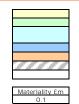
Regulatory Financial Performance Report SHET 2019

Licensee	SHET
Sector	ET1
Reporting Year: (enter 2014 for 2013-14)	2019
Version (Number)	1
Submitted Date:	31/07/2019
Cost of Equity	7.0%
Sharing Factor	50.00%
Notional Gearing	55.0%
RIIO-1 start date	2014
Price basis	£m 09/10



Input cells Totals cells (of formula within worksheet) Referencing to other worksheets Referencing to other workbooks Check cells No Input Descriptions and pack data

2018	2017-18								
2019	2018-19								
2020	2019-20								
2021	2020-21								
2022	2021-22								
2023	2022-23	1							
RPI Index	Reporting year	Actual / Forecast Index	Financial Year Average RPI (RPIt)	Year end RPI	Corp. Tax				
2009-10	2010	Actual	215.8	221.8	28%				
2010-11	2011	Actual	226.5	233.5	28%				
2011-12	2012	Actual	237.3	241.7	26%				
2012-13	2013	Actual	244.7	249.1	24%				
2013-14	2014	Actual	251.7	255.3	23%				
2014-15	2015	Actual	256.7	257.6	21%				
2015-16	2016	Actual	259.4	261.3	20%				
2016-17	2017	Actual	265.0	270.0	20%				
2017-18	2018	Actual	274.9	279.0	19%				
2018-19	2019	Actual	283.3 290.7	286.7	19%				
2019-20 2020-21	2020 2021	Forecast Forecast	290.7	294.2 302.3	19% 17%				
2020-21	2021	Forecast	307.9	302.3	17%				
2021-22	2022	Forecast	317.3	321.1	17%				
2022-23	2023	Forecast	517.5	521.1	17%				
2024-25	2025	Forecast	111		17%				
2025-26	2026	Forecast		111	17%				
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Forecast	Forecast	
	2014	2015	2016	2017	2018	2019	2020	2021	
Financial Year Average RPI (RPIt)	1.167	1.190	1.202	1.228	1.274	1.313	1.347	1.385	
Year end RPI	1.183	1.194	1.211	1.251	1.293	1.329	1.363	1.401	
1 year change in Fin Year Ave RPI	1.029	1.020	1.011	1.021	1.037	1.031	1.026	1.028	
HMT Forecasts for UK Economy - M3 N									
Calenda	ir Year	2017	2018	2019	2020	2021	2022	2023	Source
//3 New Forecasts RPI			and the second sec	2.6%	2.7%	3.0%	3.1%	3.0%	May 2019 Publications
Forecast growth rate									
Reportin	g Year	2017	2018	2019	2020	2021	2022	2023	
uture inflation assumption			1.6.1		2.625%	2.775%	3.025%	3.075%	
Selected Capitalisation rates for	SHET								
Totex	RII01 90.00%								
	2014	2015	2016	2017	2018	2019	2020	2021	
n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
			50	£m 12/13	Totex			n/a	
			ED FT						
			ED ET GD	£m 09/10 £m 09/10		dina repex		n/a Repe	x

Allowed cost of debt %										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
WPD	111		2.55%	2.38%	2.22%	1.91%	1.58%	1.14%	0.92%	0.72%
ED - excluding WPD			2.55%	2.42%	2.29%	2.09%	1.94%	1.82%	1.72%	1.63%
SHET	2.92%	2.50%	2.15%	1.79%	1.51%	1.16%	1.02%	0.86%		
ET - excluding SHET	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		
GD	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		
GT	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		

_		Allowed Cost of Equity	TIM Incentive Strength	Gearing	Main Cap. Rate	RIIO1 start date	Price Basis	Fast Tracked	IQI pre or post tax					Allowed co					
Sector	Default									2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
ED	ENWL	6.0%	58.11%	65.0%	68.0%	2016	Em 12/13	No	Post	111		2.55%	2.42%	2.29%	2.09%	1.94%	1.82%	1.72%	1.63%
ED	NPqN	6.0%	55.84%	65.0%	70.0%	2016	Em 12/13	No	Post			2.55%	2.42%	2.29%	2.09%	1.94%	1.82%	1.72%	1.63%
ED	NPgY	6.0%	55.84%	65.0%	72.0%	2016	£m 12/13	No	Post			2.55%	2.42%	2.29%	2.09%	1.94%	1.82%	1.72%	1.63%
ED	UKPN-EPN	6.0%	53.28%	65.0%	68.0%	2016	Em 12/13	No	Post			2.55%	2.42%	2.29%	2.09%	1.94%	1.82%	1.72%	1.63%
ED	UKPN-LPN	6.0%	53.28%	65.0%	68.0%	2016	Em 12/13	No	Post			2.55%	2.42%	2.29%	2.09%	1.94%	1.82%	1.72%	1.63%
ED	UKPN-SPN	6.0%	53.28%	65.0%	68.0%	2016	Em 12/13	No	Post	111		2.55%	2.42%	2.29%	2.09%	1.94%	1.82%	1.72%	1.63%
ED	SPD	6.0%	53.50%	65.0%	80.0%	2016	£m 12/13	No	Post			2.55%	2.42%	2.29%	2.09%	1.94%	1.82%	1.72%	1.63%
ED	SPMW	6.0%	53.50%	65.0%	80.0%	2016	Em 12/13	No	Post			2.55%	2.42%	2.29%	2.09%	1.94%	1.82%	1.72%	1.63%
ED	SSEH	6.0%	56.47%	65.0%	62.0%	2016	Em 12/13	No	Post			2.55%	2.42%	2.29%	2.09%	1.94%	1.82%	1.72%	1.63%
ED	SSES	6.0%	56.47%	65.0%	70.0%	2016	£m 12/13	No	Post			2.55%	2.42%	2.29%	2.09%	1.94%	1.82%	1.72%	1.63%
ED	WPD-EMID	6.4%	70.00%	65.0%	80.0%	2016	£m 12/13	Yes	Pre			2.55%	2.38%	2.22%	1.91%	1.58%	1.14%	0.92%	0.72%
ED	WPD-WMID	6.4%	70.00%	65.0%	80.0%	2016	£m 12/13	Yes	Pre			2.55%	2.38%	2.22%	1.91%	1.58%	1.14%	0.92%	0.72%
ED	WPD-SWALES	6.4%	70.00%	65.0%	80.0%	2016	Em 12/13	Yes	Pre			2.55%	2.38%	2.22%	1.91%	1.58%	1.14%	0.92%	0.72%
ED	WPD-SWEST	6.4%	70.00%	65.0%	80.0%	2016	Em 12/13	Yes	Pre			2.55%	2.38%	2.22%	1.91%	1.58%	1.14%	0.92%	0.72%
GD	Cadent-EOE	6.7%	63.04%	65.0%	26.6%	2014	Em 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		
GD	Cadent-London	6.7%	63.04%	65.0%	23.5%	2014	£m 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		11.
GD	Cadent-WM	6.7%	63.04%	65.0%	24.9%	2014	£m 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		
GD	Cadent-NW	6.7%	63.04%	65.0%	26.1%	2014	Em 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		111
GD	NGN	6.7%	63.98%	65.0%	35.0%	2014	Em 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		
GD	SGN - Scotland	6.7%	63.73%	65.0%	35.1%	2014	Em 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		
GD	SGN - Southern	6.7%	63.73%	65.0%	32.2%	2014	£m 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		11.
GD	WWU	6.7%	63.17%	65.0%	35.8%	2014	£m 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		
GT	NGGT (TO)	6.8%	44.36%	62.5%	64.4%	2014	Em 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		1 I A
GT	NGGT (SO)	6.8%	44.36%	62.5%	37.4%	2014	Em 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		
ET	NGET (TO)	7.0%	46.89%	60.0%	85.0%	2014	£m 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		C
ET	NGET (SO)	7.0%	46.89%	60.0%	27.9%	2014	£m 09/10	No	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		
ET	SPT	7.0%	50.00%	55.0%	90.0%	2014	£m 09/10	Yes	Pre	2.92%	2.72%	2.55%	2.38%	2.22%	1.91%	1.58%	1.14%		
ET	SHET	7.0%	50.00%	55.0%	90.0%	2014	Em 09/10	Yes	Pre	2.92%	2.50%	2.15%	1.79%	1.51%	1.16%	1.02%	0.86%		S.S.S.

	2014	2015	2016	2017	2018	2019	2020	2021
Cadent-EOE	50.00%	57.14%	64.29%	71.43%	78.57%	85.71%	92.86%	100.009
Cadent-London	50.00%	57.14%	64.29%	71.43%	78.57%	85.71%	92.86%	100.00
Cadent-WM	50.00%	57.14%	64.29%	71.43%	78.57%	85.71%	92.86%	100.00
Cadent-NW	50.00%	57.14%	64.29%	71.43%	78.57%	85.71%	92.86%	100.00
NGN	50.00%	57.14%	64.29%	71.43%	78.57%	85.71%	92.86%	100.00
SGN - Scotland	50.00%	57.14%	64.29%	71.43%	78.57%	85.71%	92.86%	100.00
SGN - Southern	50.00%	57.14%	64.29%	71.43%	78.57%	85.71%	92.86%	100.00
WWU	50.00%	57.14%	64.29%	71.43%	78.57%	85.71%	92.86%	100.00
NGGT (TO)	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00
NGGT (SO)	1111	111	1 1 1	111	1111	1111	1111	1.1.1

IQI Additional Income	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
ENWL	111		1.6	1.5	1.5	1.5	1.5	1.4	1.5	1.4
NPgN		1.1.1	-0.7	-0.6	-0.6	-0.6	-0.6	-0.5	-0.5	-0.5
NPgY	1111	1.1.1	-0.9	-0.8	-0.8	-0.8	-0.7	-0.7	-0.7	-0.7
UKPN-EPN	1111	1.1.1	-3.3	-3.3	-3.2	-3.1	-3.1	-2.9	-2.9	-2.7
UKPN-LPN			-2.4	-2.4	-2.2	-2.1	-2.2	-2.1	-1.9	-1.8
UKPN-SPN	111		-2.2	-2.4	-2.2	-2.1	-2.0	-1.9	-1.9	-1.8
SPD		1.1.1	-1.9	-1.8	-1.8	-1.7	-1.7	-1.6	-1.5	-1.4
SPMW			-2.1	-2.2	-2.0	-1.8	-1.8	-1.8	-1.6	-1.5
SSEH	1111	1.1.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
SSES			0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3
WPD-EMID	111		7.1	7.0	6.2	6.3	6.2	6.5	6.8	6.6
WPD-WMID		1.1	6.5	6.5	6.3	6.4	6.6	6.8	6.7	6.8
WPD-SWALES	1111	1.1.1	3.7	3.7	3.5	3.7	3.4	3.4	3.3	3.4
WPD-SWEST	1111	1.1.1	5.4	5.4	5.3	5.4	5.3	5.3	5.3	5.6
Cadent-EOE	1.4	1.4	1.4	1.4	1.4	1.4	1.3	1.3		
Cadent-London	1.2	1.2	1.3	1.3	1.3	1.3	1.3	1.3		1.11
Cadent-WM	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	111	
Cadent-NW	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.1.1	111
NGN	3.1	3.2	3.2	3.2	3.0	3.0	3.0	3.0		1.1
SGN - Scotland	2.1	2.0	2.0	2.1	2.1	2.1	2.0	2.0		1.1.1
SGN - Southern	4.4	4.1	4.1	4.2	4.2	4.2	4.1	4.1		1.1.1
WWU	1.4	1.4	1.4	1.3	1.3	1.3	1.4	1.4	111	
NGGT (TO)	-1.1	-1.1	-1.2	-1.6	-1.9	-1.3	-1.1	-1.0		100
NGGT (SO)	-0.4	-0.4	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3		100
NGET (TO)	15.2	16.3	15.6	14.9	13.0	12.6	11.3	9.8	1000	1 1 1

