m 20/21 prices		15.2	16.0	15.5	14.9	14.7
Total actual controllable opex	£m 20/21 prices		154.7	156.5	156.0	150.9	151.4
Total actual totex	£m 20/21 prices		423.7	545.6	563.0	606.0	582.0
Check			-	-	-	-	-

End of sheet

Parameter	Units	Constant					
PCFM year ending		31 Mar 2028	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028

TIM Efficiency Incentive

RIIO-2 capitalisation rate allocation 1 totex

RIIO-2 incentive strength	%	49.30%					
RIIO-2 Funding Adjustment Rate (often referred to as 'sharing factor')	%	50.70%					
Actual totex	£m 20/21 prices		402.9	475.6	476.4	494.0	469.6
Less allowed totex	£m 20/21 prices		(435.7)	(481.4)	(474.1)	(456.1)	(415.3)
Pre-TIM overspend (underspend)	£m 20/21 prices		(32.9)	(5.8)	2.3	37.9	54.3
RIIO-2 Funding Adjustment Rate (often referred to as 'sharing factor')	%		50.70%	50.70%	50.70%	50.70%	50.70%
Post-TIM overspend (underspend)	£m 20/21 prices		(16.7)	(2.9)	1.2	19.2	27.5

RIIO-2 capitalisation rate allocation 2 totex

RIIO-2 incentive strength	%	49.30%					
RIIO-2 Funding Adjustment Rate (often referred to as 'sharing factor')	%	50.70%					
Actual totex	£m 20/21 prices		20.8	70.0	86.6	112.0	112.4
Less allowed totex	£m 20/21 prices		(53.3)	(74.5)	(91.7)	(120.6)	(121.5)
Pre-TIM overspend (underspend)	£m 20/21 prices		(32.5)	(4.4)	(5.1)	(8.7)	(9.1)
RIIO-2 Funding Adjustment Rate (often referred to as 'sharing factor')	%		50.70%	50.70%	50.70%	50.70%	50.70%
Post-TIM overspend (underspend)	£m 20/21 prices		(16.49)	(2.24)	(2.60)	(4.41)	(4.59)

Post-TIM totex

RIIO-2 capitalisation rate allocation 1 totex

Allowed totex	£m 20/21 prices		435.7	481.4	474.1	456.1	415.3
Post-TIM overspend (underspend)	£m 20/21 prices		(16.7)	(2.9)	1.2	19.2	27.5
Post-TIM totex	£m 20/21 prices		419.1	478.4	475.2	475.3	442.8

RIIO-2 capitalisation rate allocation 2 totex

Allowed totex	£m 20/21 prices		53.3	74.5	91.7	120.6	121.5
Post-TIM overspend (underspend)	£m 20/21 prices		(16.5)	(2.2)	(2.6)	(4.4)	(4.6)
Post-TIM totex	£m 20/21 prices		36.8	72.2	89.1	116.2	116.9

Post-TIM capitalisation

RIIO-2 allocation 1 capitalisation

Post-TIM totex	£m 20/21 prices		419.1	478.4	475.2	475.3	442.8
Capitalisation rate	%		65.00%	65.00%	65.00%	65.00%	65.00%
Fast pot expenditure	£m 20/21 prices		146.7	167.5	166.3	166.4	155.0
Slow pot expenditure	£m 20/21 prices		272.4	311.0	308.9	309.0	287.8

RIIO-2 allocation 2 capitalisation

Post-TIM totex	£m 20/21 prices		36.8	72.2	89.1	116.2	116.9
Capitalisation rate	%		85.00%	85.00%	85.00%	85.00%	85.00%
Fast pot expenditure	£m 20/21 prices		5.5	10.8	13.4	17.4	17.5
Slow pot expenditure	£m 20/21 prices		31.3	61.4	75.8	98.8	99.3

Totex after capitalisation

Fast pot expenditure	£m 20/21 prices		152.2	178.3	179.7	183.8	172.5
Slow pot expenditure	£m 20/21 prices		303.7	372.4	384.7	407.8	387.2
Calculated output capitalisation rate	%		66.62%	67.62%	68.16%	68.93%	69.18%

Additional income

RIIO-2 Business Plan Incentive (BPI)

Business Plan Incentive reward/penalty	£m 20/21 prices		2.3	-	-	-	-

End of sheet

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending		31 Mar 2028					

RAV additions

Price control timeline

Vesting year	year ending	31/03/1991					
Pre-vesting asset life	years	15.0					
Pre-vesting asset depn in first year (mnths)	months	3.5					
Pre RIIO-1 year	flag		-	-	-	-	-
RIIO-1 year	flag		-	-	-	-	-
RIIO-2 year	flag		1.0	1.0	1.0	1.0	1.0
Post-vesting non-accelerated depreciation period	text		FALSE	FALSE	FALSE	FALSE	FALSE
Post-vesting accelerated depreciation period	text		TRUE	TRUE	TRUE	TRUE	TRUE

Summary of net RAV additions and depreciation

Note: Additions to RAV are combined before feeding into the depreciation calculations. Pre-RIIO values are used to build up the post-vesting RAV from vesting.

Pre-vesting balance brought forwards	£m 20/21 prices						
Post-vesting pre-RIIO net RAV additions	£m 20/21 prices		-	-	-	-	-
RIIO-1 net RAV additions (aka legacy net RAV additions)	£m 20/21 prices		-	-	-	-	-
RIIO-2 net RAV additions (Slow money)	£m 20/21 prices		303.7	372.4	384.7	407.8	387.2
Net RAV additions	£m 20/21 prices		303.7	372.4	384.7	407.8	387.2
Post-vesting pre-RIIO depreciation	£m 20/21 prices		129.1	121.5	113.3	105.3	97.0
RIIO-1 depreciation	£m 20/21 prices		61.4	61.4	61.4	61.4	61.4
RIIO-2 depreciation	£m 20/21 prices		-	6.7	15.0	23.6	32.6
Total depreciation (drawn from depreciation profiles below)	£m 20/21 prices		190.5	189.7	189.7	190.3	191.0

Calculation of post-vesting RAV balances for Return&RAV sheet

Note: This section calculates RAV banace at the start of RIIO-1, for use in the Return&RAV tab's RAV balance carried forwards tables.

Start of RIIO-1	flag		-	-	-	-	-
RIIO-1 minus 1	flag		-	-	-	-	-
Post-vesting Pre-RIIO transfers to depreciation	£m 20/21 prices		-	-	-	-	-
Cumulative net additions	£m 20/21 prices		-	-	-	-	-
Cumulative depreciation	£m 20/21 prices		-	-	-	-	-
Opening post-vesting RAV cost contribution	£m 20/21 prices		-	-	-	-	-
Opening post-vesting RAV accumulated depreciation contribution	£m 20/21 prices		-	-	-	-	-

Post-vesting, pre-RIIO depreciation calculations

Note: This section is used to calculate depreciation on pre-vesting additions (i.e. before RIIO-1)

Depreciation parameters (post-vesting, pre-RIIO additions)

Post-vesting non-accelerated asset life	years		45.0	45.0	45.0	45.0	45.0
Annual depreciation factor	%		2.22%	2.22%	2.22%	2.22%	2.22%
Post-vesting accelerated asset life	years		45.0	45.0	45.0	45.0	45.0
Annual depreciation factor	%		2.22%	2.22%	2.22%	2.22%	2.22%
Depreciation values applied (post-vesting)	£m 20/21 prices		129.1	121.5	113.3	105.3	97.0

Non-accelerated SL Depreciation calculation (post-vesting, pre-RIIO additions)

Non-accelerated SL flag	flag		-	-	-	-	-
31 Mar 1991	£m 20/21 prices	46.7	1.4	0.4	-	-	-
31 Mar 1992	£m 20/21 prices	169.1	5.1	5.1	1.5	-	-
31 Mar 1993	£m 20/21 prices	198.0	5.9	5.9	5.9	1.8	-
31 Mar 1994	£m 20/21 prices	235.8	7.1	7.1	7.1	7.1	2.1
31 Mar 1995	£m 20/21 prices	229.5	6.9	6.9	6.9	6.9	6.9
31 Mar 1996	£m 20/21 prices	238.8	7.2	7.2	7.2	7.2	7.2
31 Mar 1997	£m 20/21 prices	254.0	7.6	7.6	7.6	7.6	7.6
31 Mar 1998	£m 20/21 prices	234.1	7.0	7.0	7.0	7.0	7.0
31 Mar 1999	£m 20/21 prices	211.4	6.3	6.3	6.3	6.3	6.3
31 Mar 2000	£m 20/21 prices	176.8	5.3	5.3	5.3	5.3	5.3
31 Mar 2001	£m 20/21 prices	151.5	4.5	4.5	4.5	4.5	4.5
31 Mar 2002	£m 20/21 prices	157.3	4.7	4.7	4.7	4.7	4.7
31 Mar 2003	£m 20/21 prices	132.9	4.0	4.0	4.0	4.0	4.0
31 Mar 2004	£m 20/21 prices	151.2	4.5	4.5	4.5	4.5	4.5
31 Mar 2005	£m 20/21 prices	164.1	4.9	4.9	4.9	4.9	4.9
31 Mar 2006	£m 20/21 prices	160.1	4.8	4.8	4.8	4.8	4.8
31 Mar 2007	£m 20/21 prices	167.1	5.0	5.0	5.0	5.0	5.0
31 Mar 2008	£m 20/21 prices	200.1	6.0	6.0	6.0	6.0	6.0
31 Mar 2009	£m 20/21 prices	241.3	7.2	7.2	7.2	7.2	7.2
31 Mar 2010	£m 20/21 prices	258.9	7.8	7.8	7.8	7.8	7.8

Company select SSES

Parameter	PCFM year ending	Units	Constant 31 Mar 2028	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
	31 Mar 2011	£m 20/21 prices	203.0	6.1	6.1	6.1	6.1	6.1
	31 Mar 2012	£m 20/21 prices	228.8	6.9	6.9	6.9	6.9	6.9
	31 Mar 2013	£m 20/21 prices	258.6	7.8	7.8	7.8	7.8	7.8
	31 Mar 2014	£m 20/21 prices	289.7	8.7	8.7	8.7	8.7	8.7
	31 Mar 2015	£m 20/21 prices	258.9	7.8	7.8	7.8	7.8	7.8
	31 Mar 2016	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2017	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2018	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2019	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2020	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2021	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2022	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2023	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2024	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2025	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2026	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2027	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2028	£m 20/21 prices	-	-	-	-	-	-

Accelerated SL Depreciation calculation (post-vesting, pre-RIIO additions)

Parameter	PCFM year ending	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Accelerated SL flag		flag		1.0	1.0	1.0	1.0	1.0
	31 Mar 1991	£m 20/21 prices	46.7	-	-	-	-	-
	31 Mar 1992	£m 20/21 prices	169.1	-	-	-	-	-
	31 Mar 1993	£m 20/21 prices	198.0	-	-	-	-	-
	31 Mar 1994	£m 20/21 prices	235.8	-	-	-	-	-
	31 Mar 1995	£m 20/21 prices	229.5	-	-	-	-	-
	31 Mar 1996	£m 20/21 prices	238.8	-	-	-	-	-
	31 Mar 1997	£m 20/21 prices	254.0	-	-	-	-	-
	31 Mar 1998	£m 20/21 prices	234.1	-	-	-	-	-
	31 Mar 1999	£m 20/21 prices	211.4	-	-	-	-	-
	31 Mar 2000	£m 20/21 prices	176.8	-	-	-	-	-
	31 Mar 2001	£m 20/21 prices	151.5	-	-	-	-	-
	31 Mar 2002	£m 20/21 prices	157.3	-	-	-	-	-
	31 Mar 2003	£m 20/21 prices	132.9	-	-	-	-	-
	31 Mar 2004	£m 20/21 prices	151.2	7.6	-	-	-	-
	31 Mar 2005	£m 20/21 prices	164.1	8.2	8.2	-	-	-
	31 Mar 2006	£m 20/21 prices	160.1	8.0	8.0	8.0	-	-
	31 Mar 2007	£m 20/21 prices	167.1	8.4	8.4	8.4	8.4	-
	31 Mar 2008	£m 20/21 prices	200.1	10.0	10.0	10.0	10.0	10.0
	31 Mar 2009	£m 20/21 prices	241.3	12.1	12.1	12.1	12.1	12.1
	31 Mar 2010	£m 20/21 prices	258.9	12.9	12.9	12.9	12.9	12.9
	31 Mar 2011	£m 20/21 prices	203.0	10.1	10.1	10.1	10.1	10.1
	31 Mar 2012	£m 20/21 prices	228.8	11.4	11.4	11.4	11.4	11.4
	31 Mar 2013	£m 20/21 prices	258.6	12.9	12.9	12.9	12.9	12.9
	31 Mar 2014	£m 20/21 prices	289.7	14.5	14.5	14.5	14.5	14.5
	31 Mar 2015	£m 20/21 prices	258.9	12.9	12.9	12.9	12.9	12.9
	31 Mar 2016	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2017	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2018	£m 20/21 prices	-	6.9	-	-	-	-
	31 Mar 2019	£m 20/21 prices	-	-	6.9	-	-	-
	31 Mar 2020	£m 20/21 prices	-	-	-	7.8	-	-
	31 Mar 2021	£m 20/21 prices	-	-	-	-	7.8	-
	31 Mar 2022	£m 20/21 prices	-	-	-	-	-	7.8
	31 Mar 2023	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2024	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2025	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2026	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2027	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2028	£m 20/21 prices	-	-	-	-	-	-

Accelerated RAV differential post-vesting depreciation (post-vesting, pre-RIIO additions)

Note: The RAV differential accumulated from the straight line and sum-of-digit schedules above is released after the start of RIIO over an input smoothing profile.

Parameter	PCFM year ending	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
RAV differential accruing				-	-	-	-	-
Smoothing period		years	15.0					
Smoothing profile for recovery of backlog depreciation		%		0.00%	0.00%	0.00%	0.00%	0.00%
	31 Mar 1991	£m 20/21 prices	14.0	-	-	-	-	-
	31 Mar 1992	£m 20/21 prices	47.3	-	-	-	-	-
	31 Mar 1993	£m 20/21 prices	51.4	-	-	-	-	-
	31 Mar 1994	£m 20/21 prices	56.5	-	-	-	-	-
	31 Mar 1995	£m 20/21 prices	50.4	-	-	-	-	-
	31 Mar 1996	£m 20/21 prices	47.7	-	-	-	-	-
	31 Mar 1997	£m 20/21 prices	45.6	-	-	-	-	-
	31 Mar 1998	£m 20/21 prices	37.4	-	-	-	-	-
	31 Mar 1999	£m 20/21 prices	29.6	-	-	-	-	-
	31 Mar 2000	£m 20/21 prices	21.2	-	-	-	-	-
	31 Mar 2001	£m 20/21 prices	15.1	-	-	-	-	-

Regulatory Depreciation								
SSES		Company select	SSES					
Parameter		Units	Constant					
PCFM year ending			31 Mar 2028	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
	31 Mar 2002	£m 20/21 prices	12.6	-	-	-	-	-
	31 Mar 2003	£m 20/21 prices	8.0	-	-	-	-	-
	31 Mar 2004	£m 20/21 prices	6.0	-	-	-	-	-
	31 Mar 2005	£m 20/21 prices	3.3	-	-	-	-	-
	31 Mar 2006	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2007	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2008	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2009	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2010	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2011	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2012	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2013	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2014	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2015	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2016	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2017	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2018	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2019	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2020	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2021	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2022	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2023	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2024	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2025	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2026	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2027	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2028	£m 20/21 prices	-	-	-	-	-	-

RIIO-1 depreciation calculations

Note: This section is used to calculate depreciation on RIIO-1 additions (i.e. before RIIO-1). Depreciation profile used is straight line

Depreciation parameters (RIIO-1 additions)

Parameter		Units		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Post-vesting asset life (RIIO-1)		years		45.0	45.0	45.0	45.0	45.0
Annual depreciation factor		%		2.22%	2.22%	2.22%	2.22%	2.22%
Depreciation values applied (RIIO-1 additions)		£m 20/21 prices		61.4	61.4	61.4	61.4	61.4

SL depreciation calculation (RIIO-1)

		Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Total applicable depreciation		£m 20/21 prices		61.4	61.4	61.4	61.4	61.4
	31 Mar 1991	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 1992	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 1993	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 1994	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 1995	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 1996	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 1997	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 1998	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 1999	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2000	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2001	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2002	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2003	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2004	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2005	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2006	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2007	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2008	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2009	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2010	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2011	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2012	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2013	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2014	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2015	£m 20/21 prices		-	-	-	-	-
	31 Mar 2016	£m 20/21 prices	243.2	10.5	10.5	10.5	10.5	10.5
	31 Mar 2017	£m 20/21 prices	253.6	9.7	9.7	9.7	9.7	9.7
	31 Mar 2018	£m 20/21 prices	261.8	8.9	8.9	8.9	8.9	8.9
	31 Mar 2019	£m 20/21 prices	255.6	7.9	7.9	7.9	7.9	7.9
	31 Mar 2020	£m 20/21 prices	250.0	7.0	7.0	7.0	7.0	7.0
	31 Mar 2021	£m 20/21 prices	248.4	6.4	6.4	6.4	6.4	6.4
	31 Mar 2022	£m 20/21 prices	239.5	5.7	5.7	5.7	5.7	5.7
	31 Mar 2023	£m 20/21 prices	237.6	5.3	5.3	5.3	5.3	5.3
	31 Mar 2024	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2025	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2026	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2027	£m 20/21 prices	-	-	-	-	-	-
	31 Mar 2028	£m 20/21 prices	-	-	-	-	-	-

Parameter	Units	Constant 31 Mar 2028	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending							
RIIO-2 depreciation schedules							
Post-vesting asset life (RIIO-2) (single input)	years	45					
Annual SL depreciation factor (single input)	%		2.22%	2.22%	2.22%	2.22%	2.22%
Depreciation values applied (RIIO-2)	£m 20/21 prices		-	6.7	15.0	23.6	32.6
SL depreciation (RIIO-2)							
Applicable SL depreciation profile	%		2.22%	2.22%	2.22%	2.22%	2.22%
Total applicable depreciation	£m 20/21 prices		-	6.7	15.0	23.6	32.6
31 Mar 1991	£m 20/21 prices	-	-	-	-	-	-
31 Mar 1992	£m 20/21 prices	-	-	-	-	-	-
31 Mar 1993	£m 20/21 prices	-	-	-	-	-	-
31 Mar 1994	£m 20/21 prices	-	-	-	-	-	-
31 Mar 1995	£m 20/21 prices	-	-	-	-	-	-
31 Mar 1996	£m 20/21 prices	-	-	-	-	-	-
31 Mar 1997	£m 20/21 prices	-	-	-	-	-	-
31 Mar 1998	£m 20/21 prices	-	-	-	-	-	-
31 Mar 1999	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2000	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2001	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2002	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2003	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2004	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2005	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2006	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2007	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2008	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2009	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2010	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2011	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2012	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2013	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2014	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2015	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2016	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2017	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2018	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2019	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2020	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2021	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2022	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2023	£m 20/21 prices	-	-	-	-	-	-
31 Mar 2024	£m 20/21 prices	303.7	-	6.7	6.7	6.7	6.7
31 Mar 2025	£m 20/21 prices	372.4	-	-	8.3	8.3	8.3
31 Mar 2026	£m 20/21 prices	384.7	-	-	-	8.5	8.5
31 Mar 2027	£m 20/21 prices	407.8	-	-	-	-	9.1
31 Mar 2028	£m 20/21 prices	387.2	-	-	-	-	-

End of sheet

SSES

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending		31 Mar 2028					

Return

Return base

Note: The "Return base" is calculated such that the net present value of the stream of depreciation and return flowing from a RAV addition is equal to the present value of the addition itself.

Present value and closing of RAV

	Units		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Vanilla WACC	annual real %		3.94%	4.10%	4.11%	4.12%	4.14%
Single year discount factor	scalar		0.962	0.961	0.961	0.960	0.960
Closing RAV	£m 20/21 prices		2,754.7	2,937.4	3,132.4	3,349.8	3,546.1
Discounted closing RAV	£m 20/21 prices		2,650.3	2,821.7	3,008.7	3,217.3	3,405.1

NPV-neutral RAV return base

	Units		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Opening RAV (after transfers)	£m 20/21 prices		2,641.5	2,754.7	2,937.4	3,132.4	3,349.8
Discounted closing RAV	£m 20/21 prices		2,650.3	2,821.7	3,008.7	3,217.3	3,405.1
NPV-neutral RAV return base	£m 20/21 prices		2,645.9	2,788.2	2,973.1	3,174.8	3,377.5

Return on RAV

	Units		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
NPV-neutral RAV return base	£m 20/21 prices		2,645.9	2,788.2	2,973.1	3,174.8	3,377.5
Vanilla WACC	annual real %		3.94%	4.10%	4.11%	4.12%	4.14%
Return	£m 20/21 prices		104.2	114.3	122.2	130.8	139.8

RAV

Note: The RAV is presented separate pre-vesting and post-vesting balances brought together to form a combined "Running total."

Timing Inputs

	Units		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Start of RIIO 1	flag		-	-	-	-	-

Running total

	Units		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Opening RAV balance brought forwards from pre RIIO-1	£m 20/21 prices		-	-	-	-	-
Opening RAV	£m 20/21 prices		2,641.5	2,754.7	2,937.4	3,132.4	3,349.8
Net additions (after disposals)	£m 20/21 prices		303.7	372.4	384.7	407.8	387.2
Depreciation	£m 20/21 prices		(190.5)	(189.7)	(189.7)	(190.3)	(191.0)
Closing RAV	£m 20/21 prices		2,754.7	2,937.4	3,132.4	3,349.8	3,546.1

Post-vesting balance

Note: Post-vesting RAV opening balances are generated from calculations built up since vesting. Net additions (after disposals), depreciation and removals are calculated principally on the "Depn" sheet.
Assets with non-standard depreciation policies applied or that are transferred to the RAV during the price control are also brought into the RAV here.

Cost

	Units		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Opening RAV balance brought forwards from pre RIIO-1	£m 20/21 prices		-	-	-	-	-
Opening balance brought forward (before transfers)	£m 20/21 prices		7,007.5	7,311.2	7,683.6	8,068.2	8,476.0
Opening balance brought forward (after transfers)	£m 20/21 prices		7,007.5	7,311.2	7,683.6	8,068.2	8,476.0
Net additions (after disposals)	£m 20/21 prices		303.7	372.4	384.7	407.8	387.2
Closing value carried forward	£m 20/21 prices		7,311.2	7,683.6	8,068.2	8,476.0	8,863.2

Cumulative depreciation

	Units		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Opening cumulative depreciation balance brought forwards from pre RIIO-1	£m 20/21 prices		-	-	-	-	-
Opening balance brought forward (before transfers)	£m 20/21 prices		4,342.3	4,532.8	4,722.5	4,912.2	5,102.5
Opening balance brought forward (after transfers)	£m 20/21 prices		4,342.3	4,532.8	4,722.5	4,912.2	5,102.5
Depreciation	£m 20/21 prices		190.5	189.7	189.7	190.3	191.0
Closing value carried forward	£m 20/21 prices		4,532.8	4,722.5	4,912.2	5,102.5	5,293.4

Asset balance

	Units		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Net value after regulatory depreciation	£m 20/21 prices		2,778.4	2,961.1	3,156.0	3,373.5	3,569.7

Metering Write Off

	Units		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Metering write off	£m 20/21 prices	23.7	-	-	-	-	-

End of sheet

Parameter	Units	Constant					
PCFM year ending		31 Mar 2028	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028

Tax pools additions

Note: Actual totex is combined with other expenditure and allocated to tax pools. Each cost sub-category can have its own percentage split between each pool.

Price control timeline

Start of RIIO-2	flag		1	-	-	-	-

Inflation line

Blended Real to nominal prices conversion factor	scalar		1.289	1.328	1.351	1.372	1.397

Expenditure categories allocated to tax pools

Note: RIIO-1 tax pool allocation inputs for each totex sub-category, whereas RIIO-2 allocations are at totex level. This is why different calculation methods are required.

Actual/forecast actual totex

Actual load related capex	£m 20/21 prices		49.8	116.9	118.5	155.8	155.6
Actual non-load related capex - asset replacement	£m 20/21 prices		108.2	145.0	164.4	178.2	158.0
Actual non-load related capex - other	£m 20/21 prices		33.0	47.8	46.4	45.2	41.6
Actual faults	£m 20/21 prices		43.9	43.8	44.2	43.7	43.1
Actual tree cutting	£m 20/21 prices		18.7	19.7	17.9	17.2	17.5
Actual 100% 'revenue pool' expenditure	£m 20/21 prices		15.2	16.0	15.5	14.9	14.7
Actual controllable opex	£m 20/21 prices		154.7	156.5	156.0	150.9	151.4
Total actual/forecast actual totex	£m 20/21 prices		423.7	545.6	563.0	606.0	582.0

Non-totex items

Non-controllable opex (to be added to "Revenue" Pool additions)	£m 20/21 prices		79.2	51.9	52.5	60.0	58.8
Costs associated with other revenue allowance	£m 20/21 prices		2.0	1.8	2.2	-	-

Tax pool allocation & additions

Allocation to "General" pool	%		4.60%	4.73%	4.68%	4.38%	4.20%
Allocation to "Special Rate" pool	%		29.17%	37.41%	37.69%	41.63%	42.06%
Allocation to "Deferred Revenue" pool	%		27.28%	25.25%	25.57%	24.31%	23.65%
Allocation to "Structures and Buildings" pool	%		0.84%	0.88%	0.96%	0.96%	0.89%
Allocation to "Revenue" pool	%		33.29%	26.97%	25.97%	23.64%	24.43%
Allocation to "Non Qualifying" pool	%		4.82%	4.76%	5.13%	5.08%	4.77%
Check		-	-	-	-	-	-
Additions to "General" pool	£m 20/21 prices		19.5	25.8	26.4	26.5	24.5
Additions to "Special Rate" pool	£m 20/21 prices		123.6	204.1	212.2	252.3	244.8
Additions to "Deferred Revenue" pool	£m 20/21 prices		115.6	137.7	144.0	147.3	137.6
Additions to "Structures and Buildings" pool	£m 20/21 prices		3.6	4.8	5.4	5.8	5.2
Additions to "Revenue" pool (including Non-totex items)	£m 20/21 prices		222.2	200.8	200.9	203.3	201.0
Additions to "Non Qualifying" pool	£m 20/21 prices		20.4	26.0	28.9	30.8	27.8

Capital allowances

Note: Special, General and deferred revenue capital allowances are calculated for the tax allowance calculation.
When "non-core" assets are transferred to the RAV to their tax book value is moved to the "Transfer" line

General pool

Capital allowance rate	%		18.00%	18.00%	18.00%	18.00%	18.00%
Opening balance brought forwards from RIIO-1	£m nominal		57.9	-	-	-	-
Opening balance brought forward	£m nominal		57.9	68.1	67.1	61.1	56.0
Revisions	£m nominal		-	(20.6)	(28.1)	(29.2)	(29.9)
Capex additions	£m nominal		25.1	34.3	35.6	36.4	34.2
Tax book value pre-depreciation	£m nominal		83.1	81.8	74.6	68.3	60.3
General pool capital allowance (reducing balance)	£m nominal		(15.0)	(14.7)	(13.4)	(12.3)	(10.9)
Closing balance carried forward	£m nominal		68.1	67.1	61.1	56.0	49.5

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending		31 Mar 2028					
Special Rates pool							
Capital allowance rate	%		6.00%	6.00%	6.00%	6.00%	6.00%
Opening balance brought forwards from RIIO-1	£m nominal		793.9	-	-	-	-
Opening balance brought forward	£m nominal		793.9	896.0	1,031.2	1,126.7	1,265.9
Revisions	£m nominal		-	(70.1)	(119.3)	(126.1)	(152.3)
Capex additions	£m nominal		159.3	271.1	286.7	346.1	341.9
Tax book value pre-depreciation	£m nominal		953.2	1,097.1	1,198.6	1,346.7	1,455.4
Special Rates capital allowance (reducing balance)	£m nominal		(57.2)	(65.8)	(71.9)	(80.8)	(87.3)
Closing balance carried forward	£m nominal		896.0	1,031.2	1,126.7	1,265.9	1,368.1
Deferred revenue pool							
Capital allowance rate	%		2.22%	2.22%	2.22%	2.22%	2.22%
Opening balance brought forwards from RIIO-1	£m nominal		1,568.6	-	-	-	-
Deferred revenue expenditure pool capex additions during RIIO-1	£m nominal		-	-	-	-	-
Opening balance brought forward	£m nominal		1,568.6	1,671.4	1,804.1	1,944.0	2,087.0
Capex additions	£m nominal		149.0	183.0	194.5	202.1	192.2
Tax book value pre-depreciation	£m nominal		1,717.6	1,854.4	1,998.6	2,146.1	2,279.3
Deferred revenue expenditure capital allowance (straight line)	£m nominal		(46.2)	(50.3)	(54.6)	(59.1)	(63.4)
Closing balance carried forward	£m nominal		1,671.4	1,804.1	1,944.0	2,087.0	2,215.9
Structures and Buildings pool							
Capital allowance rate	%		3.00%	3.00%	3.00%	3.00%	3.00%
Opening balance brought forward	£m nominal		-	4.6	10.9	17.8	25.3
Capex additions	£m nominal		4.6	6.4	7.3	8.0	7.2
Tax book value pre-depreciation	£m nominal		4.6	11.0	18.2	25.8	32.5
Structures and Buildings capital allowance (straight line)	£m nominal		-	(0.1)	(0.3)	(0.5)	(0.8)
Closing balance carried forward	£m nominal		4.6	10.9	17.8	25.3	31.7
Total capital allowances							
General pool	£m nominal		15.0	14.7	13.4	12.3	10.9
Special Rates pool	£m nominal		57.2	65.8	71.9	80.8	87.3
Deferred revenue expenditure	£m nominal		46.2	50.3	54.6	59.1	63.4
Structures and Buildings pool	£m nominal		-	0.1	0.3	0.5	0.8
Capital allowances	£m nominal		118.4	131.0	140.3	152.7	162.3

End of sheet

Parameter	Units					
PCFM year ending		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028

Company select SSES

Net debt

Note: Net debt is calculated to generate interest paid (for the tax calculation) and gearing levels (for equity issuance calculations).

"Core" net debt is distinct from "Non-core" net debt. Non-core net debt relates to assets held outside the main RAV and receiving a pre-tax income.

Price control timeline

Start of RIIO-2	flag	I	-		-	-
RIIO-2 regearing period	flag	-	I	I	I	I

Inflation line

Blended Real to nominal prices conversion factor	scalar	1.289	1.328	1.351	1.372	1.397

Core net debt

Note: The company opens the price control at its notionally geared level. Any equity issuance required to reach this level is not shown.

Equity issuance (if any) occurs at the start of the year and may be followed by transfers to or from non-core net debt (to equalise opening gearing levels across the company).

Start of year transfers may also include net debt accompanying non-core assets transferred to core RAV.

A sub-total is taken before tax and interest on in-year cash flow. This allows the calculation of interest on in-year cash flow to be solved analytically.

Opening balance brought forward (before equity issuance and transfers)	£m nominal	-	(2,024.3)	(2,267.3)	(2,531.6)	(2,853.5)
Start of price control notional debt re-set	£m nominal	(1,892.3)	-	-	-	-
Equity issuance (excluding first year of price control)	£m nominal	-	-	-	-	-
Opening balance brought forward (after equity issuance and transfers)	£m nominal	(1,892.3)	(2,024.3)	(2,267.3)	(2,531.6)	(2,853.5)
Add Recalculated base revenue (except tax allowance)	£m nominal	684.5	711.0	739.2	779.4	794.6
Add net impact of DARTs on core net debt	£m nominal	-	-	-	-	-
Less actual totex	£m nominal	(546.2)	(724.8)	(760.7)	(831.4)	(812.9)
Less non-controllable opex (aka pass-through-costs)	£m nominal	(102.1)	(68.9)	(70.9)	(82.4)	(82.1)
Less costs associated with other revenue allowances	£m nominal	(2.5)	(2.4)	(3.0)	-	-
Less dividends	£m nominal	(42.6)	(46.8)	(50.8)	(55.2)	(59.4)
Less equity issuance costs	£m nominal	(7.9)	-	-	-	-
Closing net debt (before tax and debt costs)	£m nominal	(1,909.0)	(2,156.3)	(2,413.4)	(2,721.1)	(3,013.3)
Less net interest paid (excluding principal inflation accretion)	£m nominal	(88.1)	(97.8)	(110.7)	(124.5)	(139.7)
Less net interest paid (principal inflation accretion)	£m nominal	(29.7)	(15.9)	(10.0)	(10.1)	(13.2)
Add tax allowance (including adjustment)	£m nominal	27.1	20.9	20.5	13.3	9.2
Less tax paid (including cash flow on revenue without a tax allowance)	£m nominal	(24.6)	(18.2)	(18.0)	(11.1)	(7.4)
Closing value	£m nominal	(2,024.3)	(2,267.3)	(2,531.6)	(2,853.5)	(3,164.3)

Total net debt

Opening total net debt (before equity issuance)	£m nominal	(1,892.3)	(2,024.3)	(2,267.3)	(2,531.6)	(2,853.5)
Opening total net debt (after equity issuance)	£m nominal	(1,892.3)	(2,024.3)	(2,267.3)	(2,531.6)	(2,853.5)

Regearing

Overall opening gearing

Note: Opening values are based on real opening RAV inflated by the previous years prices.