NGET (SO)	0.9	0.9	0.9	0.9	0.9	0.8	0.9	0.9		100 100	ALC: NOT	
SPT	11.0	1.3	22.2	7.0	6.9	6.9	7.1	5.3	- 14			
SHET	4.8	5.0	5.7	3.8	2.9	2.9	2.9	2.8	1.10	1.10		
ET												
Output incentives for each sector used to	populate R5	i										
	-					т						
Input for R5 - Output Incentives Network Reliability Incentive	+		FALSE	ED GD								
Stakeholder Satisfaction Output			FALSE	NGGT (TO)							
SF6 Emissions				NGGT (SO								
Environmental Discretionary Reward			FALSE	NGET (TO)							
Performance re offers of timely			FALSE	NOTT (CO								
connection	+		FALSE	NGET (SO SPT)							
	1		TRUE	SHET								
						-						
ED		n i i i i i i i i i i i i i i i i i i i										
Broad measure of customer service												
Interruptions-related quality of servic												
Incentive on connections engagement	t											
Time to Connect Incentive		4										
Losses discretionary reward scheme		1										
		1										
		-										
GD		1										
GD Broad Measure of Customer Satisfacti	ion											
Shrinkage Allowance Revenue Adjustr												
Environment Emissions Incentive												
Environment Emissions Incentive Discretionary Reward Scheme												
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Environment Emissions Incentive Discretionary Reward Scheme NTS Exit Capacity								_				
Environment Emissions Incentive Discretionary Reward Scheme MTS Exit Capacity NGGT (TO)					NGGT (SO)		7				
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All incentive performance recognised in t+2 allowed revenue -

Time to Connect Incentive revenue	t-
adjustment	
Losses discretionary reward scheme revenue adjustment	t-
Bond or loan types	
Fixed rate	
Floating	
Inflation-linked	
Reference rate	
Not applicable	
LIBOR 3 month	
LIBOR 6 month	
EURIBOR 3 month	
BOE base rate	
RPI 12 month	
CPI 12 month	
Currency	
GBP	
EUR	
USD	
HKD	
CAD	
Rank	
Senior	
Junior	
Hedged	
Yes - fully hedged	
Yes - partially hedged	
No	
Special features	
Callable	
Puttable	
Countempartu	
Counterparty	
EIB	
RBS	
Swap legs	
Fixed rate Floating	

Version:

Submission	Date submitted	Changes
Submission 1	31/07/2019	
Submission 2		
Submission 3		
Submission 4		
Submission 5		
Submission 6		
Submission 7		
Submission 8		
Submission 9		
Submission 10		

R1 - RORER2 - RevenueR3 - Rec to totexR4 - TotexR5 - Output IncentivesR6 - InnovationR7 - FinancingR7a - Financing inputR8 - Net DebtR8a - Net Debt inputR9 - RAVR10 - TaxR11 - DividendsR12 - PensionsR13 - Other Activities

Change log SHET 2019

Version	Table Reference	Changes made to RFPR template
	R5	Updated row 12 cells D12 - H12, marginal immaterial error in last years calculation which has now been corrected
	R5	Cell H14 updated in line with latest revenue return for environmental discretionary reward
	R3	Roundings line added for previous years due to materiality level being changed from £1m last year to £0.1m this year
	R9	Updated current year as well as prior years for Opening RAV, Additions, Depreciation and Closing RAV in line with the latest PCFM
	R9	Updated cell I5 to Forecast as the latest published PCFM is a forecast closing RAV position and therefore does not match the actuals that are now submitted as part of the RRP
	R7 & R8	Updated the TIRG Debt and Financing figures for all years following a more detailed review

		Navigate									
		Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Forecast	Forecast	Comparing the second	
		2014	2015	2016	2017	2018	2019	2020	2021	Cumulative to 2019	RIIO-1 per
RoRE based on Notional Gearing											
Allowed Equity Return	%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7
Totex outperformance	%	5.6%	3.9%	17.5%	11.9%	1.7%	-4.4%	-4.6%	-6.4%	5.0%	1
IQI Reward	%	1.2%	1.1%	0.9%	0.4%	0.3%	0.3%	0.3%	0.2%	0.6%	0
Network Reliability Incentive	%	0.2%	0.0%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0
Stakeholder Satisfaction Output	%	0.1%	0.1%	0.1%	0.2%	0.0%	0.1%	0.0%	0.0%	0.1%	0
SF6 Emissions Environmental Discretionary Reward	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0
Performance re offers of timely connection	%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%	0.1%	0
Network Innovation	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
Penalties and fines	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
RoRE - Operational performance	%	14.0%	12.1%	25.7%	19.6%	9.5%	3.1%	2.8%		12.8%	8.
Debt performance - at notional gearing	%	2.8%	1.8%	-1.3%	1.0%	2.5%	1.3%	0.7%	-0.4%	1.3%	0
Tax performance - at notional gearing	%	0.1%	-1.3%	-2.1%	-0.8%	0.7%	-0.7%	-0.7%		-0.6%	-0
RoRE - including financing and tax	%	17.0%	12.7%	22.3%	19.8%	12.7%	3.6%	2.7%	0.0%	13.6%	9.
RoRE based on Actual Gearing											
Allowed Equity Return	%	9.9%	10.5%	8.2%	7.7%	8.6%	8.9%	8.4%	8.4%	8.7%	8
Totex outperformance	%	7.9%	5.9%	20.5%	13.1%	2.1%	-5.6%	-5.5%	-7.7%	6.2%	1
IQI Reward	%	1.7%	1.6%	1.0%	0.5%	0.4%	0.3%	0.3%	0.3%	0.7%	Ó
Network Reliability Incentive	%	0.3%	0.0%	0.2%	0.2%	0.1%	0.1%	0.1%	0.2%	0.2%	0
Stakeholder Satisfaction Output	%	0.1%	0.2%	0.2%	0.2%	0.0%	0.1%	0.0%	0.0%	0.1%	0
SF6 Emissions	%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
Environmental Discretionary Reward	%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.0%	0.0%	0.1%	
Performance re offers of timely connection	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
Network Innovation Penalties and fines	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
RoRE - Operational performance	%	19.8%	18.2%	30.0%	21.6%	11.6%	3.9%	3.3%	1.2%	15.9%	10.
Debt performance - at actual gearing	%	3.7%	2.3%	-2.1%	1.0%	3.1%	1.6%	0.7%	-0.8%	1.5%	0
Tax performance - at actual gearing	%	0.3%	-1.9%	-2.4%	-0.8%	0.8%	-0.9%	-0.8%	-0.6%	-0.7%	-0
RoRE - including financing and tax	%	23.7%	18.6%	25.6%	21.8%	15.6%	4.6%	3.2%		16.7%	11.
RoRE input values Input values provided in £m 09/10 prices											
Equity Return on the RAV	£m 09/10	21.5	25.5	35.5	47.4	56.1	61.3	65.1	74.6	247.3	38
Totex outperformance	£m 09/10	17.2	14.3	88.9	80.3	13.9	(38.6)	(42.8)		176.0	6
IQI Reward	Em 09/10	3.7	3.9	4.6	3.0	2.3	2.3	2.4	2.3	19.8	2
Network Reliability Incentive	£m 09/10	0.7	0.1	1.0	0.9	0.8	1.0	1.1	1.4	4.5	
Stakeholder Satisfaction Output SF6 Emissions	£m 09/10 £m 09/10	0.3 (0.1)	(0.1)	0.7	1.0	(0.1)	0.8	0.3	0.3	3.3 (0.2)	(
Environmental Discretionary Reward	£m 09/10	(0.1)	-	-	-	3.2	-	-	0.0	3.2	(
Performance re offers of timely connection	£m 09/10				-		-	-	-		
Network Innovation	£m 09/10	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)	(
Penalties and fines	£m 09/10	-	-	-	-	-	-	-	-	-	
RoRE - Operational performance	£m 09/10	43.2	44.2	130.5	132.6	76.2	26.8	26.0	10.6	453.5	490
Debt performance - at notional gearing	£m 09/10	8.6	6.7	(6.8)	6.7	19.9	11.3	6.1	(4.8)	46.4	4
Debt performance - impact of actual gearing	£m 09/10	(0.6)	(1.2)	(2.4)	(0.6)	0.8	(0.2)	(0.7)	(2.2)	(4.2)	(
Tax performance - at notional gearing	£m 09/10	0.4	(4.7)	(10.7)	(5.1)	5.6	(6.5)	(6.6)		(21.0)	(3
Tax performance - impact of actual gearing RoRE - including financing and tax	£m 09/10 £m 09/10	0.1	0.3	0.5	0.1	(0.1)	0.0	0.1	0.4	0.9	498
RORE - Including mancing and tax	Etti 09/10	51.8	45.2	111.2	133.0	102.3	31.5	24.9		4/5.5	498
NPV-neutral equity element of RAV Equity RAV based on actual gearing	£m 09/10 £m 09/10	307.7 218.1	364.5 242.2	507.5 434.6	676.7 613.5	801.7 655.9	875.3 684.7	930.2 779.5	1,065.6 882.9		