Opening total net debt (before equity issuance)	£m nominal	(1,892.3)	(2,024.3)	(2,267.3)	(2,531.6)	(2,853.5)
Opening core RAV (after transfers)	£m nominal	3,153.8	3,551.2	3,902.2	4,232.3	4,596.0
Overall gearing at start of year (before equity issuance)	%	60.00%	57.00%	58.10%	59.82%	62.09%

Start of price control notional regearing

Note: An allowance is given to cover the change in notional gearing from its level in the previous price control.

For transmission only, where the Pre-RIIO closing gearing is higher than the notional opening gear the notional gearing at the start of RIIO will be uplifted to reflect this difference.

Notional gearing	%	60.00%	60.00%	60.00%	60.00%	60.00%
End of RIIO-1 closing notional gearing	%	-	-	-	-	-
Start of RIIO-2 opening notional gearing	%	60.00%	-	-	-	-
Start of price control change in notional gearing	%	(5.00%)	-	-	-	-
Total opening regulatory assets (after transfers)	£m nominal	3,153.8	-	-	-	-
Movement in net debt for notional regearing change	£m nominal	(157.7)	-	-	-	-

Equity issuance

Note: If opening overall gearing exceeds its target level beyond a given threshold, an equity issuance is triggered, bringing opening gearing back to its target level.

An allowance is calculated for the cost of raising this equity.

Total opening regulatory assets (after transfers)	£m nominal	3,153.8	3,551.2	3,902.2	4,232.3	4,596.0
Overall gearing at start of year (before equity issuance)	%	-	57.00%	58.10%	59.82%	62.09%
Less target gearing for equity issuance	%	-	(60.00%)	(60.00%)	(60.00%)	(60.00%)
Deviation from equity issuance target gearing	%	-	(3.00%)	(1.90%)	(0.18%)	2.09%

Parameter	Units	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending						
Threshold deviation above target level	%	-	5.00%	5.00%	5.00%	5.00%
Equity issuance threshold met	text	-	-	-	-	-
Equity issuance	£m nominal	-	-	-	-	-

Start of year gearing equalisation between core and non-core net debt

Note: Movements in non-core cash flow allow core and non-core gearing levels to diverge within the year. Net debt transfers at the start of the year equalise levels of gearing across the company.
The overall gearing percentage is exported to the "NonCore" sheet to set their opening gearing to that level. Net movements required to reach that level from their net debt
brought forward generate a transfer from Core net debt.

Opening total net debt (after equity issuance)	£m nominal	(1,892.3)	(2,024.3)	(2,267.3)	(2,531.6)	(2,853.5)
Total opening regulatory assets (after transfers)	£m nominal	3,153.8	3,551.2	3,902.2	4,232.3	4,596.0
Overall gearing at start of year (after equity issuance)	%	60.00%	57.00%	58.10%	59.82%	62.09%

Financing costs

Interest

Forecast cost of debt

Note: The nominal cost of debt is calculated and adjusted for any portion indexed for inflation.

Fixed rate debt

Cost of debt	annual real %	3.04%	3.11%	3.17%	3.18%	3.20%
RIIO-2 forecast debt inflation (CPIH long-term)	annual %	2.00%	2.00%	2.00%	2.00%	2.00%
Forecast cost of debt (fixed rate)	nominal annual %	5.10%	5.17%	5.23%	5.24%	5.26%

RPI index-linked debt

Forecast debt inflation (RPI long-term)	annual %	3.00%	3.00%	3.00%	3.00%	3.00%
Cost of debt (RPI index-linked)	annual real % (RPI)	2.04%	2.11%	2.17%	2.18%	2.20%
RIIO-2 near-term forecast debt inflation (RPI)	annual %	8.75%	4.32%	2.62%	2.61%	2.81%
Forecast cost of debt (RPI index-linked)	nominal annual %	10.97%	6.52%	4.85%	4.84%	5.07%

CPIH index-linked debt

Cost of debt (CPIH index-linked)	annual real % (CPIH)	3.04%	3.11%	3.17%	3.18%	3.20%
RIIO-2 near-term forecast debt inflation (CPIH)	annual %	6.25%	3.05%	1.71%	1.54%	1.80%
Forecast cost of debt (CPIH index-linked)	nominal annual %	9.48%	6.25%	4.93%	4.77%	5.05%

Average net debt (except for interest and tax)

Opening net debt	£m nominal	(1,892.3)	(2,024.3)	(2,267.3)	(2,531.6)	(2,853.5)
Closing net debt (except for interest and tax)	£m nominal	(1,909.0)	(2,156.3)	(2,413.4)	(2,721.1)	(3,013.3)
Average net debt (except for interest and tax)	£m nominal	(1,900.6)	(2,090.3)	(2,340.4)	(2,626.3)	(2,933.4)
Average cost of debt applied (FYI only)	nominal annual %	6.20%	5.44%	5.16%	5.13%	5.21%

Net interest received

Fixed rate debt

Fixed rate debt as a percentage of net debt	%	75.00%	75.00%	75.00%	75.00%	75.00%
Average net debt (except for interest and tax) - fixed rate	£m nominal	(1,425.5)	(1,567.7)	(1,755.3)	(1,969.8)	(2,200.0)
Forecast cost of debt (fixed rate)	%	5.10%	5.17%	5.23%	5.24%	5.26%
Net interest received (fixed rate)	£m nominal	(72.7)	(81.1)	(91.9)	(103.3)	(115.8)

RPI index-linked debt

RPI index-linked debt as a percentage of net debt	%	0.00%	0.00%	0.00%	0.00%	0.00%
Average net debt (except for interest and tax) - RPI index-linked	£m nominal	-	-	-	-	-
Forecast cost of debt (RPI index-linked)	%	10.97%	6.52%	4.85%	4.84%	5.07%
Net interest received (RPI index-linked)	£m nominal	-	-	-	-	-
Principal inflation accretion on RPI index-linked debt	£m nominal	-	-	-	-	-

CPIH index-linked debt

CPIH index-linked debt as a percentage of net debt	%	25.00%	25.00%	25.00%	25.00%	25.00%
Average net debt (except for interest and tax) - CPIH index-linked	£m nominal	(475.2)	(522.6)	(585.1)	(656.6)	(733.3)
Forecast cost of debt (CPIH index-linked)	%	9.48%	6.25%	4.93%	4.77%	5.05%
Net interest received (CPIH index-linked)	£m nominal	(45.0)	(32.7)	(28.9)	(31.3)	(37.1)
Principal inflation accretion on CPIH index-linked debt	£m nominal	(29.7)	(15.9)	(10.0)	(10.1)	(13.2)

SSES

Parameter	Units					
PCFM year ending		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028

Principal inflation accretion on index linked debt

Note: The principal inflation accretion from index linked debt is identified separately from other interest costs.

RIIO-2 principal inflation accretion calculation

Net interest received (principal inflation accretion)	£m nominal	(29.7)	(15.9)	(10.0)	(10.1)	(13.2)

Total blended inflation accretion

Net interest received	£m nominal	(117.8)	(113.8)	(120.7)	(134.6)	(152.9)
Net interest received (excluding principal inflation accretion)	£m nominal	(88.1)	(97.8)	(110.7)	(124.5)	(139.7)
Net interest received (principal inflation accretion)	£m nominal	(29.7)	(15.9)	(10.0)	(10.1)	(13.2)
Share of interest expense as principal inflation accretion (FYI only)	%	25.22%	14.00%	8.29%	7.52%	8.62%

Cost of raising equity

Note: If equity issuance is negative, then equity issuance costs are set to zero

First year of RIIO-2 (for start of price control regearing)	flag	1.0	-	-	-	-
Start of price control change in notional gearing	£m nominal	(157.7)	-	-	-	-
Issue or redeem equity	£m nominal	-	-	-	-	-
Equity issuance with issuance costs allowed	£m nominal	157.7	-	-	-	-
Equity issuance cost as percentage of new equity	%	5.00%	5.00%	5.00%	5.00%	5.00%
Equity issuance cost	£m nominal	7.9	-	-	-	-
Equity issuance cost (real prices) for use on Revenue sheet	*£m 20/21 prices*	*6.1*	*-*	*-*	*-*	*-*

Dividends

Note: Unlike interest, dividends are based on notional rather than modelled gearing levels.

Closing core RAV	£m nominal	3,551.2	3,902.2	4,232.3	4,596.0	4,952.5
Assumed equity portion of RAV	%	40.00%	40.00%	40.00%	40.00%	40.00%
Assumed dividends as percentage of notional equity portion of RAV	%	3.00%	3.00%	3.00%	3.00%	3.00%
Notional dividends	£m nominal	42.6	46.8	50.8	55.2	59.4

Tax allowance

Tax base

Note: The tax charge is calculated before tax on tax. Tax on tax is added after losses are taken into account.

Add recalculated base revenue (except tax allowance)	£m nominal	684.5	711.0	739.2	779.4	794.6
Add net DART impact on core tax calculation	£m nominal	-	-	-	-	-
Less net interest paid (excluding principal inflation accretion)	£m nominal	(88.1)	(97.8)	(110.7)	(124.5)	(139.7)
Less net interest paid (principal inflation accretion)	£m nominal	(29.7)	(15.9)	(10.0)	(10.1)	(13.2)
Less revenue tax pool additions	£m nominal	(286.4)	(266.8)	(271.4)	(278.9)	(280.7)
Less capital allowances	£m nominal	(118.4)	(131.0)	(140.3)	(152.7)	(162.3)
Profits attributable to corporation tax (before Tax Clawback)	£m nominal	162.0	199.5	206.8	213.2	198.7

Tax allowance

Regulatory Tax losses

Tax losses brought forward from RIIO-1	£m nominal	-	-	-	-	-
Taxable losses brought forward	£m nominal	-	-	-	-	-
In-year taxable loss	£m nominal	-	-	-	-	-
Contributions to losses from clawback	£m nominal	-	-	-	-	-
Adjustment to losses from tax trigger	£m nominal	(80.8)	(136.7)	(145.3)	(173.3)	(171.0)
Profits attributable to corporation tax (before Tax Clawback)	£m nominal	80.8	136.7	145.3	173.3	171.0
Balance carried forward	£m nominal	-	-	-	-	-

Tax allowance (before Tax Trigger adjustment)

Note: A "grossing-up factor" based on the infinite geometric progression of being taxed on tax is used to move the tax allowance from a post-tax to a pre-tax basis.
This can only be applied once tax losses have been taken into account.

Profits attributable to corporation tax (after taxable losses)	£m nominal	81.2	62.8	61.5	39.9	27.7
Corporation tax rate	%	25.00%	25.00%	25.00%	25.00%	25.00%
Corporation tax charge after losses	£m nominal	20.3	15.7	15.4	10.0	6.9
"Grossing-up" factor for tax on tax charge after losses	scalar	1.33	1.33	1.33	1.33	1.33
Tax allowance (before Tax Trigger adjustment)	£m nominal	27.1	20.9	20.5	13.3	9.2

Tax allowance

Tax allowance (before Tax Trigger adjustment)	£m nominal	27.1	20.9	20.5	13.3	9.2

Parameter	Units					
SSES						
Parameter	Units					
PCFM year ending		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Additional allowance where tax trigger positive (over and above that used to offset clawback)	£m nominal	-	-	-	-	-
Tax allowance	£m nominal	27.1	20.9	20.5	13.3	9.2
Tax allowance adjustment	£m nominal	-	-	-	-	-
Tax allowance (including adjustment)	£m nominal	27.1	20.9	20.5	13.3	9.2
Tax allowance (real prices) for use on Revenue sheet	£m 20/21 prices	21.0	15.8	15.2	9.7	6.6
Tax allowance adjustment (real prices) for use on Revenue sheet	£m 20/21 prices	-	-	-	-	-

Tax paid

Tax base

	Units	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Add recalculated base revenue (except tax allowance), incl add. income	£m nominal	684.5	711.0	739.2	779.4	794.6
Add net DART impact on tax calculation	£m nominal	-	-	-	-	-
Add tax allowance (including adjustment)	£m nominal	27.1	20.9	20.5	13.3	9.2
Overall net income of DRS	£m nominal	-	-	-	-	-
Less net interest paid (excluding principal inflation accretion)	£m nominal	(88.1)	(97.8)	(110.7)	(124.5)	(139.7)
Less net interest paid (principal inflation accretion)	£m nominal	(29.7)	(15.9)	(10.0)	(10.1)	(13.2)
Less revenue tax pool additions	£m nominal	(286.4)	(266.8)	(271.4)	(278.9)	(280.7)
Less capital allowances	£m nominal	(118.4)	(131.0)	(140.3)	(152.7)	(162.3)
Profits attributable to corporation tax	£m nominal	189.1	220.4	227.3	226.5	207.9

Tax losses

	Units	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Tax losses brought forward from RIIO-1	£m nominal	-	-	-	-	-
Taxable losses brought forward	£m nominal	-	-	-	-	-
In-year taxable loss	£m nominal	-	-	-	-	-
Contributions to losses from clawback	£m nominal	-	-	-	-	-
Adjustments to losses from tax trigger	£m nominal	(90.7)	(147.4)	(155.3)	(182.1)	(178.4)
Profits reduced by tax losses	£m nominal	90.7	147.4	155.3	182.1	178.4
Balance carried forward	£m nominal	-	-	-	-	-

Tax paid

	Units	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Profits attributable to corporation tax (after taxable losses)	£m nominal	98.4	73.0	72.0	44.4	29.5
Corporation tax rate	%	25.00%	25.00%	25.00%	25.00%	25.00%
Corporation tax charge after losses	£m nominal	24.6	18.2	18.0	11.1	7.4

Tax trigger calculations

Tax trigger adjustment

	Units	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Tax liability allowance adjustments - driven by tax trigger events	£m 20/21 prices	(23.5)	(37.0)	(38.3)	(44.3)	(42.6)
Tax trigger deadband	£m 20/21 prices	2.6	2.7	2.5	2.2	1.8
Materiality threshold test passed?	text	TRUE	TRUE	TRUE	TRUE	TRUE
Tax trigger deadband value applied	£m 20/21 prices	2.6	2.7	2.5	2.2	1.8
Tax trigger adjustment	£m 20/21 prices	(20.9)	(34.3)	(35.8)	(42.1)	(40.8)

Adjustment to losses

	Units	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Profit impact of tax trigger	£m nominal	(80.8)	(136.7)	(145.3)	(173.3)	(171.0)
Outstanding taxable losses (before tax trigger)	£m nominal	-	-	-	-	-
Taxable losses outstanding?	text	FALSE	FALSE	FALSE	FALSE	FALSE
Profit impact of tax trigger > outstanding taxable losses?	text	FALSE	FALSE	FALSE	FALSE	FALSE
Adjustment to losses from tax trigger	£m nominal	(80.8)	(136.7)	(145.3)	(173.3)	(171.0)

Adjustment to tax allowance

	Units	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Profit impact of tax trigger (net of adjustment to losses)	£m nominal	-	-	-	-	-
Corporation tax rate	%	25.00%	25.00%	25.00%	25.00%	25.00%
"Grossing-up" factor for tax on tax charge after losses	scalar	1.33	1.33	1.33	1.33	1.33
Outcome tax trigger allowance	£m nominal	-	-	-	-	-

Tax clawback calculations

Gearing level test

	Units	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Closing RAV	£m 20/21 prices	2,754.7	2,937.4	3,132.4	3,349.8	3,546.1

Parameter	Units	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending						
Real to nominal prices conversion factor (financial year end)	scalar	1.312	1.341	1.361	1.384	1.409
Adjusted net debt	£m nominal	-	-	-	-	-
Closing RAV	£m nominal	3,615.2	3,938.1	4,263.0	4,635.2	4,996.5
Actual gearing	%	0.00%	0.00%	0.00%	0.00%	0.00%
Notional gearing for "Tax clawback gearing level test"	%	65.00%	64.00%	63.00%	61.00%	60.00%
Gearing level test (actual gearing > notional gearing)	text	FALSE	FALSE	FALSE	FALSE	FALSE
Positive benefit test						
Tax deductible net interest cost	£m nominal	-	-	-	-	-
Notional Interest	£m nominal	117.8	113.8	120.7	134.6	152.9
Positive benefit test (actual interest > notional interest)	text	FALSE	FALSE	FALSE	FALSE	FALSE
Positive benefit for tax clawback						
Tax clawback applies?	text	FALSE	FALSE	FALSE	FALSE	FALSE
Positive benefit for tax clawback	£m nominal	-	-	-	-	-

End of sheet

Allowed revenue Company select SHE

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending		31 Mar 2028					

Allowed revenue determination

Note: the RTNAt value calculated below is not linked to the "calculated revenue" formula in the "Revenue" tab. This is because the Return adjustment term (RTNAt) is determined after the end of the Price Control Period.