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		Navigate							
		r		1				i	
		Actuals 2014	Actuals 2015	Actuals 2016	Actuals 2017	Actuals 2018	Actuals 2019	Forecast 2020	Fore 20
Allowed Revenue - per latest submitted Revenue Return									
Opening Base Revenue Allowance	£m 09/10	104.5	111.5	124.1	123.6	119.6	120.0	1111	1
MOD	£m 09/10	-	8.7	85.2	87.6	52.7	76.3		-
True Up	£m 09/10 Index	-	(0.0)	0.5	(2.6)	(6.1)	(1.1)		1
Retail Price Index Forecast (RPIF term) Nominal Base Revenue	Em nominal	1.163 121.6	1.205 144.9	1.227 257.4	1.234 257.4	1.271 211.2	1.314 256.5		1
Incentive revenue adjustment	£m nominal	0.3	-	1.3	0.7	2.5	2.9		φ.
Adjustments for Allowed Pass-Through items	£m nominal	0.3	-	(0.1)	(15.8)	(7.6)	(6.3)	1111	10
Network Innovation Allowance	£m nominal	1.1	1.1	1.0	1.1	0.6	0.6	0.9	
Low Carbon Networks Fund revenue adjustment	£m nominal	-		-		-	-	0.7	77
Transmission Investment	£m nominal	53.4	74.2	84.3	83.5	84.3	83.9	1111	σ.
Compensatory Payments Adjustment	£m nominal	-	-	0.4	-	-	-	1111	1
[Input description]	£m nominal							1111	1
[Input description]	£m nominal							1111	1
[Input description]	£m nominal								1
[Input description]	£m nominal								
Correction factor	£m nominal	15.0	-	15.5	(3.0)	13.4	(3.8)		1
Allowed Network Revenue	£m nominal	161.4	220.2	328.8	329.9	277.6	341.5	0.9	
(Under) / Over recovery		14.5	(2.7)	12.9	(3.7)	27.1	28.4	11514	1
Reconciliation: Regulated Network Revenue to Accounts									
									_
Collected Regulated Network Revenue		175.9	217.4	341.7	326.2	304.7	369.8	/////	-
Other Turnover I tems									_
Network Innovation Competition (NIC) payments received from SO Legacy Metering Equipment charges	£m nominal £m nominal	-	0.3	1.3	3.6	3.4	2.3	1 N M M M	
							2.5		4
							2.5		2
Directly Remunerated Services revenue	£m nominal						2.5		Ż
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty	£m nominal £m nominal						2.0		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges)	£m nominal £m nominal £m nominal	0.2	0.2	0.2					
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty	£m nominal £m nominal	0.2	0.2	0.2	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee	£m nominal £m nominal £m nominal £m nominal	0.2	0.2	0.2					
Diractly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities	£m nominal £m nominal £m nominal £m nominal £m nominal	0.2	0.2	0.2					
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue	£m nominal £m nominal £m nominal £m nominal £m nominal £m nominal £m nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover I tems Other adjustments - please list Excluded Services	Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal				0.2	0.2	0.3		
Diractly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover I tems Other adjustments - please list Excluded Services [Input description]	Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover I tems Other adjustments - please list Excluded Services [Input description]	Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover Items Other adjustments - please list Excluded Services [Input description] [Input description]	Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover I tems Other adjustments - please list Excluded Services Input description [Input description] [Input description]	Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Diractly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover Hems Other adjustments - please list Excluded Services [Input description] [Input description] [Input description] [Input description] [Input description]	Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover Items Other adjustments - please list Excluded Services [Input description] [Input description] [Input description] [Input description] [Input description] [Input description]	Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover I tems Other adjustments - please list Excluded Services [Input description] [Input description] [Input description] [Input description] [Input description] [Input description] [Input description] [Input description]	Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Diractly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover I tems Other adjustments - please list Excluded Services Innout description [Input description]	Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover I tems Other adjustments - please list Excluded Services [Input description] [Input description]	Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Diractly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover Items Other adjustments - please list Excluded Services [Inout description] [Inout description] [Input description]	Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover I tems Other adjustments - please list Excluded Services [Input description] [Input description]	Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover Items Other adjustments - please list Excluded Services [Input description] [Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover I tems Other adjustments - please list Excluded Services [Input description] [Input description]	Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover Items Other adjustments - please list Excluded Services Input description Input description	Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Diractly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover Items Other adjustments - please list Excluded Services Innout description [Input description] [I	Em nominal Em nominal	0.2	0.5	1.5	0.2	0.2	0.3		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of the licensee Other consented activities Data Services revenue Total Other Turnover Items Other adjustments - please list Excluded Services Input description Input description Roundinas Total other adjustments	Em nominal Em nominal	8.0	0.5	24.7	28.4	0.2 3.6 17.5 17.5	0.3 2.6 23.5 23.5 23.5		
Directly Remunerated Services revenue Network Asset Secondary Deliverables incentive/penalty Charging outside the Distribution Services Area (Out of Area Charges) De Minimis Business of The licensee Other consented activities Data Services revenue Total Other Turnover Items Other adjustments - please list Excluded Services [Input description] [Input description]	Em nominal Em nominal	8.0	0.5	24.7	0.2	0.2	0.3		

R3 - Recon	nciliation to totex									
SHET			Navigate							
2019			ت							
2019										
			Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	N/A	N/A
			2014	2015	2016	2017	2018	2019	2020	2021
	I Expenditure Per Accounts	Car a sasla si	0.10.0		530.0	500 5		0.14.0	10 AT 10 A	
	Tangible Fixed Asset Additions Intangible Asset Additions (under IFRS) - IT Software	£m nominal £m nominal	349.2	467.2	572.3 1.2	500.5	429.4	341.3		
	Disposals (cash proceeds)		-		- 1.2	4.5	4.8	- 2.1	1000	1111
	[If Statutory Accounts treat this as an exceptional item, leave the input blank]	£m nominal								
(Customer Contributions Additions	£m nominal	(1.0)	(14.2)	(15.0)	(36.9)	(12.2)	(14.9		1111
	Capitalised interest	£m nominal	(21.6)	(21.5)	(17.2)	(14.7)	(19.7)	(13.8		111
	Revaluation of tangible fixed assets	£m nominal	-	-	-	-	-		1111	
	[Input description]	£m nominal £m nominal								
	[Input description] [Input description]	£m nominal							111	
	x Incurred	£m nominal	326.6	431.5	541.3	453.4	402.3	315.3	1100	1111
	Operational Costs Incurred	£m nominal	26.0	19.8	40.1	45.3	131.0	143.7		111
	[Input description]	£m nominal								
	[Input description]	£m nominal £m nominal								
	[Input description]	£m nominal	352.6	451.3	581.4	498.7	533.3	459.0		
Total	r Experiancie i ficalitea	LIII Homman	352.0	431.3	301.4	470.7	555.5	439.0		
Reco	nciling I tems to Total Net costs after non-price control allocations	£m nominal								
1 /	Adjust ongoing pension costs for IAS 19 present value accrual	£m nominal	(2.1)	(0.5)	(1.0)	(0.3)	(0.9)	0.3		1111
	Depreciation of tangible fixed assets	£m nominal	-	-	-	-	(61.6)	(68.3		
	Depreciation of intangible fixed assets	£m nominal	-	-	-	-	(0.9)	(1.2)	
	Impairment of intangible fixed assets Amoritisation of deferred income	£m nominal £m nominal	-	-	-	-	(0.6)	2.8		
	TIRG - outside of totex	£m nominal		(107.8)	(36.0)	(13.4)	2.6	(4.3		
7	[Input description]	£m nominal		(107.0)	(00.0)	(10.4)		(1.0		
8	[Input description]	£m nominal							1111	1111
	[Input description]	£m nominal								1111
	[Input description]	£m nominal								
	[Input description]	£m nominal £m nominal								
	[Input description] [Input description]	£m nominal							1000	200
	[Input description]	£m nominal							1000	111
	[Input description]	£m nominal							111	1111
	[Input description]	£m nominal							1111	1111
	[Input description]	£m nominal							1111	111
	[Input description]	£m nominal								
	[Input description]	£m nominal £m nominal								
	[Input description] I Reconciling I tems	£m nominal	(2.1)	(108.3)	(37.0)	(13.7)	(61.4)	(70.7)		
10141	r teorem ig remo		(2.1)	(100.0)	(07.0)	(10.77)	(01.4)	(/0./		
	I Net costs after non-price control allocations	£m nominal	350.5	343.0	544.4	484.9	471.9	388.3		1111
Total	Costs per latest RRP submission	£m nominal	350.5	342.9	544.5	484.8	471.8	388.5		
		check	OK	OK	OK	OK	OK	OK	N/A	N/A
Dooo	onciling I tems to Totex									
	TIRG	£m nominal	163.8		-		-		1111	
2 1	Related Party Margins Disallowed	£m nominal	0.1	-	-	0.9	0.7		111	111
	Fines and Penalties	£m nominal	0.3	-	0.5	-	-		1111	
	Temporary Physical Disconnection Compensation	£m nominal	0.5	0.1	0.1	0.1	-		111	
	Network Innovation Costs Network Rates	£m nominal fm nominal	1.2	1.6	2.7	5.3	5.2	3.3		111
	Network Rates Pension Deficit Payments relating to Established Deficit	£m nominal £m nominal	10.3	(2.9)	8.6	10.2	35.0 0.6	39.3	111	
	Costs of Excluded, Consented and De Minimis Services	£m nominal		3.4	7.6	5.7	0.0		1000	1111
	Rebranding Company Assets	£m nominal	-	-	-	0.1	-		111	
10 (Other	£m nominal	(0.2)	0.3	-	0.1	(0.5)	0.3	111	1111
	[Input description]	£m nominal								
	[Input description]	£m nominal							111	1111
	[Input description]	£m nominal £m nominal								
	[Input description] [Input description]	£m nominal £m nominal							1111	
	[Input description]	£m nominal							111	1111
	[Input description]	£m nominal							111	
	[Input description]	£m nominal							111	1000
	[Input description]	£m nominal								
	[Input description]	£m nominal						_	111	
	[Input description] [Input description]	£m nominal £m nominal							111	
	[input description]	£m nominal							1111	1110
23	[Input description]	£m nominal							1111	111
25	[Input description]	£m nominal								
Total	I reconciling items not recognised in totex	£m nominal	176.0	4.5	20.6	23.3	41.0	42.9	111	1117
DOD	A Totex (excluding enduring value)	£m nominal	174.5	338.5	523.8	461.6	430.9	345.4		
		Em nominal Em nominal								
	reported totex				523.8	461 K			438.2	
	reported totex	£m nominal check	174.5 OK	338.5 OK	523.8 OK	461.6 OK	430.9 OK	345.4 Ol		992.4

Tote	x												
т			Navigate										
9													
			Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Forecast	Forecast	1		
			2014	2015	2016	2017	2018	2019	2020	2021	Cumulative to 2019	RIIO-1 period	Enduring Value Appendix in Commentary
	Totex per the latest RRP submission												
	Totex												
	Latest Totex actuals/forecast	£m 09/10	149.6	284.5	435.7	375.8	338.2	263.0	325.2	716.6	1,846.9	2,888.7	1
	Totex allowance including allowed adjustments and uncertainty mechanisms	Em 09/10	201.0	352.3	667.5	562.4	365.7	200.9	232.2	547.9	2,349.9	3,130.1	
	Totex out(under)performance	£m 09/10	51.5	67.8	231.8	186.6	27.5	(62.1)	(92.9)	(168.7)	503.0	241.4	
	Funding Adjustment Rate (often referred to as 'sharing factor')	%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%			

£m 09/10	(21.4)	(35.4)	(46.1)	(30.8)	5.5	(17.8)	(6.4)	4.7	(146.0)	(147.7)	
£m 09/10	4.4	(3.8)	(7.9)	4.8	(5.3)	(0.3)	8.9	(4.4)	(8.1)	(3.7)	
Em 09/10	-	0.1	0.0	0.0	0.0	3.1	4.8	32.4	3.2	40.4	
Em 09/10									-		
£m 09/10									-	-	
£m 09/10									-	-	
Em 09/10	(17.0)	(39.2)	(54.0)	(26.0)	0.3	(15.0)	7.3	32.7	(151.0)	(111.0)	
Em 09/10	(8.5)	(19.6)	(27.0)	(13.0)	0.1	(7.5)	3.6	16.4	(75.5)	(55.5)	
Em 09/10	(8.5)	(19.6)	(27.0)	(13.0)	0.1	(7.5)	3.6	16.4	(75.5)	(55.5)	
											1
£m 09/10 £m 09/10	17.2	14.3	88.9 88.9	80.3 80.3	13.9 13.9	(38.6) (38.6)	(42.8)	(68.0)	176.0 176.0	65.2 65.2	
Em 09/10 Em 09/10	34.4	28.6	177.8	160.6	27.7	(77.1)	(85.7)	(135.9)	352.0	130.4	
EW 047 10	34.4	28.0	1//.8	160.6	21.1	(77.1)	(85.7)	(135.9)	352.0	130.4	1
Epi 09/10	1.1.1	E									
				1 A 1 A 1	A 10 A 10 A 10		C. ALC: ALC: A	Contraction of the second	10 - 10 - 10 - 1		
£m-09/10											
Em 09/10 Em 09/10											
£m 09/10											
	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%			
£m 09/10 %	50.00%	50.00%	-50.00%	50.00%	50.00%	50.00%	50.00%	50.00%			
Ém 09/10 % Ém 09/10	50.00%	50.00%	-50.00%	50.00%	50.00%	50.00%	50.00%	50.00%			
£m 09/10 %	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%			
Ém 09/10 % Ém 09/10	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%			
£m 09/10 96 Em 09/10 Em 09/10	50.00%	50.00%	50,00%	50.00%	50.00%	50.00%	50.00%	50.00%			
£m 09/10 % Em 09/10 Em 09/10 Em 09/10	50.00%	50.00%	50.00%	50.00%	50.00%	.50.00%	50.00%	50.00%			
£m 09/10 96 Em 89/18 Em 09/10 Em 09/10 Em 09/10	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%			
£m 09/10 96 £m 09/10 £m 09/10 £m 09/10 £m 09/10 £m 09/10	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%			
Em 09/10 36 Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10	30.00%	50 00%	50.00%	50.00%	50,00%	50.00%	50.00%	50.00%			
Em 09/10 % Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10	50.00%	50 00%	50,00%	50.00%	50.00%	50 02%	50.00%	50,60%			
Em 09/10 36 Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%			

m 09/10 ______ m 09/10 ______

 Em 09/10
 17.2
 14.3
 88.9
 80.3
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 (38.6)
 (42.8)
 (68.0)
 176.0
 65.2

 £m 09/10
 17.2
 14.3
 88.9
 80.3
 13.9
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 (42.8)
 (66.0)
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 £m 09/10
 34.4
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 177.8
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 (135.9)
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93.3 93.3

115.9

£m 09/10 25.7 33.9 £m 09/10 25.7 33.9

13.7 (31.1) 13.7 (31.1)

120.7

12

251.5

(84.3)

(46.5)

Total out(under) performance Customer share of performance NWO share of performance Total Totex Summary

Customer since or performance Total out(under) performance (including enduring value adjustments) Customer since of performance NWD share of performance Total

Customer share of out(under) performance NWO share of performance

Enduring Value adjustments to Totex performance Sole Use Entry and Exit 2012 Console: Schemes Enduring Value adjustment1 Enduring Value adjustment1 Enduring Value adjustment1 Total enduring value adjustments

Enduring Value: Customer share of performance Enduring Value: NWO share of performance

Total n/a Lartest fotex actuals/forecast fotex alowane incuding alowed adjustments a Totex out(under)performance

unding Adjustment Rate (ofte ustomer share of out(under) WO share of performance

Em Nominal

Total out(under) performance (including enduring value adjustments) Customer share of performance NWO share of performance Total

I QI Additional Income Additional Income is Pre-tax for Fast Track companies and Post-tax for Slow Track.											
IQI Additional Income per PCFM	£m 09/10	4.8	5.0	5.7	3.8	2.9	2.9	2.9	2.8	25.0	30.7
Corporation tax rate when recognised in allowed revenue	%	23%	21%	20%	20%	19%	19%	19%	17%		
Post tax	£m 09/10	3.7	3.9	4.6	3.0	2.3	2.3	2.4	2.3	19.8	24.5

Em 09/10 Em 09/10 Em 09/10

	Financial Year Average RPI (RPIt)	Index	1.167	1.190	1.202	1.228	1.274	1.313	1.347	1.385		
	Totex											
											2.274.7	3.705.3
	Latest Totex actuals/forecast Totex allowance	Em nominal	174.5	338.5	523.8	461.6	430.9	345.4	438.2	992.4		
	including forecast allowed adjustments and uncertainty mechanisms	£m nominal	234.5	419.1	802.5	690.8	465.9	263.8	312.9	758.8	2,876.7	3,948.5
	Totex out(under)performance	£m nominal	60.0	80.6	278.7	229.2	35.0	(81.6)	(125.2)	(233.6)	602.0	243.2
	Funding Adjustment Rate (often referred to as 'sharing factor')	%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%		
	Customer share of out(under) performance	Em nominal	30.0	40.3	139.3	114.6	17.5	(40.8)	(62.6)	(116.8)	301.0	121.6
	NWO share of performance	Em nominal	30.0	40.3	139.3	114.6	17.5	(40.8)	(62.6)	(116.8)	301.0	121.6
	Enduring Value adjustments to Totex performance											
	Sole Use Entry and Exit	Em nominal	(25.0)	(42.1)	(55.4)	(37.9)	7.0	(23.3)	(8.7)	6.5	(176.7)	(178.8)
	Pre Construction SWW	Em nominal	5.1	(4.5)	(9.5)	5.8	(6.7)	(0.4)	12.0	(6.1)	(10.2)	(4.3)
	T2 Crossover Schemes [Enduring Value adjustment]	Em nominal Em nominal	-	0.1	0.0	0.1	0.0	4.0	6.4	44.9	4.1	55.5
	[Enduring Value adjustment]	Em nominal										
	[Enduring Value adjustment]	Em nominal	-	-	-	-	-	-	-	-	-	-
	Total enduring value adjustments	£m nominal	(19.9)	(46.6)	(64.9)	(32.0)	0.3	(19.7)	9.8	45.3	(182.7)	(127.6)
	Enduring Value: Customer share of performance	Em nominal	(9.9)	(23.3)	(32.5)	(16.0)	0.2	(9.8)	4.9	22.7	(91.4)	(63.8)
	Enduring Value: Customer share of performance Enduring Value: NWO share of performance	Em nominal	(9.9)	(23.3)	(32.5)	(16.0)	0.2	(9.8)	4.9	22.7	(91.4)	(63.8)
	Total out(under) performance (including enduring value adjustments)											
	Customer share of performance NWO share of performance	Em nominal Em nominal	20.1	17.0	106.9	98.6 98.6	17.7	(50.6)	(57.7)	(94.1)	209.6	57.8
	Total	Em nominal	40.2	34.1	213.8	197.2	35.4	(101.3)	(115.5)	(188.2)	419.3	115.6
	n/a											
14	Latest Totex actuals/forecast	Em nominal	1.1.1.1	1.1	1.1.1	1.1.1	1.11	1.1.1	1. A. M.	1.18	1.1.1.1.1.	1.1.1
٢,	Totex allowance	Em nominal		1.1.1	1.1.1	11			111			111
1	including forecast allowed adjustments and uncertainty mechanisms. Totex out(under)performance	Em nominal	11 A A				111					
24	Totex out(under)performance	Em cominal		1 I I.		111			1 I I			
5	Funding Adjustment Rate (often referred to as 'sharing factor').	%	50.00%	50.00%	50,00%	50.00%	50.00%	50.00%	50,00%	50.00%		
e	Customer share of out(under) performance	Em nominal		1.1.1	1 - C - C	2.2.4	11.1	111	100		1110	
1	NO share of performance	Em nominal	111									
٢,												
P	Enduring Value adjustments to Totex performance [Enduring Value adjustment]	Em nominal					1 I A		1999 (M		1 I I I I	
14	lenduring value adjustment [Enduring Value adjustment]	Em nominal		# # # #	1.1.1	1.1.1			1. A. A.	111	11 A. A.	
F.	Fenduring Value adjustment	Em nominal	1. A. A.	111	1.50				111			
1	[Enduring Value adjustment]	Em nominal	1 M A	1. S.	1. S. S. S. S.		S. 18 1	1 - A - A - A - A - A - A - A - A - A -	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -		1000	1. 1. 1
5	[Enduring Value adjustment]	Em nominal			1.1.1	111		e e e	8 A A	114		
e.	[Enduring Value adjustment] Total enduring value adjustments	Em nominal Em nominal	1 1 1				6 A A	1.1.1				
1	Total enduring value adjustitients	En agrinad	110	1111			1.1.1					
۳.	Enduring Value: Customer share of performance	Em nominal	1. 1. 1	1.1.1	1.1.1	1.11	1.1.1	1.1.1	1.18	111	1.1.1.1	1.1.1.1
	Enduring Value: NWO share of performance	Em nominal	1 I A	1 A A			664	1.1.1	(1 - 1)			
67									11 M. M. M.			- AF 45 A
9						***						10 M M
2	Total out(under) performance (including enduring value adjustments)	Fm opminat										
18	Total out(under) performance (including enduring value adjustments). Customer share of performance NVO share of performance	Em nominal Em nominal										
æ	Total out(under) performance (including enduring value adjustments) Customer share of performance											
æ	Total out(under) performance (including enduring value adjustments). Customer share of performance NVO share of performance	Em nominal										
42	Total but (under) certormanee (including enduring value adjustments) Customer on are of performance W/W o share of performance Total Total	Em nominal										
10	Total out (under) performance (including enduring value adjustments) Custaines of all of performance Wild share of performance Total Total out(under) performance (including enduring value adjustments)	Em nominal Em nominal	20.1	17.0	106.9	98.6	17.7	(50.6)	(57.7)	(94.1)	209.6	57.8
10	Töfal but (lunder) berformaner (including enduring value adtistments) Customer on are of performance Wild shared of performance Total Total	Em nominal Em nominal Em nominal Em nominal	20.1 20.1	17.0 17.0	106.9 106.9	98.6 98.6	17.7	(50.6) (50.6)	(57.7) (57.7)	(94.1) (94.1)	209.6 209.6	57.8 57.8
10	Total out(under) cerformance (including enduring value adjustments) Customer anare of performance Wild shared of performance Total Totes Summarv Total out(under) performance (including enduring value adjustments) Customer share of performance	Em nominal Ém nominal										