After the end of the Price Control Period the Authority will undertake a review of Operational Performance and the RTNAt term will be determined. Subject to the Authority's direction, the RTNAt term as obtained in this tab will be linked to the RTNAt line of the "calculated revenue" formula in the "Revenue" tab.

RAV inputs

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Notional gearing	%	G		60.0%	60.0%	60.0%	60.0%	60.0%
NPV-neutral RAV return base	£m 20/21 prices	RAVLt		2,645.9	2,788.2	2,973.1	3,174.8	3,377.5
Equity portion of NPV-neutral RAV	£m 20/21 prices	RAVLt * (1 - G)		1,058.4	1,115.3	1,189.2	1,269.9	1,351.0
Sum of NPV-neutral RAV values over the Price Control Period	£m 20/21 prices	∑ₜ RAVLt	14,959.5					
Notional gearing	£m 20/21 prices	G	60.0%					
Sum of NPV-neutral equity RAV values over the Price Control Period	£m 20/21 prices	∑ₜ RAVLt * (1 - G)	5,983.8					

Operational performance

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Totex outperformance (operator share)	£m 20/21 prices			32.2	5.0	1.4	(14.4)	(22.3)
Output delivery incentives	£m 20/21 prices			(5.2)	(0.6)	1.1	3.2	6.8
Operational performance	£m 20/21 prices			27.0	4.4	2.5	(11.2)	(15.5)
Operational performance over the Price Control Period	annual real %	OPP	0.12%					

Return adjustment determination

Return adjustment parameters

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Threshold 1	annual real %	T1	3.0%					
Threshold 2	annual real %	T2	4.0%					
Adjustment rate 1	%	AR1	50.0%					
Adjustment rate 2	%	AR2	90.0%					

Return adjustment over the Price Control Period (OPP >= 0)

Parameter	Units	Constant					
OPP >= 0	text		TRUE					
Adjustment 1 (T1 < OPP <= T2)	%		0.00%					
Adjustment 2 (OPP > T2)	%		0.00%					
Return adjustment over the Price Control Period (OPP >= 0)	£m 20/21 prices		-					

Return adjustment over the Price Control Period (OPP < 0)

Parameter	Units	Constant					
OPP < 0	text		FALSE					
Adjustment 1 (T1 < - OPP <= T2)	%		0.00%					
Adjustment 2 (- OPP > T2)	%		0.00%					
Return adjustment over the Price Control Period (OPP < 0)	£m 20/21 prices		-					

Annual return adjustment determination

Note: The RTNAt term calculated below will be linked to the RTNAt line of "calculated revenue" in the "Revenue" tab after the end of the Price Control Period, following the Authority review of Operational Performance.

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Return adjustment over the Price Control Period	£m 20/21 prices	RTNR	-					
Return adjustment annual profiling percentages	%	RAVLt * (1 - G) / ∑t RAVLt * (1 - G)		17.7%	18.6%	19.9%	21.2%	22.6%
Return adjustment	£m 20/21 prices	RTNAt		-	-	-	-	-

Outperformance after return adjustment (for information only)

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Operational performance	£m 20/21 prices			27.0	4.4	2.5	(11.2)	(15.5)
Return adjustment	£m 20/21 prices	RTNAt		-	-	-	-	-
Operational performance after return adjustment	£m 20/21 prices			27.0	4.4	2.5	(11.2)	(15.5)
Operational performance over the Price Control Period	% annual real		0.1%					
Return adjustment over the Price Control Period	% annual real		0.0%					
Outperformance after return adjustment over the Price Control Period	% annual real		0.1%					

End of sheet

Parameter	Units	Constant					
PCFM year ending		31 Mar 2028	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028

Recalculated base revenue

	Units						
Fast money	£m 20/21 prices	FM	152.2	178.3	179.7	183.8	172.5
Depreciation	£m 20/21 prices	DPN	190.5	189.7	189.7	190.3	191.0
Return	£m 20/21 prices	RTN	104.2	114.3	122.2	130.8	139.8
Pass-through	£m 20/21 prices	PT	79.2	51.9	52.5	60.0	58.8
Base revenue	**£m 20/21 prices**		**526.0**	**534.2**	**544.1**	**564.9**	**562.1**
Return Adjustment (note: this row is not active. It will be linked to ReturnAdj for closeout)	£m 20/21 prices	RTNA	-	-	-	-	-
Equity issuance costs	£m 20/21 prices	EIC	6.1	-	-	-	-
Business plan incentive	£m 20/21 prices	BPI	2.3	-	-	-	-
Output delivery incentive	£m 20/21 prices	ODI	(5.2)	(0.6)	1.1	3.2	6.8
Other revenue allowances	£m 20/21 prices	ORA	1.8	1.6	2.0	-	-
Directly Remunerated Services	£m 20/21 prices	DRS	-	-	-	-	-
Calculated revenue (before tax)	**£m 20/21 prices**		**531.0**	**535.2**	**547.1**	**568.1**	**568.9**
Tax allowance	£m 20/21 prices	TAX	21.0	15.8	15.2	9.7	6.6
Tax allowance adjustment	£m 20/21 prices	TAXA	-	-	-	-	-
Calculated revenue	**£m 20/21 prices**		**552.0**	**551.0**	**562.3**	**577.8**	**575.5**

End of sheet

Fast money			152.2	178.3	179.7	183.8	172.5

Parameter	Units	Constant					
PCFM year ending		31 Mar 2028	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028

Allowed revenue

SSES

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending		31 Mar 2028					

Note: This tab is a draft implementation for how adjustments to revenue will be calculated during the price control. It relies on a series of inputs that will be provided during the Annual Iteration Process.

Allowed revenue determination

Price control timeline

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
RIIO-2 year	text		1.0	1.0	1.0	1.0	1.0
Correction term periods	flag		1.0	1.0	1.0	1.0	-

Inflation line

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Real to nominal prices conversion factor (splice index for RIIO-2)	scalar		1.289	1.328	1.351	1.372	1.397
Combined RPI-CPIH price index (financial year average) (aka Price Index term)		P_{It}	379.2	390.8	397.5	403.6	410.8

Importing ED1 LAR terms

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Legacy inputs for Allowed Revenue							
Phased LMOD	£m nominal	LMOD	(2.9)	(3.1)	(3.3)	(3.5)	(3.7)
Inflation true up	£m nominal	LTRU	19.8	61.5	-	-	-
Correction factor	£m nominal	LK	(9.0)	-	-	-	-
Low Carbon Networks Fund	£m nominal	LCN	0.0	-	-	-	-
Connections GS Failure Payments Adjustment	£m nominal	LCGSRA	-	-	-	-	-
Legacy inputs for Incentives							
Broader Measure of Customer Service	£m nominal	LBM	1.1	1.8	-	-	-
Interruptions-Related Quality of Service	£m nominal	LIQ	13.1	1.0	-	-	-
Incentive on Connections Engagement	£m nominal	LICE	-	-	-	-	-
Time To Connect	£m nominal	LTTC	0.3	0.2	-	-	-
Legacy inputs for Passthrough							
Licence Fee adjustment	£m nominal	LLF	1.5	1.5	-	-	-
Business Rates adjustment	£m nominal	LRB	(13.9)	(20.7)	-	-	-
Transmission Connection Point Charges adjustment	£m nominal	LTB	0.1	(11.6)	-	-	-
Smart Meter Communication Licensee Costs adjustment	£m nominal	LSMC	4.5	4.5	-	-	-
Smart Meter Information Technology Costs adjustment	£m nominal	LSMIT	0.4	0.8	-	-	-
Ring Fences Costs adjustment	£m nominal	LRF	(0.2)	(0.2)	-	-	-
Shetland integrated plan adjustment	£m nominal	LSEC	-	-	-	-	-
Shetland Extension Variable Energy Costs adjustment	£m nominal	LSEVEC	-	-	-	-	-
Shetland New Energy Solution Residual Costs adjustment	£m nominal	LSNESRC	-	-	-	-	-
Supplier of Last Resort Costs adjustment	£m nominal	LSLR	1.5	2.6	-	-	-
Eligible Bad Debt Costs adjustment	£m nominal	LEBD	2.0	6.6	(0.1)	-	-
COVID-19 Bad Debt adjustment	£m nominal	LCBD	-	-	-	-	-
Legacy Allowed Revenue	£m nominal	LAR	18.5	45.0	(3.4)	(3.5)	(3.7)

Allowed revenue

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Calculated revenue	£m nominal	Rt x PIt / PI2020/21	711.6	731.9	759.7	792.7	803.8
Correction term	£m nominal	Kt	23.4	143.3	(135.1)	-	-
Forecasting penalty	£m nominal	FPt	-	-	-	-	-
Legacy Allowed Revenue	£m nominal	LARt	18.5	45.0	(3.4)	(3.5)	(3.7)
Allowed revenue	£m nominal	ARt (part C)	753.4	920.3	621.2	789.3	800.1

Correction term

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Allowed revenue (last year of RIIO-1, per RIIO-1 definition) (for use in Correction term)	£m nominal						
Allowed revenue (combining RIIO-1 and RIIO-2)	£m nominal	ARt (part F)	753.4	920.3	621.2	789.3	800.1
Recovered Revenue from *Inputs*	£m nominal		619.6	1,047.9	-	-	-
Recovered Revenue where no data input	£m nominal		-	-	621.2	789.3	800.1
Recovered Revenue	£m nominal	RRt	619.6	1,047.9	621.2	789.3	800.1
Revenue under/(over) recovery	*£m nominal*		133.8	(127.6)	-	-	-
Vanilla weighted average cost of capital	annual real %	WACCt	3.94%	4.10%	4.11%	4.12%	4.14%
Inflation (from year t to t+1)	annual %	PIt+1/PIt	3.05%	1.71%	1.54%	1.80%	
Nominal time value of money	annual nominal %	TVMt	7.10%	5.88%	5.71%	5.99%	
Correction Term	£m nominal	Kt	23.4	143.3	(135.1)	-	-

Forecasting penalty

Base Revenue forecasting penalty

Parameter	Units	Constant			31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Calculated base revenue (last year of RIIO-1, per RIIO-1 definition)	£m 20/21 prices								
Base revenue (RIIO-2 calculation)	£m 20/21 prices				526.0	534.2	544.1	564.9	562.1
Base revenue (combining RIIO-1 and RIIO-2)	£m 20/21 prices				526.0	534.2	544.1	564.9	562.1
Base Revenue (as published) from *Inputs*	£m 20/21 prices				541.8	548.6	-	-	-
Base Revenue (as published) where no data input	£m 20/21 prices				-	-	544.1	564.9	562.1
Base Revenue (as published)	£m 20/21 prices	BR*			541.8	548.6	544.1	564.9	562.1
Base Revenue forecasting error	*£m 20/21 prices*				(15.8)	(14.4)	-	-	-
Base Revenue Forecasting Penalty Adjustment	Scalar	BRFPAt			-	-	-	-	-
Over/undercollection percentage for penal rate adjustment	%		6%						
Base Revenue forecasting error	Scalar				1.03	1.03	1.00	1.00	1.00
Applicable BR penalty interest rate	%		1.15%		0.00%	0.00%	0.00%	0.00%	0.00%
Base Revenue Forecasting Penalty	£m nominal	**BRFPt**						-	-

Recovered Revenue forecasting penalty

Parameter	Units	Constant			31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Allowed Revenue (as published) from *Inputs*	£m nominal				666.9	1,035.2	-	-	-
Allowed Revenue (as published) where no data input	£m nominal				-	-	621.2	789.3	800.1
Allowed Revenue (as published)	£m nominal	AR*			666.9	1,035.2	621.2	789.3	800.1
Recovered Revenue forecasting error	*£m nominal*				(47.3)	12.7	-	-	-
Recovered Revenue Forecasting Penalty Adjustment	Scalar	RRFPAt			-	-	-	-	-
Over/undercollection percentage for penal rate adjustment	%		6%						
Allowed Revenue forecasting error	Scalar				1.08	0.99	1.00	1.00	1.00
Applicable AR penalty interest rate	%		1.15%		1.15%	0.00%	0.00%	0.00%	0.00%
Recovered Revenue Forecasting Penalty	£m nominal	**RRFPt**						-	-
Forecasting Penalty		**FPt**						-	-

End of sheet

Parameter	Units	Constant		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending		31 Mar 2028						
Calendar year	year			2024	2025	2026	2027	2028
				4.1%	1.7%	1.9%	2.0%	2.0%
Last year of actual data	year	2023						
Last month of actual data	month	6						
First month of financial year	month	4						
First day of financial year	day	1						
RIIO-2 real price base	year ending	31 Mar 2021						
Start of RIIO-2	year ending	31 Mar 2024						

Derivation of annual inflation rates and price indices

Financial year average price indicies and inflation rates

	Units	Constant		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Outturn/Forecast (financial year average inflation)	text			FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
Retail Prices Index (financial year average)	index value	RPI_t		382.0	398.5	408.9	419.6	431.4
RPI inflation (financial year average)	annual %			8.75%	4.32%	2.62%	2.61%	2.81%
Consumer Prices Index incl. owner occupiers' housing costs (financial year average)	index value	$CPIH_t$		130.7	134.7	137.0	139.1	141.6
CPIH inflation (financial year average)	annual %			6.25%	3.05%	1.71%	1.54%	1.80%
Combined RPI-CPIH price index (financial year average)	index value	PI_t		379.2	390.8	397.5	403.6	410.8
Combined RPI-CPIH inflation (financial year average)	annual %			7.97%	3.05%	1.71%	1.54%	1.80%
Combined RPI-CPIH real to nominal prices conversion factor (financial year average)	scalar			1.289	1.328	1.351	1.372	1.397
Long term RPI inflation forecast	annual %	$LRPIF_t$		3.00%	3.00%	3.00%	3.00%	3.00%
Long term CPIH inflation forecast	annual %	$LCPIHF_t$		2.00%	2.00%	2.00%	2.00%	2.00%

Financial year end price index

	Units	Constant		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Outturn/Forecast (financial year start inflation)	text			OUTTURN	FORECAST	FORECAST	FORECAST	FORECAST
Combined RPI-CPIH price index (financial year start)	index value			369.7	386.1	394.4	400.4	407.0
Outturn/Forecast (financial year end inflation)	text			FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
Combined RPI-CPIH price index (financial year end)	index value			386.1	394.4	400.4	407.0	414.5
Combined real to nominal prices conversion factor (financial year start)	scalar			1.257	1.312	1.341	1.361	1.384
Combined real to nominal prices conversion factor (financial year end)	scalar			1.312	1.341	1.361	1.384	1.409

Inflation forecasts for monthly rates forecasting

	Units	Constant		31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
RPI inflation forecast (calendar year)	scalar	$CYRPIF_t$		5.119	2.600	2.512	2.804	2.858
RPI (financial year) forecast	annual %			8.79%	4.49%	2.58%	2.59%	2.82%
CPI inflation forecast (calendar year)	scalar	$CYCPIH_t$		3.611	1.776	1.447	1.730	1.961
CPI (financial year) forecast	annual %			6.49%	3.15%	1.69%	1.52%	1.79%