R4 - Totex SHET 2019

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		Navigate									
		Actuals 2014	Actuals 2015	Actuals 2016	Actuals 2017	Actuals 2018	Actuals 2019	Forecast 2020	Forecast 2021	Cumulative to 2019	RIIO-1 period
Pre-tax Earned Incentives (Actuals may be updated once all incentives are dete These values exclude any inflation, interest or time value of money adjustments	ermined)										
Inese values exclude any initiation, interest or time value of money adjustments Network Reliability Incentive	£m 09/10	0.9	0.1	1.2	1.2	0.9	1.2	1.4	1.7	5.5	8
Stakeholder Satisfaction Output SF6 Emissions	Em 09/10 Em 09/10	0.3 (0.1)	0.7 (0.1)	0.8 (0.0)	1.3 (0.0)	(0.1)	1.0	0.3	0.3	4.1 (0.3)	4
Environmental Discretionary Reward	Em 09/10	-	-	-	-	4.0	-	-	-	4.0	4
Performance re offers of timely connection	Em 09/10 Em 09/10	-	-	-	-	-	-	-	-	-	-
Earned Incentive revenue	Em 09/10 Em 09/10	1.1	0.7	2.0	2.4	4.9	2.2	1.7	2.0	- 13.3	- 17.
Additional Commentary											
1 5											
1											
Post-tax Earned Incentives (Actuals may be updated once all incentives are de											
Year tax paid when incentive recognised in allowed revenue. Select from dropdown in Colum	in C										
t+0 t+1											
t+2 t+3											
Network Reliability Incentive	Em 09/10	0.7	0.1	1.0	0.9	0.8	1.0	1.1	1.4	4.5	7
Stakeholder Satisfaction Output SF6 Emissions	£m 09/10 £m 09/10	0.3 (0.1)	0.5 (0.1)	0.7 (0.0)	1.0 (0.0)	(0.1)	0.8	0.3	0.3	3.3 (0.2)	3 (0
Environmental Discretionary Reward Performance re offers of timely connection	Em 09/10 Em 09/10		-	-	-	3.2	-	-	-	3.2	3
Periormance reloters of amery connection	Em 09/10 Em 09/10 Em 09/10	-	-	-	-	-	-	-	-	-	-
Post-Tax Earned Incentive revenue	£m 09/10	0.9	0.5	1.6	2.0	4.0	1.8	1.4 .	1.7	10.8	13
Network Reliability Incentive	£m 09/10	0.9	0.1	1.2	1.2	0.9	1.2	1.4	1.7	5.5	8
Corporation tax rate when recognised in allowed revenue Post tax	t+2	20% 0.7	20% 0.1	19% 1.0	19% 0.9	19% 0.8	17% 1.0	17%	17%	4.5	7
Stakeholder Satisfaction Output	£m 09/10	0.3	0.7	0.8	1.3	(0.1)	1.0	0.3	0.3	4.1	4
Corporation tax rate when recognised in allowed revenue Post tax	t+2	20% 0.3	20% 0.5	19% 0.7	19% 1.0	19% (0.1)	17% 0.8	17% 0.3	17% 0.3	3.3	3.
SF6 Emissions	£m 09/10	(0.1)	(0.1)	(0.0)	(0.0)	0.0	0.0	0.0	0.0	(0.3)	(0
Corporation tax rate when recognised in allowed revenue Post tax	t+2	20%	20%	19%	19%	19% 0.0	17% 0.0	17% 0.0	17%	(0.2)	(0
Environmental Discretionary Reward	Em 09/10	- 1	-	-	-	4.0	-	-	-	4.0	4
Corporation tax rate when recognised in allowed revenue Post tax	t+2	20%	20%	19% -	19% -	19% 3.2	17%	17%	17%	3.2	3.
Performance re offers of timely connection	Em 09/10		-	-	-	-	-	-	-	-	-
Corporation tax rate when recognised in allowed revenue Post tax	t+2	20%	20%	19% -	19%	19% -	17%	17%	17%	-	-
	Em 09/10	- 1	-	-	-	-	-	-	-	-	-
Corporation tax rate when recognised in allowed revenue Post tax	t+2	20%	20%	19% -	19%	19%	17%	17%	17%	-	-
	£m 09/10	- 1	-	-	-	-	-	-	-	-	-
Corporation tax rate when recognised in allowed revenue Post tax	t+2	20%	20%	19%	19%	19%	17%	17%	17%	-	-
Impact on Allowed Revenue within RIIO-1											
This table shows the impact on allowed revenue in the relevant year - with actuals (subject The cells above the allowed revenue indicate the year of performance	to determination) and for	recasts thereafter									
	Performance Year	Pre-RIIO	Pre-RIIO	2014	2015	2016	2017	2018	2019]	
Network Reliability Incentive	£m nominal	0.3	-	1.2	0.2	1.7	1.6				
Stakeholder Satisfaction Output	Performance Year Em nominal	Pre-RIIO	Pre-RIIO	2014 0.3	2015	2016 0.9	2017		2019		
	Performance Year	Pre-RIIO	Pre-RIIO	2014	2015	2016	2017	2018	2019]	
SF6 Emissions	£m nominal		-	(0.2)	(0.2)	(0.1)	(0.0)]	
Environmental Discretionary Reward	Performance Year Em nominal	Pre-RIIO -	Pre-RIIO -	2014	2015	2016	2017	2018	2019		
Performance re offers of timely connection	Performance Year £m nominal	Pre-RIIO	Pre-RIIO	2014	2015	2016	2017	2018	2019]	
	Performance Year	Pre-RIIO	Pre-RIIO	2014	2015	2016	2017	2018	2019]	
f	Em nominal Performance Year							///		1	
1	Em nominal	Pre-RIIO	Pre-RIIO	2014	2015	2016	2017	2018	2019		
Total Impact on Allowed Revenue	£m nominal	0.3	-	1.3	0.7	2.5	2.9	11.1]	
Additional Commentary											

		Navigate							
		Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Forecast	Forecast
		2014	2015	2016	2017	2018	2019	2020	2021
Network Innovation Allowance									
Eligible NIA expenditure and Bid Preparation costs	£m nominal	1.2	1.3	1.1	1.2	0.7	0.7	0.9	1.
Unrecoverable Expenditure (eq not conforming to technical requirements)	£m nominal	-	-	-	-	-	-	-	
Company Compulsory Contribution (including % contribution funded by licensee)	£m nominal £m nominal	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.
Allowed NIA adjustment	Entrionninal	1.1	1.1	1.0	1.1	0.6	0.6	0.9	0.
Low Carbon Networks Fund									
Second Tier and Discretionary (as per latest Revenue RRP)	£m nominal	-	-	-	-	-	-	-	-
First Tier Funding Mechanism (as per latest Revenue RRP)	£m nominal £m nominal	-	-	-	-	-	-	-	
Low Carbon Networks Fund revenue adjustment	Em nominal	-	-	-	-	-		-	-
Network Innovation Competition									
Awarded NIC funding actually spent or forecast to be spent	£m nominal	-	-	-	-	-	-	-	
Company Compulsory Contribution (including % contribution funded by licensee)	£m nominal	-	-	-	-	-	-	-	
Successful Delivery Rewards	£m nominal								
Succession benvery newards	2 Hornina			-	-			-	
RoRE Inputs	£m 09/10								

		Navigate									
		Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Forecast	Forecast		
		2014	2015	2016	2017	2018	2019	2020	2021	Cumulative to 2019	RIIO- perior
Net Interest Per Statutory Accounts	£m nominal	8.8	8.5	30.7	28.8	37.5	49.2	63.8	64.3		
Reconciliation with Statutory Accounts Interest not qualifying for corporation tax relief	£m nominal										
Fair value adjustments (e.g. losses on derivatives)	£m nominal	-	-	-		-		-			
Dividends on preference shares	£m nominal	-	-	-	-	-		-	-		
Costs of early redemption on long term debt Swap Termination Costs paid	£m nominal £m nominal	-	-	-	-	-		-	-		
Movements relating to pension fund liabilities reported within net interest	£m nominal	-	-	-	-	-	-	-			
Debt issuance expenses (inc. amortisation to discounts that had previously benefitted from a tax deduct	£m nominal	-	-	-	-	-	-	-	-		
Commitment fees for undrawn liquidity backup lines 1. Add back capitalised interest	£m nominal £m nominal	- 21.6	- 21.5	- 17.2	- 14.7	- 19.7	- 13.8	-	-		
2. Less interest attributable to TIRG debt	£m nominal	(10.8)	(9.6)	(11.6)	(8.7)	(9.9)	(9.9)	(9.0)	(7.4)		
3. Other adjustment (Overwrite)	£m nominal	-	-	-	-	-	-	-	-		
 Other adjustment (Overwrite) Other adjustment (Overwrite) 	£m nominal £m nominal	-	-	-	-	-	-	-	-		
6. Other adjustment (Overwrite)	£m nominal	-	-	-	-	-	-	-			
7. Other adjustment (Overwrite)	£m nominal	-	-	-	-	-	-	-	-		
8. Other adjustment (Overwrite)	£m nominal	-	-	-	-	-	-	-	-		
9. Other adjustment (Overwrite) Net Interest Per Regulatory (RIIO-1) Definition	£m nominal £m nominal	19.6	20.4	36.3	34.8	47.3	53.2	54.8	56.9		
Forecast new financing/refinancing costs	£m nominal		20.4	50.5	54.5	47.5		-	26.4		
Net Interest including forecast new financing/refinancing costs	£m nominal	19.6	20.4	36.3	34.8	47.3	53.2	54.8	83.4		
External Net Interest Intra-company Net Interest	£m nominal £m nominal	0.1 30.3	(4.0) 33.9	15.4	7.5	16.5	16.5	30.3 42.6	29.1		
Intra-company Net Interest	Lini norminar	0K	0K	32.6 OK	0K	40.7 OK	42.6 OK	42.0 OK	69.0 OK		
	£m nominal										
Net interest including forecast new financing that relates to principal inflation accretion on bonds and lo Less inflation in interest charge	£m nominal	- 16.1	13.7	93	24.1	54.8	51.5	46.4	58.2	r -	
Less initiation in interest charge Assumed Regulatory finance cost at actual gearing	£m nominal	3.4	6.8	27.0	24.1	(7.5)	1.5	46.4	25.2	r -	
Financial Year Average RPI (RPIt)	Index	1.167	1.190	1.202	1.228	1.274	1.313	1.347	1.385	1	
Assumed regulatory finance cost at actual gearing	£m 09/10	3.0	5.7	22.5	8.7	(5.9)	1.3	6.3	18.2	35.3	59
Assumed requiatory minance cost at actual gearing	EIII 04710	3.0	5.7	22.5	0.7	(3.7)	1.3	0.3	10.2	30.3	
Adjustments to be applied to Assumed Finance cost for performance assessment											
Add back Debt Issuance expenses Costs of early redemption on long term debt (excluding exceptional costs of buy backs associated with I	£m nominal £m nominal		-	-	-	-	-	-		-	
Add accrual for inflation accretion on index-linked swaps (if applicable)	£m nominal		-	-	-	-	-	-		- 1	-
Other Adjustments [please specify]	£m nominal	-	-	-	-	-	-	-	-	-	-
Other Adjustments (please specify) Other Adjustments (please specify)	£m nominal £m nominal	-	-	-	-	-	-	-	-	-	-
Other Adjustments (please specify) Other Adjustments (please specify)	£m nominal		-	-	-			-			-
Total Adjustments to be applied for performance assessment (at actual gearing)	£m nominal	-	-	-	-	-	-	-	-	-	
Total Adjustments to be applied for performance assessment (at actual gearing)	£m 09/10	-	-	-	-	-	-	-	-	-	-
Cost of Debt out(under)performance at notional gearing Performance satinst allowance is impacted by deviating from notional levels of gearing											
Performance against allowance is impacted by deviating from notional levels of gearing	%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%		
	%	55.0% 68.1%	55.0% 70.1%	55.0% 61.5%	55.0% 59.2%	55.0% 63.2%	55.0% 64.8%	55.0% 62.3%	55.0% 62.7%		
Performance against allowance is impacted by deviating from notional levels of gearing Notional Gearing	% £m nominal	68.1%	70.1%	61.5% 27.0	59.2%	63.2%	64.8%	62.3%	62.7%		
Performance against allowance is impacted by deviating from notional levels of gearing Notional Gearing Actual Gearing Assumed regulatory finance cost at actual gearing Adjustment to regulatory finance cost relating to variance from notional gearing	% £m nominal £m nominal	68.1% 3.4 (0.7)	70.1% 6.8 (1.5)	61.5% 27.0 (2.8)	59.2% 10.7 (0.8)	63.2% (7.5) 1.0	64.8% 1.7 (0.3)	62.3% 8.4 (1.0)	62.7% 25.2 (3.1)		
Performance against allowance is impacted by deviating from notional levels of gearing Notional Gearing Actual Gearing Assumed regulatory finance cost at actual gearing	% £m nominal	68.1%	70.1%	61.5% 27.0	59.2%	63.2%	64.8%	62.3%	62.7%		
Performance against allowance is impacted by deviating from notional levels of gearing Notional Gearing Actual Gearing Assumed regulatory finance cost at actual gearing Adjustment to regulatory finance cost relating to variance from notional gearing	% £m nominal £m nominal	68.1% 3.4 (0.7)	70.1% 6.8 (1.5)	61.5% 27.0 (2.8)	59.2% 10.7 (0.8)	63.2% (7.5) 1.0	64.8% 1.7 (0.3)	62.3% 8.4 (1.0)	62.7% 25.2 (3.1)	31.1	52
Performance against allowance is impacted by deviating from notional levels of gearing Notional Gearing Actual Gearing Adjustment to regulatory finance cost at actual gearing Adjustment to regulatory finance cost relating to variance from notional gearing Assumed regulatory finance cost at notional gearing Assumed regulatory finance cost at notional gearing Adjustments to be applied for performance assessment (at notional gearing)	% Em nominal Em nominal Em nominal Em 09/10	68.1% 3.4 (0.7) 2.8	70.1% 6.8 (1.5) 5.3	61.5% 27.0 (2.8) 24.2	59.2% 10.7 (0.8) 10.0	63.2% (7.5) 1.0 (6.5)	64.8% 1.7 (0.3) 1.5	62.3% 8.4 (1.0) 7.4	62.7% 25.2 (3.1) 22.1	31.1	5
Performance against allowance is impacted by deviating from notional levels of gearing Notional Cearing Actual Gearing Assumed regulatory finance cost at actual gearing Adjustment to regulatory finance cost at notional gearing Assumed regulatory finance cost at notional gearing Assumed regulatory finance cost at notional gearing Adjustments to be applied for performance assessment (at notional gearing) Cost of Debt Allowance	% Em nominal Em nominal Em nominal Em 09/10	68.1% 3.4 (0.7) 2.8	70.1% 6.8 (1.5) 5.3	61.5% 27.0 (2.8) 24.2	59.2% 10.7 (0.8) 10.0	63.2% (7.5) 1.0 (6.5)	64.8% 1.7 (0.3) 1.5	62.3% 8.4 (1.0) 7.4	62.7% 25.2 (3.1) 22.1	31.1	52
Performance against allowance is impacted by deviating from notional levels of gearing Notional Gearinq Actual Gearinq Assumed regulatory finance cost at actual gearing Adjustment to regulatory finance cost at notional gearing Assumed regulatory finance cost at notional gearing Assumed regulatory finance cost at notional gearing Assumed regulatory finance cost at notional gearing Adjustments to be applied for performance assessment (at notional gearing)	% Em nominal Em nominal Em 09/10 Em 09/10	68.1% 3.4 (0.7) 2.8 2.4 0	70.1% 6.8 (1.5) 5.3 4.5 0	61.5% 27.0 (2.8) 24.2	59.2% 10.7 (0.8) 10.0	63.2% (7.5) 1.0 (6.5)	64.8% 1.7 (0.3) 1.5	62.3% 8.4 (1.0) 7.4	62.7% 25.2 (3.1) 22.1	31.1	53
Performance against allowance is impacted by deviating from notional levels of gearing Notional Gearing Actual Gearing Assumed regulatory finance cost at actual gearing Adjustment to regulatory finance cost at relating to variance from notional gearing Assumed regulatory finance cost at notional gearing Assumed regulatory finance cost at notional gearing Adjustments to be applied for performance assessment (at notional gearing) Cost of Debt Allowance The latet published PCPI contains the allowed cost of debt rate (%) for the reporting year. However, the RW does not account for the reporting year actual additional additionces. Consequently the return element of reverve does not currently refetch the monethy allowance.	% Em nominal Em nominal Em 09/10 Em 09/10	68.1% 3.4 (0.7) 2.8 2.4 0	70.1% 6.8 (1.5) 5.3 4.5 0	61.5% 27.0 (2.8) 24.2	59.2% 10.7 (0.8) 10.0	63.2% (7.5) 1.0 (6.5)	64.8% 1.7 (0.3) 1.5	62.3% 8.4 (1.0) 7.4	62.7% 25.2 (3.1) 22.1	<u>31.1</u> - 79.5 77.5	10
Performance against allowance is impacted by deviating from notional levels of gearing Notional Gearing Actual Gearing Assumed regulatory finance cost at actual gearing Assumed regulatory finance cost at notional gearing Adjustments to be applied for performance assessment (at notional gearing) Cost of Debt Allowance The latest published FCPM contains the allowed cost of debt rate (%) for the reporting year. Heower, the RV does not accure for the reporting variable and advances. Consequently the return element of revenue does not currently reflect the monetary allowance. This is updated and a To address this timing issue, network operators shudd forecast the advance in row 65 (finked to RP-RAV table) - while Cost of Debt Allowance as per latest published PCFM (prior year ALiP) Forecast revised Cost of Debt Allowance	% Em nominal Em nominal Em 09/10 Em 09/10	68.1% 3.4 (0,7) 2.8 2.4 0 coming annual it	70.1% 6.8 (1.5) 5.3 4.5 0 eration process. 11.3	61.5% 27.0 (2.8) 24.2 20.1 0 13.8	59.2% 10.7 (0.8) 10.0 8.1 0 15.3	63.2% (7.5) 1.0 (6.5) (5.1) 0	64.8%	62.3% 8.4 (1.0) 7.4 5.5 0 11.7	62.7% 25.2 (3.1) 22.1 16.0 0	- 79.5	10
Performance against allowance is impacted by deviating from notional levels of gearing Notional Gearing Actual Gearing Assumed regulatory finance cost at actual gearing Assumed regulatory finance cost at notional gearing Adjustments to be applied for performance assessment (at notional gearing) Cost of Dabt Allowance The latest published CPCN contains the allowed cost of debt rate (%) for the reporting year. No consequently the return element of revenue does not currently reflect the monetary allowance. This is updated and an To address this timing issue, network operators hubd forecut the allowance in row 55 (finked to RP-RAV table) - while Cost of Dabt Allowance as per latest published PCFM (prior year All?) Forecast revised Cost of Dabt Allowance Out(under) performance	% Em nominal Em nominal Em 09/10 Em 09/10	68.1% 3.4 (0,7) 2.8 2.4 0 coming annual it	70.1% 6.8 (1.5) 5.3 4.5 0 eration process. 11.3	61.5% 27.0 (2.8) 24.2 20.1 0 13.8	59.2% 10.7 (0.8) 10.0 8.1 0 15.3	63.2% (7.5) 1.0 (6.5) (5.1) 0	64.8%	62.3% 8.4 (1.0) 7.4 5.5 0 11.7	62.7% 25.2 (3.1) 22.1 16.0 0	- 79.5	10
Performance against allowance is impacted by deviating from notional levels of gearing Notional Gearing Assumed regulatory finance cost at actual gearing Assumed tregulatory finance cost at actual gearing Assumed regulatory finance cost at notional gearing Adjustments to be applied for performance assessment (at notional gearing) Cost of Debt Allowance The latest published DCM contains the allowed cost of debt rate (%) for the reporting year. To address this thing issue. network operators hand forecast the addresse the addresse the subdished addressest the addresse the addresse in ow 56 (triked to RP-RAV table) - while Cost of Debt Allowance as per latest published PCFM (prior year ALP) Forecast revised Cost of Debt Allowance	% Em nominal Em nominal Em 09/10 Em 09/10	68.1% 3.4 (0,7) 2.8 2.4 0 coming annual it	70.1% 6.8 (1.5) 5.3 4.5 0 eration process. 11.3	61.5% 27.0 (2.8) 24.2 20.1 0 13.8	59.2% 10.7 (0.8) 10.0 8.1 0 15.3	63.2% (7.5) 1.0 (6.5) (5.1) 0	64.8%	62.3% 8.4 (1.0) 7.4 5.5 0 11.7	62.7% 25.2 (3.1) 22.1 16.0 0	- 79.5	- 10 10
Performance against allowance is impacted by deviating from notional levels of gearing Notional Gearing Actual Gearing Assumed regulatory finance cost at actual gearing Assumed regulatory finance cost at notional gearing Adjustments to be applied for performance assessment (at notional gearing) Cost of Debt Allowance The latest published PCM contains the allowed cost of debt rate (%) for the reporting year. Hewever, the RN4 does not account for the reporting year actual expenditure and additional allowances. Consequently the return element of revenue does not currently reflect the monetary allowance. This is updated and as To address the timing base. Invest, operators shudd forecast the address the moleculator of S (titled to KP-RAV table) - velic to sof of Debt Allowance as per latest published PCFM (prior year AIP) Forecast revised Cost of Debt Allowance Out(under) performance Pre-Tax performance Pre-Tax actoremance Pre-Tax cot of Debt out(under)performance at actual gearing	% Em nominal Em nominal Em 09/10 Em 09/10 Em 09/10 Em 09/10	68.1%	70.1% 6.8 (1.5) 5.3 4.5 0 eration process 11.3 11.1 5.5	61.5% 27.0 (2.8) 24.2 20.1 0 13.8 13.3 13.3 (9.1)	59.2% 10.7 (0.8) 10.0 10.0 8.1 0 15.3 14.8 6.1	63.2% (7.5) 1.0 (6.5) (5.1) 0 15.3 14.8 20.7	64.8% 1.7 (0.3) 1.5 1.1 0 12.8 12.4 11.1	62.3% 8.4 (1.0) 7.4 5.5 0 11.7 11.6 5.3	62.7% 25.2 (3.11) 22.1 16.0 0 13.3 11.2 (7.0)	- 79.5 77.5 42.2	
Performance against allowance is impacted by deviating from notional levels of gaining Notional Gearing Assumed regulatory finance cost at actual gearing Assumed regulatory finance cost at antolinal gearing Assumed regulatory finance cost at notional gearing Assumed regulatory finance cost at a notional gearing Assumed regulatory finance cost at a notional gearing Adjustments to be applied for performance assessment (at notional gearing) Cost of Debt Allowance The latest published PCM contains the allowed cost of debt rate (%) for the reporting year. However, the NM does not account for the reporting year actual operating allowances. This is updated and a tra additional allowance as the sublished forceth the abundance for the X-DM table) and table. Cost of Debt Allowance as per latest published PCFM (prior year AIP) forecast revised Cost of Debt Allowance Cost of Debt Allowance as per latest published PCFM (prior year AIP) forecast revised Cost of Debt Allowance Post-Tax performance	% Em nominal Em nominal Em 09/10 Em 09/10	68.1% 3.4 (0,7) 2.8 2.4 0 0 0 0 0 0 0 0 0	70.1% 6.8 (1.5) 5.3 4.5 0 eration process. 11.3 11.1	61.5% 27.0 (2.8) 24.2 20.1 0 13.8 13.8 13.3	59.2% 10.7 (0.8) 10.0 10.0 8.1 0 15.3 14.8	63.2% (7.5) 1.0 (6.5) (5.1) 0 15.3 14.8	64.8% 1.7 (0.3) 1.5 1.1 0 12.8 12.4	62.3% 8.4 (1.0) 7.4 5.5 0 11.7 11.6	62.7% 25.2 (3.1) 22.1 16.0 0 13.3 11.2	- 79.5 77.5 42.2	52