End of sheet

https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/chaw/mm23

Year-Month	End of month (used for embedded debt)	FYE	CPIH Outturn (CPIHm)	RPI Outturn (RPIm)	CPI % forecast	RPI % forecast	CPIH	RPI	PIm
1999/04	30/04/1999	2000	72.60	165.2	-	-	72.6	165.2	165.2
1999/05	31/05/1999	2000	72.80	165.6	-	-	72.8	165.6	165.6
1999/06	30/06/1999	2000	72.70	165.6	-	-	72.7	165.6	165.6
1999/07	31/07/1999	2000	72.40	165.1	-	-	72.4	165.1	165.1
1999/08	31/08/1999	2000	72.60	165.5	-	-	72.6	165.5	165.5
1999/09	30/09/1999	2000	72.80	166.2	-	-	72.8	166.2	166.2
1999/10	31/10/1999	2000	72.80	166.5	-	-	72.8	166.5	166.5
1999/11	30/11/1999	2000	72.90	166.7	-	-	72.9	166.7	166.7
1999/12	31/12/1999	2000	73.10	167.3	-	-	73.1	167.3	167.3
2000/01	31/01/2000	2000	72.60	166.6	-	-	72.6	166.6	166.6
2000/02	29/02/2000	2000	72.80	167.5	-	-	72.8	167.5	167.5
2000/03	31/03/2000	2000	73.00	168.4	-	-	73.0	168.4	168.4
2000/04	30/04/2000	2001	73.30	170.1	-	-	73.3	170.1	170.1
2000/05	31/05/2000	2001	73.50	170.7	-	-	73.5	170.7	170.7
2000/06	30/06/2000	2001	73.60	171.1	-	-	73.6	171.1	171.1
2000/07	31/07/2000	2001	73.30	170.5	-	-	73.3	170.5	170.5
2000/08	31/08/2000	2001	73.30	170.5	-	-	73.3	170.5	170.5
2000/09	30/09/2000	2001	73.80	171.7	-	-	73.8	171.7	171.7
2000/10	31/10/2000	2001	73.80	171.6	-	-	73.8	171.6	171.6
2000/11	30/11/2000	2001	74.00	172.1	-	-	74.0	172.1	172.1
2000/12	31/12/2000	2001	74.00	172.2	-	-	74.0	172.2	172.2
2001/01	31/01/2001	2001	73.50	171.1	-	-	73.5	171.1	171.1
2001/02	28/02/2001	2001	73.70	172	-	-	73.7	172.0	172.0
2001/03	31/03/2001	2001	73.90	172.2	-	-	73.9	172.2	172.2
2001/04	30/04/2001	2002	74.40	173.1	-	-	74.4	173.1	173.1
2001/05	31/05/2001	2002	74.90	174.2	-	-	74.9	174.2	174.2
2001/06	30/06/2001	2002	75.00	174.4	-	-	75.0	174.4	174.4
2001/07	31/07/2001	2002	74.50	173.3	-	-	74.5	173.3	173.3
2001/08	31/08/2001	2002	74.80	174	-	-	74.8	174.0	174.0
2001/09	30/09/2001	2002	75.00	174.6	-	-	75.0	174.6	174.6
2001/10	31/10/2001	2002	74.90	174.3	-	-	74.9	174.3	174.3
2001/11	30/11/2001	2002	74.90	173.6	-	-	74.9	173.6	173.6
2001/12	31/12/2001	2002	75.00	173.4	-	-	75.0	173.4	173.4
2002/01	31/01/2002	2002	74.80	173.3	-	-	74.8	173.3	173.3
2002/02	28/02/2002	2002	75.00	173.8	-	-	75.0	173.8	173.8
2002/03	31/03/2002	2002	75.20	174.5	-	-	75.2	174.5	174.5
2002/04	30/04/2002	2003	75.60	175.7	-	-	75.6	175.7	175.7
2002/05	31/05/2002	2003	75.80	176.2	-	-	75.8	176.2	176.2
2002/06	30/06/2002	2003	75.80	176.2	-	-	75.8	176.2	176.2
2002/07	31/07/2002	2003	75.60	175.9	-	-	75.6	175.9	175.9
2002/08	31/08/2002	2003	75.80	176.4	-	-	75.8	176.4	176.4
2002/09	30/09/2002	2003	76.00	177.6	-	-	76.0	177.6	177.6
2002/10	31/10/2002	2003	76.10	177.9	-	-	76.1	177.9	177.9
2002/11	30/11/2002	2003	76.10	178.2	-	-	76.1	178.2	178.2
2002/12	31/12/2002	2003	76.30	178.5	-	-	76.3	178.5	178.5
2003/01	31/01/2003	2003	75.90	178.4	-	-	75.9	178.4	178.4
2003/02	28/02/2003	2003	76.10	179.3	-	-	76.1	179.3	179.3
2003/03	31/03/2003	2003	76.40	179.9	-	-	76.4	179.9	179.9
2003/04	30/04/2003	2004	76.80	181.2	-	-	76.8	181.2	181.2
2003/05	31/05/2003	2004	76.80	181.5	-	-	76.8	181.5	181.5
2003/06	30/06/2003	2004	76.70	181.3	-	-	76.7	181.3	181.3
2003/07	31/07/2003	2004	76.60	181.3	-	-	76.6	181.3	181.3
2003/08	31/08/2003	2004	76.80	181.6	-	-	76.8	181.6	181.6
2003/09	30/09/2003	2004	77.00	182.5	-	-	77.0	182.5	182.5
2003/10	31/10/2003	2004	77.10	182.6	-	-	77.1	182.6	182.6
2003/11	30/11/2003	2004	77.10	182.7	-	-	77.1	182.7	182.7
2003/12	31/12/2003	2004	77.30	183.5	-	-	77.3	183.5	183.5
2004/01	31/01/2004	2004	77.00	183.1	-	-	77.0	183.1	183.1
2004/02	29/02/2004	2004	77.20	183.8	-	-	77.2	183.8	183.8
2004/03	31/03/2004	2004	77.30	184.6	-	-	77.3	184.6	184.6
2004/04	30/04/2004	2005	77.60	185.7	-	-	77.6	185.7	185.7
2004/05	31/05/2004	2005	77.90	186.5	-	-	77.9	186.5	186.5
2004/06	30/06/2004	2005	77.90	186.8	-	-	77.9	186.8	186.8
2004/07	31/07/2004	2005	77.70	186.8	-	-	77.7	186.8	186.8
2004/08	31/08/2004	2005	77.90	187.4	-	-	77.9	187.4	187.4
2004/09	30/09/2004	2005	77.90	188.1	-	-	77.9	188.1	188.1
2004/10	31/10/2004	2005	78.10	188.6	-	-	78.1	188.6	188.6
2004/11	30/11/2004	2005	78.30	189	-	-	78.3	189.0	189.0
2004/12	31/12/2004	2005	78.60	189.9	-	-	78.6	189.9	189.9
2005/01	31/01/2005	2005	78.30	188.9	-	-	78.3	188.9	188.9
2005/02	28/02/2005	2005	78.50	189.6	-	-	78.5	189.6	189.6
2005/03	31/03/2005	2005	78.80	190.5	-	-	78.8	190.5	190.5
2005/04	30/04/2005	2006	79.10	191.6	-	-	79.1	191.6	191.6
2005/05	31/05/2005	2006	79.40	192	-	-	79.4	192.0	192.0
2005/06	30/06/2005	2006	79.40	192.2	-	-	79.4	192.2	192.2
2005/07	31/07/2005	2006	79.50	192.2	-	-	79.5	192.2	192.2
2005/08	31/08/2005	2006	79.70	192.6	-	-	79.7	192.6	192.6
2005/09	30/09/2005	2006	79.90	193.1	-	-	79.9	193.1	193.1
2005/10	31/10/2005	2006	80.00	193.3	-	-	80.0	193.3	193.3
2005/11	30/11/2005	2006	80.00	193.6	-	-	80.0	193.6	193.6
2005/12	31/12/2005	2006	80.30	194.1	-	-	80.3	194.1	194.1
2006/01	31/01/2006	2006	80.00	193.4	-	-	80.0	193.4	193.4
2006/02	28/02/2006	2006	80.20	194.2	-	-	80.2	194.2	194.2
2006/03	31/03/2006	2006	80.40	195	-	-	80.4	195.0	195.0
2006/04	30/04/2006	2007	80.90	196.5	-	-	80.9	196.5	196.5
2006/05	31/05/2006	2007	81.30	197.7	-	-	81.3	197.7	197.7
2006/06	30/06/2006	2007	81.50	198.5	-	-	81.5	198.5	198.5
2006/07	31/07/2006	2007	81.50	198.5	-	-	81.5	198.5	198.5
2006/08	31/08/2006	2007	81.80	199.2	-	-	81.8	199.2	199.2
2006/09	30/09/2006	2007	81.90	200.1	-	-	81.9	200.1	200.1
2006/10	31/10/2006	2007	82.00	200.4	-	-	82.0	200.4	200.4
2006/11	30/11/2006	2007	82.20	201.1	-	-	82.2	201.1	201.1
2006/12	31/12/2006	2007	82.60	202.7	-	-	82.6	202.7	202.7
2007/01	31/01/2007	2007	82.10	201.6	-	-	82.1	201.6	201.6
2007/02	28/02/2007	2007	82.40	203.1	-	-	82.4	203.1	203.1
2007/03	31/03/2007	2007	82.80	204.4	-	-	82.8	204.4	204.4
2007/04	30/04/2007	2008	83.10	205.4	-	-	83.1	205.4	205.4
2007/05	31/05/2007	2008	83.30	206.2	-	-	83.3	206.2	206.2
2007/06	30/06/2007	2008	83.50	207.3	-	-	83.5	207.3	207.3
2007/07	31/07/2007	2008	83.10	206.1	-	-	83.1	206.1	206.1
2007/08	31/08/2007	2008	83.40	207.3	-	-	83.4	207.3	207.3
2007/09	30/09/2007	2008	83.50	208	-	-	83.5	208.0	208.0
2007/10	31/10/2007	2008	83.80	208.9	-	-	83.8	208.9	208.9
2007/11	30/11/2007	2008	84.10	209.7	-	-	84.1	209.7	209.7
2007/12	31/12/2007	2008	84.50	210.9	-	-	84.5	210.9	210.9
2008/01	31/01/2008	2008	84.10	209.8	-	-	84.1	209.8	209.8
2008/02	29/02/2008	2008	84.60	211.4	-	-	84.6	211.4	211.4
2008/03	31/03/2008	2008	84.90	212.1	-	-	84.9	212.1	212.1
2008/04	30/04/2008	2009	85.60	214	-	-	85.6	214.0	214.0
2008/05	31/05/2008	2009	86.10	215.1	-	-	86.1	215.1	215.1
2008/06	30/06/2008	2009	86.60	216.8	-	-	86.6	216.8	216.8
2008/07	31/07/2008	2009	86.60	216.5	-	-	86.6	216.5	216.5
2008/08	31/08/2008	2009	87.10	217.2	-	-	87.1	217.2	217.2
2008/09	30/09/2008	2009	87.50	218.4	-	-	87.5	218.4	218.4
2008/10	31/10/2008	2009	87.30	217.7	-	-	87.3	217.7	217.7
2008/11	30/11/2008	2009	87.30	216	-	-	87.3	216.0	216.0
2008/12	31/12/2008	2009	87.10	212.9	-	-	87.1	212.9	212.9
2009/01	31/01/2009	2009	86.60	210.1	-	-	86.6	210.1	210.1
2009/02	28/02/2009	2009	87.20	211.4	-	-	87.2	211.4	211.4

Year-Month	End of month (used for embedded debt)	FYE	CPIH Outturn (CPIHm)	RPI Outturn (RPIm)	CPI % forecast	RPI % forecast	CPIH	RPI	PIm
2009/03	31/03/2009	2009	87.30	211.3	-	-	87.3	211.3	211.3
2009/04	30/04/2009	2010	87.50	211.5	-	-	87.5	211.5	211.5
2009/05	31/05/2009	2010	87.90	212.8	-	-	87.9	212.8	212.8
2009/06	30/06/2009	2010	88.10	213.4	-	-	88.1	213.4	213.4
2009/07	31/07/2009	2010	88.00	213.4	-	-	88.0	213.4	213.4
2009/08	31/08/2009	2010	88.30	214.4	-	-	88.3	214.4	214.4
2009/09	30/09/2009	2010	88.30	215.3	-	-	88.3	215.3	215.3
2009/10	31/10/2009	2010	88.40	216	-	-	88.4	216.0	216.0
2009/11	30/11/2009	2010	88.60	216.6	-	-	88.6	216.6	216.6
2009/12	31/12/2009	2010	88.90	218	-	-	88.9	218.0	218.0
2010/01	31/01/2010	2010	88.80	217.9	-	-	88.8	217.9	217.9
2010/02	28/02/2010	2010	89.00	219.2	-	-	89.0	219.2	219.2
2010/03	31/03/2010	2010	89.40	220.7	-	-	89.4	220.7	220.7
2010/04	30/04/2010	2011	89.90	222.8	-	-	89.9	222.8	222.8
2010/05	31/05/2010	2011	90.10	223.6	-	-	90.1	223.6	223.6
2010/06	30/06/2010	2011	90.20	224.1	-	-	90.2	224.1	224.1
2010/07	31/07/2010	2011	90.00	223.6	-	-	90.0	223.6	223.6
2010/08	31/08/2010	2011	90.40	224.5	-	-	90.4	224.5	224.5
2010/09	30/09/2010	2011	90.40	225.3	-	-	90.4	225.3	225.3
2010/10	31/10/2010	2011	90.60	225.8	-	-	90.6	225.8	225.8
2010/11	30/11/2010	2011	90.90	226.8	-	-	90.9	226.8	226.8
2010/12	31/12/2010	2011	91.70	228.4	-	-	91.7	228.4	228.4
2011/01	31/01/2011	2011	91.80	229	-	-	91.8	229.0	229.0
2011/02	28/02/2011	2011	92.30	231.3	-	-	92.3	231.3	231.3
2011/03	31/03/2011	2011	92.60	232.5	-	-	92.6	232.5	232.5
2011/04	30/04/2011	2012	93.30	234.4	-	-	93.3	234.4	234.4
2011/05	31/05/2011	2012	93.50	235.2	-	-	93.5	235.2	235.2
2011/06	30/06/2011	2012	93.50	235.2	-	-	93.5	235.2	235.2
2011/07	31/07/2011	2012	93.50	234.7	-	-	93.5	234.7	234.7
2011/08	31/08/2011	2012	93.90	236.1	-	-	93.9	236.1	236.1
2011/09	30/09/2011	2012	94.50	237.9	-	-	94.5	237.9	237.9
2011/10	31/10/2011	2012	94.50	238	-	-	94.5	238.0	238.0
2011/11	30/11/2011	2012	94.70	238.5	-	-	94.7	238.5	238.5
2011/12	31/12/2011	2012	95.00	239.4	-	-	95.0	239.4	239.4
2012/01	31/01/2012	2012	94.70	238	-	-	94.7	238.0	238.0
2012/02	29/02/2012	2012	95.20	239.9	-	-	95.2	239.9	239.9
2012/03	31/03/2012	2012	95.40	240.8	-	-	95.4	240.8	240.8
2012/04	30/04/2012	2013	95.90	242.5	-	-	95.9	242.5	242.5
2012/05	31/05/2012	2013	95.90	242.4	-	-	95.9	242.4	242.4
2012/06	30/06/2012	2013	95.60	241.8	-	-	95.6	241.8	241.8
2012/07	31/07/2012	2013	95.70	242.1	-	-	95.7	242.1	242.1
2012/08	31/08/2012	2013	96.10	243	-	-	96.1	243.0	243.0
2012/09	30/09/2012	2013	96.40	244.2	-	-	96.4	244.2	244.2
2012/10	31/10/2012	2013	96.80	245.6	-	-	96.8	245.6	245.6
2012/11	30/11/2012	2013	97.00	245.6	-	-	97.0	245.6	245.6
2012/12	31/12/2012	2013	97.30	246.8	-	-	97.3	246.8	246.8
2013/01	31/01/2013	2013	97.00	245.8	-	-	97.0	245.8	245.8
2013/02	28/02/2013	2013	97.50	247.6	-	-	97.5	247.6	247.6
2013/03	31/03/2013	2013	97.80	248.7	-	-	97.8	248.7	248.7
2013/04	30/04/2013	2014	98.00	249.5	-	-	98.0	249.5	249.5
2013/05	31/05/2013	2014	98.20	250	-	-	98.2	250.0	250.0
2013/06	30/06/2013	2014	98.00	249.7	-	-	98.0	249.7	249.7
2013/07	31/07/2013	2014	98.00	249.7	-	-	98.0	249.7	249.7
2013/08	31/08/2013	2014	98.40	251	-	-	98.4	251.0	251.0
2013/09	30/09/2013	2014	98.70	251.9	-	-	98.7	251.9	251.9
2013/10	31/10/2013	2014	98.80	251.9	-	-	98.8	251.9	251.9
2013/11	30/11/2013	2014	98.80	252.1	-	-	98.8	252.1	252.1
2013/12	31/12/2013	2014	99.20	253.4	-	-	99.2	253.4	253.4
2014/01	31/01/2014	2014	98.70	252.6	-	-	98.7	252.6	252.6
2014/02	28/02/2014	2014	99.10	254.2	-	-	99.1	254.2	254.2
2014/03	31/03/2014	2014	99.30	254.8	-	-	99.3	254.8	254.8
2014/04	30/04/2014	2015	99.60	255.7	-	-	99.6	255.7	255.7
2014/05	31/05/2014	2015	99.60	255.9	-	-	99.6	255.9	255.9
2014/06	30/06/2014	2015	99.80	256.3	-	-	99.8	256.3	256.3
2014/07	31/07/2014	2015	99.60	256	-	-	99.6	256.0	256.0
2014/08	31/08/2014	2015	99.90	257	-	-	99.9	257.0	257.0
2014/09	30/09/2014	2015	100.00	257.6	-	-	100.0	257.6	257.6
2014/10	31/10/2014	2015	100.10	257.7	-	-	100.1	257.7	257.7
2014/11	30/11/2014	2015	99.90	257.1	-	-	99.9	257.1	257.1
2014/12	31/12/2014	2015	99.90	257.5	-	-	99.9	257.5	257.5
2015/01	31/01/2015	2015	99.20	255.4	-	-	99.2	255.4	255.4
2015/02	28/02/2015	2015	99.50	256.7	-	-	99.5	256.7	256.7
2015/03	31/03/2015	2015	99.60	257.1	-	-	99.6	257.1	257.1
2015/04	30/04/2015	2016	99.90	258	-	-	99.9	258.0	258.0
2015/05	31/05/2015	2016	100.10	258.5	-	-	100.1	258.5	258.5
2015/06	30/06/2015	2016	100.10	258.9	-	-	100.1	258.9	258.9
2015/07	31/07/2015	2016	100.00	258.6	-	-	100.0	258.6	258.6
2015/08	31/08/2015	2016	100.30	259.8	-	-	100.3	259.8	259.8
2015/09	30/09/2015	2016	100.20	259.6	-	-	100.2	259.6	259.6
2015/10	31/10/2015	2016	100.30	259.5	-	-	100.3	259.5	259.5
2015/11	30/11/2015	2016	100.30	259.8	-	-	100.3	259.8	259.8
2015/12	31/12/2015	2016	100.40	260.6	-	-	100.4	260.6	260.6
2016/01	31/01/2016	2016	99.90	258.8	-	-	99.9	258.8	258.8
2016/02	29/02/2016	2016	100.10	260	-	-	100.1	260.0	260.0
2016/03	31/03/2016	2016	100.40	261.1	-	-	100.4	261.1	261.1
2016/04	30/04/2016	2017	100.60	261.4	-	-	100.6	261.4	261.4
2016/05	31/05/2016	2017	100.80	262.1	-	-	100.8	262.1	262.1
2016/06	30/06/2016	2017	101.00	263.1	-	-	101.0	263.1	263.1
2016/07	31/07/2016	2017	100.90	263.4	-	-	100.9	263.4	263.4
2016/08	31/08/2016	2017	101.20	264.4	-	-	101.2	264.4	264.4
2016/09	30/09/2016	2017	101.50	264.9	-	-	101.5	264.9	264.9
2016/10	31/10/2016	2017	101.60	264.8	-	-	101.6	264.8	264.8
2016/11	30/11/2016	2017	101.80	265.5	-	-	101.8	265.5	265.5
2016/12	31/12/2016	2017	102.20	267.1	-	-	102.2	267.1	267.1
2017/01	31/01/2017	2017	101.80	265.5	-	-	101.8	265.5	265.5
2017/02	28/02/2017	2017	102.40	268.4	-	-	102.4	268.4	268.4
2017/03	31/03/2017	2017	102.70	269.3	-	-	102.7	269.3	269.3
2017/04	30/04/2017	2018	103.20	270.6	-	-	103.2	270.6	270.6
2017/05	31/05/2017	2018	103.50	271.7	-	-	103.5	271.7	271.7
2017/06	30/06/2017	2018	103.50	272.3	-	-	103.5	272.3	272.3
2017/07	31/07/2017	2018	103.50	272.9	-	-	103.5	272.9	272.9
2017/08	31/08/2017	2018	104.00	274.7	-	-	104.0	274.7	274.7
2017/09	30/09/2017	2018	104.30	275.1	-	-	104.3	275.1	275.1
2017/10	31/10/2017	2018	104.40	275.3	-	-	104.4	275.3	275.3
2017/11	30/11/2017	2018	104.70	275.8	-	-	104.7	275.8	275.8
2017/12	31/12/2017	2018	105.00	278.1	-	-	105.0	278.1	278.1
2018/01	31/01/2018	2018	104.50	276	-	-	104.5	276.0	276.0
2018/02	28/02/2018	2018	104.90	278.1	-	-	104.9	278.1	278.1
2018/03	31/03/2018	2018	105.10	278.3	-	-	105.1	278.3	278.3
2018/04	30/04/2018	2019	105.50	279.7	-	-	105.5	279.7	279.7
2018/05	31/05/2018	2019	105.90	280.7	-	-	105.9	280.7	280.7
2018/06	30/06/2018	2019	105.90	281.5	-	-	105.9	281.5	281.5
2018/07	31/07/2018	2019	105.90	281.7	1.79%	2.56%	105.9	281.7	281.7
2018/08	31/08/2018	2019	106.50	284.2	1.79%	2.56%	106.5	284.2	284.2
2018/09	30/09/2018	2019	106.60	284.1	1.79%	2.56%	106.6	284.1	284.1
2018/10	31/10/2018	2019	106.70	284.5	1.79%	2.56%	106.7	284.5	284.5
2018/11	30/11/2018	2019	106.90	284.6	1.79%	2.56%	106.9	284.6	284.6
2018/12	31/12/2018	2019	107.10	285.6	1.79%	2.56%	107.1	285.6	285.6
2019/01	31/01/2019	2019	106.40	283	1.79%	2.56%	106.4	283.0	283.0