et Debt									
		Navigate							
		Actuals 2014	Actuals 2015	Actuals 2016	Actuals 2017	Actuals 2018	Actuals 2019	Forecast 2020	
Opening Cash, short term deposits and overdrafts (per Balance Sheet)	£m nominal	(1.3)	(3.5)	(5.5)	(5.8)	(0.5)	-	-	
Obside Arch short to a describe and supplied for (an Delager Chart)	£m nominal	(3.5)	(5.5)	(5.8)	(0.5)	-			_
Closing Cash, short term deposits and overdrafts (per Balance Sheet) External borrowings, bonds, external loans and finance leases (+ve)	Em nominal	(3.5)	(5.5) 300.0	350.0	649.7	749.7	754.2	754.3	+
Loans from other group companies (+ve)	£m nominal	313.1	613.1	1,063.1	1,063.1	1,063.1	1,063.1	1,063.1	-
Loans to other group companies (-ve)	£m nominal	515.1	015.1	1,005.1	1,005.1	1,003.1	1,005.1	1,003.1	-
Other amounts due to/(from) group companies per Balance Sheet	£m nominal	455.6	205.8	(204.4)	(113.7)	101.4	249.7	249.7	
Guarantees given on behalf of other group companies (per Notes to the Accounts) (+ve)	£m nominal	-	-	-	-	-	-	-	
Currency SWAPS	£m nominal	-	-	-	-		-		
Interest rate SWAPS	£m nominal	-	-	-	-	-	-	-	
Inflation-linked SWAPS	£m nominal	-	-	-	-	-	-	-	
Interest Rate Forward Contracts	£m nominal	-	-	-	-	-	-		
Foreign exchange forward rate contracts	£m nominal	-	-	-	-		-		-
Other swaps, forward rate contracts & OTC options	£m nominal £m nominal	-	-	-	-	-	-		
Other derivatives including exchange traded futures and options Total Debt per Statutory Accounts	£m nominal	915.2	1.113.4	1.202.9	1.598.6	1.914.2	2.067.0	2.067.1	
	Linnonnindi	715.2	1,113.4	1,202.7	1,370.0	1,714.2	2,007.0	2,007.1	-
Conversion to Regulatory (RIIO-1) Definition of Net Debt Fixed asset investments not readily convertible to cash	£m nominal			-					_
Preference shares	£m nominal	-		-	-		-		-
Long term loans (Not for benefit of regulated business or distribution in nature)	Ém nominal	-	-						-
1. Less debt attributable to TIRG	£m nominal	(310.8)	(333.7)	(271.6)	(284.8)	(302.0)	(310.7)	(290.0)	-
2. [Insert adjustment as necessary]	£m nominal	-	(333.7)	(271.0)	(204.0)	(302.0)	-	(270.0)	
3. [Insert adjustment as necessary]	£m nominal	-	-	-	-	-	-	-	
4. [Insert adjustment as necessary]	£m nominal	-	-	-	-	-	-	-	
5. [Insert adjustment as necessary]	£m nominal	-	-	-	-	-	-	-	
6. [Insert adjustment as necessary]	£m nominal	-	-	-	-	-	-		
7. [Insert adjustment as necessary]	£m nominal	-	-	-	-	-	-	-	
 [Insert adjustment as necessary] 	£m nominal	-	-	-	-	-	-	-	
9. [Insert adjustment as necessary]	£m nominal	-	-	-	-		-		-
10. [Insert adjustment as necessary]	£m nominal	-	-	-	-	-	-		-
 [Insert adjustment as necessary] [Insert adjustment as necessary] 	£m nominal £m nominal	-	-	-	-	-	-		-
Total Net Debt per Regulatory (RIIO-1) definition	Em nominal	604.4	779.7	931.4	1.313.8	1.612.2	1.756.3	1.777.1	
Forecast new debt/refinancing	Ém nominal	004.4	114.1	931.4	1,313.0	1,012.2	1,736.3	1,777.1	-
Regulatory Net Debt including forecast new debt/refinancing	£m nominal	604.4	779.7	931.4	1,313.8	1,612.2	1,756.3	1,777.1	
		OK	OK	OK	OK	OK	OK	OK	
Opening Regulatory Net Debt including forecast new debt/refinancing	£m nominal	510.3	604.4	779.7	931.4	1,313.8	1,612.2	1,756.3	
Closing Regulatory Net Debt including forecast new debt/refinancing	£m nominal	604.4	779.7	931.4	1,313.8	1,612.2	1,756.3	1,777.1	
Allocation of net debt (Per regulatory definition. Transmission companies only)									
System operator allocation (transmission companies only)	%	0%	0%	0%	0%	0%	0%	0%	
Transmission or distribution allocation	%	100%	100%	100%	100%	100%	100%	100%	
Average Net Debt (per Regulatory Definition)	£m nominal	557.3	692.0	855.5	1,122.6	1,463.0	1,684.2	1,766.7	
Equity RAV	£m nominal	261.0	295.3	536.3	773.6	852.6	914.9	1,069.4	
Average RAV	£m nominal	818.4	987.3	1,391.9	1,896.1	2,315.6	2,599.2	2,836.1	
Actual Regulatory Gearing	%	68.1%	70.1%	61.5%	59.2%	63.2%	64.8%	62.3%	
Notional Gearing	%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	
Gearing Ratio delta	%	13.1%	15.1%	6.5%	4.2%	8.2%	9.8%	7.3%	
NPV Neutral assumed Average Net Debt	£m 09/10	465.6	567.7	693.2	890.3	1,125.5	1,260.4	1,287.7	
NPV Neutral assumed Equity RAV	£m 09/10	218.1	242.2	434.6	613.5	655.9	684.7	779.5	
NPV Neutral assumed Average RAV	£m 09/10	683.7	809.9	1,127.8	1,503.8	1,781.5	1,945.1	2,067.2	
	£m 09/10 % %	683.7 68.1% 55.0%	809.9 70.1% 55.0%	1,127.8 61.5% 55.0%	1,503.8 59.2% 55.0%	1,781.5 63.2% 55.0%	64.8%	2,067.2 62.3% 55.0%	