https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/chaw/mm23

Year-Month	End of month (used for embedded debt)	FYE	CPIH Outturn (CPIHm)	RPI Outturn (RPIm)	CPI % forecast	RPI % forecast	CPIH	RPI	PIm
2019/02	28/02/2019	2019	106.80	285	1.79%	2.56%	106.8	285.0	285.0
2019/03	31/03/2019	2019	107.00	285.1	1.79%	2.56%	107.0	285.1	285.1
2019/04	30/04/2019	2020	107.60	288.2	1.79%	2.56%	107.6	288.2	288.2
2019/05	31/05/2019	2020	107.90	289.2	1.79%	2.56%	107.9	289.2	289.2
2019/06	30/06/2019	2020	107.90	289.6	1.79%	2.56%	107.9	289.6	289.6
2019/07	31/07/2019	2020	108.00	289.5	0.85%	1.50%	108.0	289.5	289.5
2019/08	31/08/2019	2020	108.30	291.7	0.85%	1.50%	108.3	291.7	291.7
2019/09	30/09/2019	2020	108.40	291	0.85%	1.50%	108.4	291.0	291.0
2019/10	31/10/2019	2020	108.30	290.4	0.85%	1.50%	108.3	290.4	290.4
2019/11	30/11/2019	2020	108.50	291	0.85%	1.50%	108.5	291.0	291.0
2019/12	31/12/2019	2020	108.50	291.9	0.85%	1.50%	108.5	291.9	291.9
2020/01	31/01/2020	2020	108.30	290.6	0.85%	1.50%	108.3	290.6	290.6
2020/02	29/02/2020	2020	108.60	292	0.85%	1.50%	108.6	292.0	292.0
2020/03	31/03/2020	2020	108.60	292.6	0.85%	1.50%	108.6	292.6	292.6
2020/04	30/04/2020	2021	108.60	292.6	0.85%	1.50%	108.6	292.6	292.6
2020/05	31/05/2020	2021	108.60	292.2	0.85%	1.50%	108.6	292.2	292.2
2020/06	30/06/2020	2021	108.80	292.7	0.85%	1.50%	108.8	292.7	292.7
2020/07	31/07/2020	2021	109.20	294.2	2.59%	4.05%	109.2	294.2	294.2
2020/08	31/08/2020	2021	108.80	293.3	2.59%	4.05%	108.8	293.3	293.3
2020/09	30/09/2020	2021	109.20	294.3	2.59%	4.05%	109.2	294.3	294.3
2020/10	31/10/2020	2021	109.20	294.3	2.59%	4.05%	109.2	294.3	294.3
2020/11	30/11/2020	2021	109.10	293.5	2.59%	4.05%	109.1	293.5	293.5
2020/12	31/12/2020	2021	109.40	295.4	2.59%	4.05%	109.4	295.4	295.4
2021/01	31/01/2021	2021	109.30	294.6	2.59%	4.05%	109.3	294.6	294.6
2021/02	28/02/2021	2021	109.40	296	2.59%	4.05%	109.4	296.0	296.0
2021/03	31/03/2021	2021	109.70	296.9	2.59%	4.05%	109.7	296.9	296.9
2021/04	30/04/2021	2022	110.40	301.1	2.59%	4.05%	110.4	301.1	301.1
2021/05	31/05/2021	2022	111.00	301.9	2.59%	4.05%	111.0	301.9	301.9
2021/06	30/06/2021	2022	111.40	304	2.59%	4.05%	111.4	304.0	304.0
2021/07	31/07/2021	2022	111.40	305.5	9.07%	11.58%	111.4	305.5	305.5
2021/08	31/08/2021	2022	112.10	307.4	9.07%	11.58%	112.1	307.4	307.4
2021/09	30/09/2021	2022	112.40	308.6	9.07%	11.58%	112.4	308.6	308.6
2021/10	31/10/2021	2022	113.40	312	9.07%	11.58%	113.4	312.0	312.0
2021/11	30/11/2021	2022	114.10	314.3	9.07%	11.58%	114.1	314.3	314.3
2021/12	31/12/2021	2022	114.70	317.7	9.07%	11.58%	114.7	317.7	317.7
2022/01	31/01/2022	2022	114.60	317.7	9.07%	11.58%	114.6	317.7	317.7
2022/02	28/02/2022	2022	115.40	320.2	9.07%	11.58%	115.4	320.2	320.2
2022/03	31/03/2022	2022	116.50	323.5	9.07%	11.58%	116.5	323.5	323.5
2022/04	30/04/2022	2023	119.00	334.6	9.07%	11.58%	119.0	334.6	334.6
2022/05	31/05/2022	2023	119.7	337.1	9.07%	11.58%	119.7	337.1	337.1
2022/06	30/06/2022	2023	120.5	340	9.07%	11.58%	120.5	340.0	340.0
2022/07	31/07/2022	2023	121.2	343.2	7.46%	10.01%	121.2	343.2	343.2
2022/08	31/08/2022	2023	121.8	345.2	7.46%	10.01%	121.8	345.2	345.2
2022/09	30/09/2022	2023	122.3	347.6	7.46%	10.01%	122.3	347.6	347.6
2022/10	31/10/2022	2023	124.3	356.2	7.46%	10.01%	124.3	356.2	356.2
2022/11	30/11/2022	2023	124.8	358.3	7.46%	10.01%	124.8	358.3	358.3
2022/12	31/12/2022	2023	125.3	360.4	7.46%	10.01%	125.3	360.4	360.4
2023/01	31/01/2023	2023	124.8	360.3	7.46%	10.01%	124.8	360.3	360.3
2023/02	28/02/2023	2023	126	364.5	7.46%	10.01%	126.0	364.5	364.5
2023/03	31/03/2023	2023	126.8	367.2	7.46%	10.01%	126.8	367.2	367.2
2023/04	30/04/2023	2024	128.3	372.8	7.46%	10.01%	128.3	372.8	372.2
2023/05	31/05/2023	2024	129.1	375.3	7.46%	10.01%	129.1	375.3	374.5
2023/06	30/06/2023	2024	129.4	376.4	7.46%	10.01%	129.4	376.4	375.4
2023/07	31/07/2023	2024			3.61%	5.12%	129.8	378.0	376.5
2023/08	31/08/2023	2024			3.61%	5.12%	130.2	379.5	377.6
2023/09	30/09/2023	2024			3.61%	5.12%	130.6	381.1	378.7
2023/10	31/10/2023	2024			3.61%	5.12%	130.9	382.7	379.8
2023/11	30/11/2023	2024			3.61%	5.12%	131.3	384.3	381.0
2023/12	31/12/2023	2024			3.61%	5.12%	131.7	385.9	382.1
2024/01	31/01/2024	2024			3.61%	5.12%	132.1	387.5	383.2
2024/02	29/02/2024	2024			3.61%	5.12%	132.5	389.1	384.3
2024/03	31/03/2024	2024			3.61%	5.12%	132.9	390.8	385.5
2024/04	30/04/2024	2025			3.61%	5.12%	133.3	392.4	386.6
2024/05	31/05/2024	2025			3.61%	5.12%	133.7	394.0	387.8
2024/06	30/06/2024	2025			3.61%	5.12%	134.1	395.7	388.9
2024/07	31/07/2024	2025			1.78%	2.60%	134.3	396.5	389.5
2024/08	31/08/2024	2025			1.78%	2.60%	134.5	397.4	390.1
2024/09	30/09/2024	2025			1.78%	2.60%	134.7	398.2	390.6
2024/10	31/10/2024	2025			1.78%	2.60%	134.9	399.1	391.2
2024/11	30/11/2024	2025			1.78%	2.60%	135.1	399.9	391.8
2024/12	31/12/2024	2025			1.78%	2.60%	135.3	400.8	392.4
2025/01	31/01/2025	2025			1.78%	2.60%	135.5	401.6	392.9
2025/02	28/02/2025	2025			1.78%	2.60%	135.7	402.5	393.5
2025/03	31/03/2025	2025			1.78%	2.60%	135.9	403.4	394.1
2025/04	30/04/2025	2026			1.78%	2.60%	136.1	404.2	394.7
2025/05	31/05/2025	2026			1.78%	2.60%	136.3	405.1	395.2
2025/06	30/06/2025	2026			1.78%	2.60%	136.5	406.0	395.8
2025/07	31/07/2025	2026			1.45%	2.51%	136.6	406.8	396.3
2025/08	31/08/2025	2026			1.45%	2.51%	136.8	407.6	396.8
2025/09	30/09/2025	2026			1.45%	2.51%	136.9	408.5	397.3
2025/10	31/10/2025	2026			1.45%	2.51%	137.1	409.3	397.7
2025/11	30/11/2025	2026			1.45%	2.51%	137.3	410.2	398.2
2025/12	31/12/2025	2026			1.45%	2.51%	137.4	411.0	398.7
2026/01	31/01/2026	2026			1.45%	2.51%	137.6	411.9	399.2
2026/02	28/02/2026	2026			1.45%	2.51%	137.8	412.7	399.6
2026/03	31/03/2026	2026			1.45%	2.51%	137.9	413.6	400.1
2026/04	30/04/2026	2027			1.45%	2.51%	138.1	414.4	400.6
2026/05	31/05/2026	2027			1.45%	2.51%	138.3	415.3	401.1
2026/06	30/06/2026	2027			1.45%	2.51%	138.4	416.2	401.6
2026/07	31/07/2026	2027			1.73%	2.80%	138.6	417.1	402.1
2026/08	31/08/2026	2027			1.73%	2.80%	138.8	418.1	402.7
2026/09	30/09/2026	2027			1.73%	2.80%	139.0	419.0	403.3
2026/10	31/10/2026	2027			1.73%	2.80%	139.2	420.0	403.9
2026/11	30/11/2026	2027			1.73%	2.80%	139.4	421.0	404.4
2026/12	31/12/2026	2027			1.73%	2.80%	139.6	421.9	405.0
2027/01	31/01/2027	2027			1.73%	2.80%	139.8	422.9	405.6
2027/02	28/02/2027	2027			1.73%	2.80%	140.0	423.9	406.2
2027/03	31/03/2027	2027			1.73%	2.80%	140.2	424.9	406.8
2027/04	30/04/2027	2028			1.73%	2.80%	140.4	425.9	407.3
2027/05	31/05/2027	2028			1.73%	2.80%	140.6	426.8	407.9
2027/06	30/06/2027	2028			1.73%	2.80%	140.8	427.8	408.5
2027/07	31/07/2027	2028			1.96%	2.86%	141.1	428.8	409.2
2027/08	31/08/2027	2028			1.96%	2.86%	141.3	429.8	409.8
2027/09	30/09/2027	2028			1.96%	2.86%	141.5	430.8	410.5
2027/10	31/10/2027	2028			1.96%	2.86%	141.7	431.9	411.2
2027/11	30/11/2027	2028			1.96%	2.86%	142.0	432.9	411.8
2027/12	31/12/2027	2028			1.96%	2.86%	142.2	433.9	412.5
2028/01	31/01/2028	2028			1.96%	2.86%	142.4	434.9	413.2
2028/02	29/02/2028	2028			1.96%	2.86%	142.7	435.9	413.8
2028/03	31/03/2028	2028			1.96%	2.86%	142.9	437.0	414.5

SSES

Parameter	Units	Constant	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending		31 Mar 2028					
Summary check status		OK					
Number of errors		-					

Totex and TIM

Actual totex		TRUE	-	-	-	-	-
Allowed totex		TRUE	-	-	-	-	-
Totex subcategory allocations of Variant allowances sum to 100%		TRUE					-

Tax Pool

Tax pool allocation & additions		TRUE	-	-	-	-	-

End of sheet

SSES		Company select	▾							

SSES

Parameter	Units	Constant	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending		31 Mar 2028								

Real to nominal prices conversion factor

Combined RPI-CPIH real to nominal prices conversion factor (financial year average scalar			1.000	1.058	1.194	1.289	1.328	1.351	1.372	1.397

Variable value terms

Totex allowance

Non-variant allowances

Parameter	Units					31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Non-variant allowed load related capex	£m 20/21 prices					93.1	84.9	82.3	52.4	32.0
Non-variant allowed non-load related capex - asset replacement	£m 20/21 prices					61.6	73.8	73.9	84.5	77.2
Non-variant allowed non-load related capex - other	£m 20/21 prices					24.8	39.2	37.8	36.9	33.2
Non-variant allowed faults	£m 20/21 prices					42.9	44.4	44.1	42.7	42.3
Non-variant allowed tree cutting	£m 20/21 prices					18.2	19.8	17.9	17.3	17.6
Non-variant allowed 100% 'revenue pool' expenditure	£m 20/21 prices					18.2	19.1	18.6	18.0	17.9
Non-variant allowed controllable opex	£m 20/21 prices					142.8	149.6	145.7	140.9	141.2

Variant allowances

Parameter	Units	Constant				31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
RPEs (bucket 1 allowances)	£m 20/21 prices	RPEAt				-3.5	0.4	4.8	9.0	12.3
RPEs (bucket 2 allowances)	£m 20/21 prices	RPEAt				-0.1	0.0	0.5	0.9	1.2
Physical Security Re-opener	£m 20/21 prices	PSUPt				-	-	-	-	-
Specified Street Works Costs Re-opener	£m 20/21 prices	SWRt				-	-	-	-	-
Rail Electrification Costs Re-opener	£m 20/21 prices	RECt				-	-	-	-	-
Net Zero Re-opener	£m 20/21 prices	NZt				-	-	-	-	-
Coordinated Adjustment Mechanism Re-opener	£m 20/21 prices	CAMt				-	-	-	-	-
Electricity System Restoration Re-opener	£m 20/21 prices	ESRt				-	-	3.0	3.0	3.0
Environmental Re-opener	£m 20/21 prices	EVRt				-	-	16.5	16.5	16.5
Network Asset Risk Metric Expenditure	£m 20/21 prices	NARMt				32.7	40.2	37.1	36.3	33.3
Load Related Expenditure: Secondary Reinforcement	£m 20/21 prices	SRVDt				7.5	38.5	40.4	39.9	36.2
Load Related Expenditure: Low Voltage Services	£m 20/21 prices	LVSVDt				1.6	2.1	2.5	2.4	1.6
Load Related Expenditure Re-opener	£m 20/21 prices	LREt				-	-	-	30.0	35.0
Digitalisation Re-opener	£m 20/21 prices	DIGlt				-	-	-	-	-
PCB Interventions	£m 20/21 prices	PCBt				9.3	11.6	5.6	1.7	1.6
Visual Amenity Projects	£m 20/21 prices	VAPt				2.2	2.2	2.2	2.1	2.0
Cyber Resilience OT baseline	£m 20/21 prices	CROTt				1.6	2.6	0.6	0.2	0.3
Cyber Resilience OT Re-opener	£m 20/21 prices	CROTREt				1.4	2.2	1.5	1.2	1.2
Cyber Resilience IT Re-opener	£m 20/21 prices	CRITREt				1.0	1.2	1.2	1.3	1.4
Off-gas Grid Mechanistic Price Control Deliverable	£m 20/21 prices	OGGt				-	-	-	-	-
Shetland Link Contribution (SSEH only)	£m 20/21 prices	SLKCt				-	-	-	-	-
West Coast of Cumbria Re-opener (ENWL only)	£m 20/21 prices	WCCt				-	-	-	-	-
Shetland Enduring Solution Re-opener (SSEH only)	£m 20/21 prices	SESt				-	-	-	-	-
Shetland Extension Fixed Energy Costs Re-opener (SSEH only)	£m 20/21 prices	SEFECt				-	-	-	-	-
Hebrides and Orkney Re-opener (SSEH only)	£m 20/21 prices	HOt				-	-	-	-	-
Smart Street Mechanistic Price Control Deliverable (ENWL only)	£m 20/21 prices	SSMPt				-	-	-	-	-
Worst Served Customers	£m 20/21 prices	WSCt				0.6	0.6	0.6	0.6	0.6
EV Optioneering Projects	£m 20/21 prices	EOPt				-	-	-	-	-
Cyber Resilience IT baseline	£m 20/21 prices	CRITt				0.7	1.9	1.5	1.5	1.4
Wayleaves and Diversions Re-opener	£m 20/21 prices	WDVt				-	14.0	15.0	15.0	15.0
Indirects Scaler	£m 20/21 prices	ISt				1.0	4.4	4.6	7.8	7.9
LineSIGHT Mechanistic Price Control Deliverable (ENWL only)	£m 20/21 prices	LMPt				-	-	-	-	-
New Depot (EMID, SWALES, SWEST and WMID only)	£m 20/21 prices	NEWDt				-	-	-	-	-
New Control Room (SSES and SSEH only)	£m 20/21 prices	CTRLt				-	2.8	7.0	13.8	4.1
Storm Arwen Re-opener	£m 20/21 prices	SARt				-	0.5	1.0	1.0	1.0
High Value Projects Re-opener	£m 20/21 prices	HVPt				-	-	-	-	-
Strategic Investment	£m 20/21 prices	SINVt				-	-	-	-	-
Carry-over Green Recovery Scheme	£m 20/21 prices	CGRSt				31.7	-	-	-	-
1-in-20 Severe Weather Event	£m 20/21 prices	OTSWt				-	-	-	-	-
Net to Gross Load Related Expenditure	£m 20/21 prices	NGLREt				-	-	-	-	-
	0	£m 20/21 prices				-	-	-	-	-
	0	£m 20/21 prices				-	-	-	-	-
	0	£m 20/21 prices				-	-	-	-	-
	0	£m 20/21 prices				-	-	-	-	-
	0	£m 20/21 prices				-	-	-	-	-
	0	£m 20/21 prices				-	-	-	-	-
	0	£m 20/21 prices				-	-	-	-	-

Variant allowances: totex subcategory allocations and other attributes

Parameter	Units	Load related capex (%)	Non-load related capex - asset replacement (%)	Non-load related capex - other (%)	Faults (%)	Tree cutting (%)	100% 'revenue pool' expenditure (%)	Controllable opex (%)	Check
RPEs (bucket 1 allowances)	mixed inputs	15%	26%	8%	10%	4%	4%	33%	100%
RPEs (bucket 2 allowances)	mixed inputs	85%	15%	0%	0%	0%	0%	0%	100%
Physical Security Re-opener	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%
Specified Street Works Costs Re-opener	mixed inputs	0%	0%	0%	0%	0%	0%	100%	100%
Rail Electrification Costs Re-opener	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%
Net Zero Re-opener	mixed inputs	100%	0%	0%	0%	0%	0%	0%	100%
Coordinated Adjustment Mechanism Re-opener	mixed inputs	0%	0%	100%	0%	0%	0%	0%	100%
Electricity System Restoration Re-opener	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%
Environmental Re-opener	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%
Network Asset Risk Metric Expenditure	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%
Load Related Expenditure: Secondary Reinforcement	mixed inputs	100%	0%	0%	0%	0%	0%	0%	100%
Load Related Expenditure: Low Voltage Services	mixed inputs	100%	0%	0%	0%	0%	0%	0%	100%
Load Related Expenditure Re-opener	mixed inputs	100%	0%	0%	0%	0%	0%	0%	100%
Digitalisation Re-opener	mixed inputs	0%	0%	50%	0%	0%	0%	50%	100%
PCB Interventions	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%
Visual Amenity Projects	mixed inputs	0%	0%	100%	0%	0%	0%	0%	100%
Cyber Resilience OT baseline	mixed inputs	0%	0%	100%	0%	0%	0%	0%	100%
Cyber Resilience OT Re-opener	mixed inputs	0%	0%	100%	0%	0%	0%	0%	100%
Cyber Resilience IT Re-opener	mixed inputs	0%	0%	0%	0%	0%	0%	100%	100%
Off-gas Grid Mechanistic Price Control Deliverable	mixed inputs	100%	0%	0%	0%	0%	0%	0%	100%
Shetland Link Contribution (SSEH only)	mixed inputs	0%	0%	90%	0%	0%	0%	10%	100%
West Coast of Cumbria Re-opener (ENWL only)	mixed inputs	0%	0%	100%	0%	0%	0%	0%	100%
Shetland Enduring Solution Re-opener (SSEH only)	mixed inputs	0%	0%	0%	0%	0%	0%	100%	100%
Shetland Extension Fixed Energy Costs Re-opener (SSEH only)	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%
Hebrides and Orkney Re-opener (SSEH only)	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%
Smart Street Mechanistic Price Control Deliverable (ENWL only)	mixed inputs	100%	0%	0%	0%	0%	0%	0%	100%
Worst Served Customers	mixed inputs	0%	0%	100%	0%	0%	0%	0%	100%
EV Optioneering Projects	mixed inputs	0%	0%	0%	0%	0%	0%	100%	100%
Cyber Resilience IT baseline	mixed inputs	0%	0%	0%	0%	0%	0%	100%	100%
Wayleaves and Diversions Re-opener	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%
Indirects Scaler	mixed inputs	0%	0%	0%	0%	0%	0%	100%	100%
LineSIGHT Mechanistic Price Control Deliverable (ENWL only)	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%
New Depot (EMID, SWALES, SWEST and WMID only)	mixed inputs	0%	0%	100%	0%	0%	0%	0%	100%
New Control Room (SSES and SSEH only)	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%
Storm Arwen Re-opener	mixed inputs	0%	0%	0%	100%	0%	0%	0%	100%
High Value Projects Re-opener	mixed inputs	0%	100%	0%	0%	0%	0%	0%	100%

SSES											
SSES											

Company select

Parameter	Units	Constant	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending		31 Mar 2028								
Strategic Investment	mixed inputs		100%	0%	0%	0%	0%	0%	0%	100%
Carry-over Green Recovery Scheme	mixed inputs		100%	0%	0%	0%	0%	0%	0%	100%
1-in-20 Severe Weather Event	mixed inputs		0%	0%	0%	100%	0%	0%	0%	100%
Net to Gross Load Related Expenditure	mixed inputs		100%	0%	0%	0%	0%	0%	0%	100%
0	mixed inputs		0%	0%	0%	0%	0%	0%	0%	0%
0	mixed inputs		0%	0%	0%	0%	0%	0%	0%	0%
0	mixed inputs		0%	0%	0%	0%	0%	0%	0%	0%
0	mixed inputs		0%	0%	0%	0%	0%	0%	0%	0%
0	mixed inputs		0%	0%	0%	0%	0%	0%	0%	0%
0	mixed inputs		0%	0%	0%	0%	0%	0%	0%	0%
0	mixed inputs		0%	0%	0%	0%	0%	0%	0%	0%

Actual totex

RIIO-2 Actual expenditure: capitalisation rate allocation 1

Parameter	Units					31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Actual load related capex	£m 20/21 prices	ALC				40.7	76.4	75.7	83.5	82.9
Actual non-load related capex - asset replacement	£m 20/21 prices	ANCA				108.2	145.0	164.4	178.2	158.0
Actual non-load related capex - other	£m 20/21 prices	ANCO				21.3	18.3	2.6	5.5	1.9
Actual faults	£m 20/21 prices	AFA				43.9	43.8	44.2	43.7	43.1
Actual tree cutting	£m 20/21 prices	ATC				18.7	19.7	17.9	17.2	17.5
Actual 100% 'revenue pool' expenditure	£m 20/21 prices	ARP				15.2	16.0	15.5	14.9	14.7
Actual controllable opex	£m 20/21 prices	ACO				154.7	156.5	156.0	150.9	151.4

RIIO-2 Actual expenditure: capitalisation rate allocation 2

Parameter	Units					31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Actual load related capex	£m 20/21 prices	ALCU				9.1	40.5	42.8	72.2	72.7
Actual non-load related capex - asset replacement	£m 20/21 prices	ANCAU				-	-	-	-	-
Actual non-load related capex - other	£m 20/21 prices	ANCOU				11.7	29.5	43.8	39.7	39.7
Actual faults	£m 20/21 prices	AFAU				-	-	-	-	-
Actual tree cutting	£m 20/21 prices	ATCU				-	-	-	-	-
Actual 100% 'revenue pool' expenditure	£m 20/21 prices	ARPU				-	-	-	-	-
Actual controllable opex	£m 20/21 prices	ACOU				-	-	-	-	-

Pass-through costs

Parameter	Units					31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Licence Fee Payments	£m 20/21 prices	LFt				2.9	2.9	2.9	2.9	2.9
Prescribed Rates	£m 20/21 prices	RBt				31.4	33.4	33.6	40.8	40.8
Pass-through Transmission Connection Point Charges	£m 20/21 prices	TBt				11.1	13.2	13.3	13.1	11.4
Smart Meter Communication Licensee Costs	£m 20/21 prices	SMCt				3.1	2.8	2.8	2.8	2.7
Smart Meter Information Technology Costs	£m 20/21 prices	SMITt				1.7	0.9	0.9	1.0	1.0
Ring Fence Costs incurred	£m 20/21 prices	RFt				-	-	-	-	-
Supplier of Last Resort Net Costs	£m 20/21 prices	SLRt				21.8	(0.4)	-	-	-
Valid Bad Debt Claims	£m 20/21 prices	IBDAt				0.0	0.1	-	-	-
Pension Scheme Established Deficit repair expenditure	£m 20/21 prices	EDEt				7.2	(1.0)	(1.0)	(0.5)	-
Failed Supplier Recovered Costs	£m 20/21 prices	SRCt				-	-	-	-	-
Shetland Variable Energy Costs (SSEH only)	£m 20/21 prices	SECt				-	-	-	-	-
Assistance for high-cost distributors adjustment (SSEH only)	£m 20/21 prices	HBt				-	-	-	-	-
Spare	£m 20/21 prices									
Spare	£m 20/21 prices									

Incentive revenue

Parameter	Units					31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Time to connect ODI	£m 20/21 prices	TTCt				-	0.1	0.1	0.1	0.2
Broad Measure of Customer Service ODI	£m 20/21 prices	BMCSt				(0.6)	(0.1)	(0.1)	0.2	0.7
Interruptions incentive scheme ODI	£m 20/21 prices	IQt				(5.3)	(3.2)	(0.4)	1.2	1.3
Major connections ODI	£m 20/21 prices	MCt				-	-	-	-	-
Consumer Vulnerability ODI	£m 20/21 prices	CVIt				-	1.3	-	-	2.9
Distribution System Operator ODI	£m 20/21 prices	DSOIt				0.7	1.3	1.5	1.6	1.6
Dig, Fix and Go ODI (ENWL only)	£m 20/21 prices	DFGt				-	-	-	-	-
Collaborative Streetworks ODI (EPN, LPN and SPN only)	£m 20/21 prices	CSWt				-	-	-	-	-
Spare	£m 20/21 prices									
Spare	£m 20/21 prices									
Business Plan Incentive reward/penalty	£m 20/21 prices	BPIt				2.3	-	-	-	-

Other revenue allowances

Parameter	Units					31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Network Innovation Allowance	£m 20/21 prices	NIAt				1.3	1.6	2.0	-	-
Carry-over Network Innovation Allowance	£m 20/21 prices	CNIAt				0.5	-	-	-	-
Revenue adjustments in respect of connection performance failures	£m 20/21 prices	CGSRAt				-	-	-	-	-
Aggregate Amount	£m 20/21 prices	AUMt								
Initial Profile Adjustment	£m 20/21 prices	PADt				-	-	-	-	-
Time Value of Money Profile Adjustment	£m 20/21 prices	TPADt				-	-	-	-	-
Network Innovation Allowance (NIA): cost multiplier	%					111%				
Carry-over Network Innovation Allowance: cost multiplier	%					111%				
Revenue adjustments in respect of connection performance failures: cost multiplier	%					111%				

Directly Attributable Revenue Terms

DRS

Parameter	Units					31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
DRS1. Connection services revenue	£m 20/21 prices	DRS1R				-	-	-	-	-
DRS1. Connection services costs	£m 20/21 prices	DRS1C				-	-	-	-	-
DRS2. Diversionary works under obligation revenue	£m 20/21 prices	DRS2R				(6.9)	(7.1)	(7.0)	(6.6)	(6.4)
DRS2. Diversionary works under obligation costs	£m 20/21 prices	DRS2C				6.9	7.1	7.0	6.6	6.4
DRS3. Works required any alteration of premises revenue	£m 20/21 prices	DRS3R				(4.7)	(4.9)	(4.8)	(4.5)	(4.4)
DRS3. Works required any alteration of premises costs	£m 20/21 prices	DRS3C				4.7	4.9	4.8	4.5	4.4
DRS11. Top-up, standby and enhanced system security revenue	£m 20/21 prices	DRS11R				-	-	-	-	-
DRS11. Top-up, standby and enhanced system security costs	£m 20/21 prices	DRS11C				-	-	-	-	-
DRS12. Revenue protection services revenue	£m 20/21 prices	DRS12R				-	-	-	-	-
DRS12. Revenue protection services costs	£m 20/21 prices	DRS12C				-	-	-	-	-
DRS13. Metering Services revenue	£m 20/21 prices	DRS13R				-	-	-	-	-
DRS13. Metering Services costs	£m 20/21 prices	DRS13C				-	-	-	-	-
DRS14. Smart Meter Roll-out rechargeable services revenue	£m 20/21 prices	DRS14R				-	-	-	-	-
DRS14. Smart Meter Roll-out rechargeable services costs	£m 20/21 prices	DRS14C				-	-	-	-	-
DRS15. Miscellaneous revenue	£m 20/21 prices	DRS15R				-	-	-	-	-
DRS15. Miscellaneous costs	£m 20/21 prices	DRS15C				-	-	-	-	-

Finance inputs

Allowed return on capital

Parameter	Units					31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
iBoxx trailing average	annual real %	iBTAt				3.04%	3.11%	3.17%	3.18%	3.20%
Risk-free rate	annual real %	RFRt				1.46%	2.72%	2.43%	2.49%	2.56%
Equity Beta	scalar					75.86%	75.86%	75.86%	75.86%	
Total Market Return	%					6.50%	6.50%	6.50%	6.50%	6.50%
Benchmark gearing	%					60.00%	60.00%	60.00%	60.00%	60.00%
Notional gearing	%					60.00%	60.00%	60.00%	60.00%	60.00%

Parameter	Units		Constant	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
PCFM year ending			31 Mar 2028								
RIIO-1 WACC	annual real %			3.26%	3.15%	3.04%					
RIIO-1 notional gearing	%			65%	65%	65%					
Real Price Effects											
Cumulative RPEs	%	RPEIt					99.19%	100.09%	101.02%	102.02%	103.06%
Notional finance parameters											
Minimum equity issuance threshold	%						5.00%	5.00%	5.00%	5.00%	5.00%
Equity issuance costs	%						5.00%	5.00%	5.00%	5.00%	5.00%
Assumed dividends as % of notional equity portion of RAV	%						3.00%	3.00%	3.00%	3.00%	3.00%
Equity issuance gearing target	%						60.00%	60.00%	60.00%	60.00%	60.00%
CPIH index-linked debt as a percentage of net debt	%						25.00%	25.00%	25.00%	25.00%	25.00%
RPI index-linked debt as a percentage of net debt	%						0.00%	0.00%	0.00%	0.00%	0.00%
Totex capitalisation rates and TIM											
Capitalisation rate 1	%		65.00%								
Capitalisation rate 2	%		85.00%								
Totex Incentive Strength Rate	%	TISt	49.30%								
RAV											
Metering write off	£m 20/21 prices		23.7								
Vesting year	year ending		31/03/1991								
Pre-vesting asset depn in first year (months)	months		3.5								
Pre-vesting asset life	years		15								
Post-vesting asset life	years			39	42	45					
Accelerated post-vesting asset life	years			39	42	45					
Smoothing period following full depreciation of pre-vesting assets	years		15								
RIIO-2 asset life	years		45								
Pre-RIIO net additions to RAV	£m 20/21 prices										
Pre-RIIO transfers to depreciation	£m 20/21 prices										
Pre-RIIO Other legacy adjustments' price control RAV additions adjustment	£m 20/21 prices										
Operational performance and return adjustment											
Notional gearing	%	G	60.00%								
Threshold 1	annual real %	T1	3.00%								
Threshold 2	annual real %	T2	4.00%								
Adjustment rate 1	%	AR1	50.00%								
Adjustment rate 2	%	AR2	90.00%								
Calculation of Forecasting Penalty											
Base revenue (last year of RIIO-1, per RIIO-1 definition) (for use in Correction ter	£m 20/21 prices	ED1BRt	490.4								
Revenue as billed (ignoring bad debt)	£m nominal	BILLRt		619.5	1,047.9						
Allowed Revenue (as published)	£m nominal	AR*t		666.9	1,035.2						
Base Revenue (as published)	£m 20/21 prices	BRt	472.4	541.8	548.6						
Valid Bad Debt Claim	£m nominal	BDAt		0.0	-						
Recovered Bad Debt (enter as a -ve)	£m nominal	RBDt		(0.1)	-						
Base Revenue Forecasting Penalty Adjustment	Scalar	BRFPAt									
Recovered Revenue Forecasting Penalty Adjustment	Scalar	RRFPAt									
Over/undercollection percentage for penal rate adjustment	%		6.00%								
Applicable BR penalty interest rate	%		1.15%								
Applicable AR penalty interest rate	%		1.15%								
Tax inputs											
Tax liability allowance adjustments - driven by tax trigger events	£m 20/21 prices	TTEt					(23.5)	(37.0)	(38.3)	(44.3)	(42.6)
Adjusted net debt	£m nominal	ANDt									
Tax deductible net interest cost	£m nominal	TDNIt									
Tax allowance adjustment	£m nominal	TAXAt									
General Pool Opening Balance Adjustment	£m nominal	OGPAt					-	(20.6)	(28.1)	(29.2)	(29.9)
Special Rate Pool Opening Balance Adjustment	£m nominal	OSRPAt					-	(70.1)	(119.3)	(126.1)	(152.3)
Corporation tax rate	%	CTt					25.00%	25.00%	25.00%	25.00%	25.00%
General pool capital allowance rate	%	GCAt					18.00%	18.00%	18.00%	18.00%	18.00%
Special Rates capital allowance rate	%	SRCAt					6.00%	6.00%	6.00%	6.00%	6.00%
Structures and buildings capital allowance rate	%	SBCAt					3.00%	3.00%	3.00%	3.00%	3.00%
Deferred Revenue Expenditure capital allowance rate	%	DRCAt					2.22%	2.22%	2.22%	2.22%	2.22%
Tax trigger deadband	£m 20/21 prices						2.6	2.7	2.5	2.2	1.8
Notional gearing for tax clawback gearing level test	%						65%	64%	63%	61%	60%
Variant and non-variant allowances: tax pool allocations											
General: Load related capex	%	ARGPt					0%	0%	0%	0%	0%
General: Non-load related capex - asset replacement	%	ARGPt					5%	5%	5%	5%	5%
General: Non-load related capex - other	%	ARGPt					30%	30%	30%	30%	30%
General: Faults	%	ARGPt					0%	0%	0%	0%	0%
General: Tree cutting	%	ARGPt					0%	0%	0%	0%	0%
General: 100% 'revenue pool' expenditure	%	ARGPt					2%	2%	2%	2%	2%
General: Controllable opex	%	ARGPt					3%	3%	3%	3%	3%
Special Rate: Load related capex	%	ARSRt					98%	98%	98%	98%	98%
Special Rate: Non-load related capex - asset replacement	%	ARSRt					35%	35%	35%	35%	35%
Special Rate: Non-load related capex - other	%	ARSRt					10%	10%	10%	10%	10%
Special Rate: Faults	%	ARSRt					0%	0%	0%	0%	0%
Special Rate: Tree cutting	%	ARSRt					0%	0%	0%	0%	0%
Special Rate: 100% 'revenue pool' expenditure	%	ARSRt					17%	17%	17%	17%	17%
Special Rate: Controllable opex	%	ARSRt					20%	20%	20%	20%	20%
Deferred Revenue: Load related capex	%	ARDRt					0%	0%	0%	0%	0%
Deferred Revenue: Non-load related capex - asset replacement	%	ARDRt					40%	40%	40%	40%	40%
Deferred Revenue: Non-load related capex - other	%	ARDRt					44%	44%	44%	44%	44%
Deferred Revenue: Faults	%	ARDRt					33%	33%	33%	33%	33%
Deferred Revenue: Tree cutting	%	ARDRt					50%	50%	50%	50%	50%
Deferred Revenue: 100% 'revenue pool' expenditure	%	ARDRt					21%	21%	21%	21%	21%
Deferred Revenue: Controllable opex	%	ARDRt					20%	20%	20%	20%	20%
Structures and Buildings: Load related capex	%	ARSBt					0%	0%	0%	0%	0%
Structures and Buildings: Non-load related capex - asset replacement	%	ARSBt					3%	3%	3%	3%	3%
Structures and Buildings: Non-load related capex - other	%	ARSBt					1%	1%	1%	1%	1%
Structures and Buildings: Faults	%	ARSBt					0%	0%	0%	0%	0%
Structures and Buildings: Tree cutting	%	ARSBt					0%	0%	0%	0%	0%
Structures and Buildings: 100% 'revenue pool' expenditure	%	ARSBt					0%	0%	0%	0%	0%
Structures and Buildings: Controllable opex	%	ARSBt					0%	0%	0%	0%	0%
Revenue: Load related capex	%	ARRt					2%	2%	2%	2%	2%
Revenue: Non-load related capex - asset replacement	%	ARRt					2%	2%	2%	2%	2%
Revenue: Non-load related capex - other	%	ARRt					15%	15%	15%	15%	15%
Revenue: Faults	%	ARRt					68%	68%	68%	68%	68%

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Parameter	Units	Constant								
PCFM year ending		31 Mar 2028	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Revenue: Tree cutting	%	ARRt				50%	50%	50%	50%	50%
Revenue: 100% 'revenue pool' expenditure	%	ARRt				58%	58%	58%	58%	58%
Revenue: Controllable opex	%	ARRt				55%	55%	55%	55%	55%
Non Qualifying: Load related capex	%	ARNQt				0%	0%	0%	0%	0%
Non Qualifying: Non-load related capex - asset replacement	%	ARNQt				15%	15%	15%	15%	15%
Non Qualifying: Non-load related capex - other	%	ARNQt				0%	0%	0%	0%	0%
Non Qualifying: Faults	%	ARNQt				0%	0%	0%	0%	0%
Non Qualifying: Tree cutting	%	ARNQt				0%	0%	0%	0%	0%
Non Qualifying: 100% 'revenue pool' expenditure	%	ARNQt				2%	2%	2%	2%	2%
Non Qualifying: Controllable opex	%	ARNQt				3%	3%	3%	3%	3%

Legacy adjustments

Legacy inputs for Allowed Revenue

Parameter	Units	Constant	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
RIIO-1 MOD	£m 2012/13 price	MOD				(9.3)				
Legacy net RAV additions	£m 2012/13 price	LRAV	206.6	199.2	197.7					
RIIO-2 tax pools opening balance brought forwards										
General pool RIIO-2 opening balance brought forward	£m nominal	OGPt				57.9				
Special rates pool RIIO-2 opening balance brought forward	£m nominal	OSRPt				793.9				
Deferred revenue expenditure pool RIIO-2 opening balance brought forward	£m nominal	ODRPt				1,568.6				
Deferred revenue expenditure pool capex additions pre-RIIO-2	£m nominal	LODRPt			1,933.1					
Structures and buildings pool RIIO-2 opening balance brought forward	£m nominal	OSBPt				-				
Tax losses brought forwards		OTLt				-				
RPI forecast true up										
Relevant revenue adjustments	£m 2012/13 price	REV		453.1	450.9					
ED1 Price index adjustment factor	Index	RPIF	1.2	1.2	1.3					
Legacy correction factor										
Regulated Distribution Network Revenue	£m nominal	RD	498.8	577.5	728.6					
Allowed Distribution Network Revenue	£m nominal	RIIO-1ARt	543.4	568.9	749.6					
Average Specified Rate	scalar	It	0.1	0.2	2.3	5				
Value of PRt (interest rate adjustment) set in a direction	scalar	PRt	-	-	-					
Low Carbon Networks Fund										
LCNF Second Tier and Discretionary Funding Mechanism value	£m nominal	LCN2				0	-	-	-	-
Recovered LCN, determined to be unrecoverable	£m nominal	LCN1				-	-	-	-	-
Connections GS Failure Payments Adjustment										
Connection Guaranteed Standards Payments made	£m nominal	LCGSPM	0.1	0.3	0.6					
Total connection guaranteed standards revenue exposure	£m 2012/13 price	LTCGSR	58.2							

Legacy inputs for Incentives

Parameter	Units	Constant	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Broader Measure of Customer Service (£m real 2012/13 prices)										
Customer Satisfaction Survey term	£m 2012/13 price	CS				0.1	1.3			
Complaints metric term	£m 2012/13 price	CM				-	-			
Stakeholder engagement reward term	£m 2012/13 price	SE				0.8	-			
Interruptions-Related Quality of Service (£m real 2012/13 prices)										
Performance on the number of supply interruptions and the duration of	£m 2012/13 price	QZ				8.0	0.7			
Performance on severe weather supply restoration	£m 2012/13 price	QC				(0.0)	-			
Performance on normal weather supply restoration	£m 2012/13 price	QD				(0.1)	(0.1)			
Incentive on Connections Engagement (£m real 2012/13 prices)										
Incentive on Connections Engagement negative performance adjustment	£m 2012/13 price	ICEO				-	-			
Time To Connect (£m real 2012/13 prices)										
LVSSA Time to Quote term	£m 2012/13 price	TQA				0.2	0.1			
LVSSB Time to Quote term	£m 2012/13 price	TQB				-	-			
LVSSA Time to Connect term	£m 2012/13 price	TCA				-	-			
LVSSB Time to Connect term	£m 2012/13 price	TCB				-	-			

Legacy inputs for Passthrough

Parameter	Units	Constant	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024	31 Mar 2025	31 Mar 2026	31 Mar 2027	31 Mar 2028
Licence Fee adjustment										
Licence fee payments	£m nominal	LFA				3.1	3.4			
Licence fee allowance	£m 2012/13 price	LFE				1.5	1.5			
Business Rates adjustment										
Business rates payments	£m nominal	RBA				40.8	40.8			
Business rates allowance	£m 2012/13 price	RBE				40.5	40.5			
Transmission Connection Point Charges adjustment										
Pass-through Transmission Connection Point Charges incurred	£m nominal	PTPA				17.1	10.0			
Pass-through Transmission Connection Point Charges allowance	£m 2012/13 price	PTPE				13.4	13.7			
Smart Meter Communication Licensee Costs adjustment										
Smart Meter Communication Licensee Costs incurred	£m nominal	SMCA				3.5	3.8			
Smart Meter Communication Licensee Costs allowance	£m 2012/13 price	SMCE				-	-			
Smart Meter Information Technology Costs adjustment										
Smart Meter Information Technology Costs incurred	£m nominal	SMIA				0.3	0.7			
Smart Meter Information Technology Costs allowance	£m 2012/13 price	SMIE				-	-			
Ring Fence Costs adjustment										
Ring Fence Costs incurred	£m nominal	RFA				-	-			
Ring Fence Costs allowance	£m 2012/13 price	RFE				0.1	0.1			
Shetland Variable Energy Costs adjustment										
Shetland variable Energy Costs Actual incurred	£m nominal	SECA				-	-			
Shetland variable Energy Costs allowance	£m 2012/13 price	SECE				-	-			
Shetland Extension Variable Energy Costs adjustment										
Shetland Extension Variable Energy Costs incurred	£m nominal	SEVECA				-	-			
Shetland Extension Variable Energy Costs allowance	£m 2012/13 price	SEVECE				-	-			
Shetland New Energy Solution Residual Costs adjustment										
Shetland New Energy Solution Residual Costs incurred	£m nominal	SNESRCA				-	-			
Shetland New Energy Solution Residual Costs allowance	£m 2012/13 price	SNESRCE				-	-			
Supplier of Last Resort adjustment										
Supplier of Last Resort Net Costs incurred	£m nominal	SLRA				1.1	2.2			
Eligible Bad Debt adjustment adjustment										
Eligible Use of System Bad Debt Costs incurred	£m nominal	EBDA	1.4	4.9	0.1					
Recovered Bad Debt	£m nominal	RBD	0.0	0.1	0.1					
COVID-19 Bad Debt term										
Aggregate value of provisional COVID-19 Bad Debt incurred	£m nominal	PCBD				-	-			
Credited Amount by the Administrator or Liquidator	£m nominal	RCBD				-	-			
Aggregate value of COVID-19 Bad Debt incurred	£m nominal	CBDA				-	-			

End of sheet