egulatory Asset Value (RAV)		Navigate							
		Actuals 2014	Actuals 2015	Actuals 2016	Actuals 2017	Actuals 2018	Forecast 2019	Forecast 2020	Forecast 2021
RAV per latest published PCFM The latest published PCFM does not account for the impact of the reporting years totex. This will be published in the forthcoming ann	ual iteration process.								
Closing RAV per latest published PCFM	£m 09/10	726.0	967.4	1,418.5	1,763.7	1,988.2	2,069.5	2,161.2	2,120.4
Revised RAV - including forecast totex, allowances and enduring value Revised adjusted RAV including forecast totex, allowances and enduring value									
Opening RAV (before transfers)	£m 09/10	681.7	718.3	942.3	1,370.1	1,705.2	1,931.7	2,032.8	2,179.6
Transfers	£m 09/10	681.7	-	12.5 954.8	-	-	-	-	-
Opening RAV (after transfers) Net additions (after disposals)	£m 09/10 £m 09/10	86.9	718.3 286.6	496.4	1,370.1	1,705.2 316.8	1,931.7 208.8	2,032.8 250.8	2,179.6
Net additions (after disposals) - enduring value adjustment	£m 09/10	(7.7)	(17.6)	(24.3)	422.2	0.1	(6.7)	200.0	14.7
Total Net Additions	£m 09/10	79.2	269.0	472.1	410.5	316.9	202.0	254.1	583.8
Depreciation	£m 09/10	(42.6)	(45.3)	(58.0)	(77.5)	(92.9)	(103.5)	(110.0)	(117.0)
Depreciation - enduring value adjustment	£m 09/10	-	0.4	1.1	2.1	2.5	2.5	2.8	2.7
Total Depreciation	£m 09/10	(42.6)	(45.0)	(56.9)	(75.4)	(90.4)	(101.0)	(107.2)	(114.4)
[Input other adjustment]	£m 09/10								
[Input other adjustment]	£m 09/10								
[Input other adjustment] Other adjustments	£m 09/10 £m 09/10								
Adjusted Closing RAV	£m 09/10	718.3	942.3	1,370.1	1,705.2	1,931.7	2,032.8	2,179.6	2,649.0
Total enduring value and other adjustments	£m 09/10	(7.7)	(17.3)	(23.2)	(9.6)	2.7	(4.2)	6.0	17.4
CHECK		TRUE	TRUE	TRUE	TRUE	TRUE	NA	NA	NA
Year end RPI	Index	1.183	1.194	1.211	1.251	1.293	1.329	1.363	1.401
Financial Year Average RPI (RPIt)	Index	1.167	1.190	1.202	1.228	1.273	1.313	1.347	1.385
Index for Opening RAV conversion to nominal in yr 1	Index	1.154							
Adjusted Closing RAV	£m nominal	849.8	1,124.8	1,658.9	2,133.4	2,497.8	2,700.5	2,971.6	3,711.8
Cost of debt	annual real %	2.92%	2.50%	2.15%	1.79%	1.51%	1.16%	1.02%	0.86%
Cost of equity	annual real %	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
	%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%
Notional gearing							3.79%	3.71%	3.62%
Varilla WACC	annual real %	4.76%	4.53%	4.33%	4.13%	3.98%	3.1976		
Vanilla WACC	annual real %	4.76%	4.53%					1 136 0	1 302 4
				4.33% 620.3 507.5	4.13% 827.1 676.7	3.98% 979.8 801.7	1,069.8 875.3	1,136.9	1,302.4
Vanilla WACC	annual real % Em 09/10	4.76% 376.0	4.53%	620.3	827.1	979.8	1,069.8		
Vanilla WACC	annual real % £m 09/10 £m 09/10	4.76% 376.0 307.7 683.7 11.0	4.53% 445.5 364.5 809.9 11.1	620.3 507.5 1,127.8 13.3	827.1 676.7 1,503.8 14.8	979.8 801.7 1,781.5 14.8	1,069.8 875.3	930.2 2,067.2 11.6	1,065.6 2,368.0 11.2
Vanilla WACC NPV-neutral debt element of RAV NPV-neutral equity element of RAV NPV-neutral RAV return base Debt Return on RAV Equity Return on RAV	annual real % Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10	4.76% 376.0 307.7 683.7 11.0 21.5	4.53% 445.5 364.5 809.9 11.1 25.5	620.3 507.5 1,127.8 13.3 35.5	827.1 676.7 1,503.8 14.8 47.4	979.8 801.7 1,781.5 14.8 56.1	1,069.8 875.3 1,945.1 12.4 61.3	930.2 2,067.2 11.6 65.1	1,065.6 2,368.0 11.2 74.6
Vanilla WACC NVP-neutral debt element of RAV NVP-neutral equity element of RAV NPV-neutral RAV return base Debt Return on RAV Equity Return on RAV	annual real % Em 09/10 Em 09/10 Em 09/10 Em 09/10	4.76% 376.0 307.7 683.7 11.0	4.53% 445.5 364.5 809.9 11.1	620.3 507.5 1,127.8 13.3	827.1 676.7 1,503.8 14.8	979.8 801.7 1,781.5 14.8	1,069.8 875.3 1,945.1 12.4	930.2 2,067.2 11.6	1,065.6 2,368.0 11.2
Vanilla WACC NVP-neutral debt element of RAV NVP-neutral equity element of RAV NPV-neutral RAV return base Debt Return on RAV Equity Return on RAV	annual real % Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10	4.76% 376.0 307.7 683.7 11.0 21.5	4.53% 445.5 364.5 809.9 11.1 25.5	620.3 507.5 1,127.8 13.3 35.5	827.1 676.7 1,503.8 14.8 47.4	979.8 801.7 1,781.5 14.8 56.1	1,069.8 875.3 1,945.1 12.4 61.3	930.2 2,067.2 11.6 65.1	1,065.6 2,368.0 11.2 74.6
Vanilla WACC NPV-neutral debt element of RAV NPV-neutral equity element of RAV NPV-neutral RAV return base Debt Return on RAV Equity Return on RAV Total return on RAV	annual real % Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em nominal	4.76% 376.0 307.7 683.7 11.0 21.5 32.5 438.7 358.9	4.53% 445.5 364.5 809.9 11.1 25.5 36.6 529.9 433.6	620.3 507.5 1,127.8 13.3 35.5 48.9 745.8 610.2	827.1 676.7 1,503.8 14.8 47.4 62.2 1,015.8 831.1	979.8 801.7 1,781.5 14.8 56.1 70.9 1,248.4 1,021.4	1,069.8 875.3 1,945.1 12.4 61.3 73.7 1,404.7 1,149.3	930.2 2,067.2 11.6 65.1 76.7 1,532.0 1,253.5	1,065.6 2,368.0 11.2 74.6 85.8 1,803.7 1,475.7
Vanilla WACC NV-neutral debt element of RAV NV-neutral RAV return base Debt Return on RAV Equity Return on RAV Total return on RAV NV-neutral debt element of RAV	annual real % Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em nominal	4.76% 376.0 307.7 683.7 11.0 21.5 32.5 438.7	4.53% 445.5 364.5 809.9 11.1 25.5 36.6 529.9	620.3 507.5 1,127.8 13.3 35.5 48.9 745.8	827.1 676.7 1,503.8 14.8 47.4 62.2 1,015.8	979.8 801.7 1,781.5 14.8 56.1 70.9 1,248.4	1,069.8 875.3 1,945.1 12.4 61.3 73.7 1,404.7	930.2 2,067.2 11.6 65.1 76.7 1,532.0	1,065.6 2,368.0 11.2 74.6 85.8 1,803.7
Vanilla WACC NPV-neutral debt element of RAV NPV-neutral equity element of RAV NPV-neutral RAV return base Debt Return on RAV Equity Return on RAV Total return on RAV NPV-neutral debt element of RAV	annual real % Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em nominal Em nominal	4.76% 376.0 307.7 683.7 11.0 21.5 32.5 438.7 358.9 797.7	4.53% 445.5 364.5 809.9 11.1 25.5 36.6 529.9 433.6 963.5 13.2	620.3 507.5 1,127.8 13.3 35.5 48.9 745.8 610.2 1,356.0 16.0	827.1 676.7 1.503.8 14.8 47.4 62.2 1.015.8 831.1 1.846.9 18.2	979.8 801.7 1.781.5 14.8 56.1 70.9 1.248.4 1.021.4 2,269.8 18.9	1,069.8 875.3 1,945.1 12.4 61.3 73.7 1,404.7 1,149.3 2,554.0 16.3	930.2 2,067.2 11.6 65.1 76.7 1,532.0 1,253.5 2,785.5 15.6	1,065.6 2,368.0 11.2 74.6 85.8 1,803.7 1,475.7 3,279.4 15.5
Vanilla WACC NPV-neutral debt element of RAV NPV-neutral equity element of RAV NPV-neutral RAV return base Debt Return on RAV Equity Return on RAV Total return on RAV NPV-neutral debt element of RAV NPV-neutral equity element of RAV Adjusted NPV-neutral average RAV	annual real % Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em 09/10 Em nominal Em nominal	4.76% 376.0 307.7 683.7 11.0 21.5 32.5 438.7 358.9 797.7	4.53% 445.5 364.5 809.9 11.1 25.5 36.6 529.9 433.6 963.5	620.3 507.5 1,127.8 13.3 35.5 48.9 745.8 610.2 1,356.0	827.1 676.7 1,503.8 14.8 47.4 62.2 1,015.8 831.1 1,846.9	979.8 801.7 1,781.5 14.8 56.1 70.9 1,248.4 1,021.4 2,269.8	1,069.8 875.3 1,945.1 12.4 61.3 73.7 1,404.7 1,149.3 2,554.0	930.2 2,067.2 11.6 65.1 76.7 1,532.0 1,253.5 2,785.5	1,065.6 2,368.0 11.2 74.6 85.8 1,803.7 1,475.7 3,279.4

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			2014	2015	2016	2017	2018	2019	2020	202
	CT600 will not have been submitted for the current reporting year.									
I delative rates ubonited CVO Immedia 104 151 223 212 30 Attentive reverse or calculate labeling Immedia Immedia<	It is assumed the current tax charge per the statutory accounts will equal the tax liability in the forthcoming CT6	00, where this is not the case t	ne licensee should p	rovide an explai	nation in the c	ommentary of th	e variance.			
	This will be corrected / trued-up in future years									
$\frac{1}{10000000000000000000000000000000000$	Tax liability per latest submitted CT600	£m nominal	10.4	15.1	27.3	21.2	3.0		1111	14
Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Non-required tax Immediately adjustment is necessary) Immediately adjustment is necessary) Non-required tax Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary) Immediately adjustment is necessary Immediately adjustment is n	Adjustments to remove non-regulated tax liability									
Internstational at necessary) In one main In one main <th< td=""><td>Tax on non-regulated activities</td><td></td><td>0.5</td><td>1.1</td><td>1.8</td><td>3.2</td><td>1.7</td><td></td><td></td><td></td></th<>	Tax on non-regulated activities		0.5	1.1	1.8	3.2	1.7			
$\begin{bmatrix} fm remain a $	[Insert adjustment as necessary]									1
Non-regulated isa Optom Optom </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>-</td>										-
Ta conjugation increasions is notical increasions in order of the contrast of			0.5	1.1	1.8	3.2	1.7	11.1	111	17
Ta conjugation increasions is notical increasions in order of the contrast of										
Ta on IOI Em nomina 13 12 14 09 07 07 07 Collector even adjustment (%) Em nomina Em nomina 1 1 1 0 0 07		fm nominal	0.1		0.2	0.1	0.5	04	and the second	
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $				- 12					0.7	77
A monitor - timing adjustment Em onning Important Em onning Important							0.7			1
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	Pension - timing adjustment	£m nominal								1.1
$ \begin{array}{c} \mbox{Transfer Pricing} & \mbox{fm nominal} & \mbox{1} & \mbox{0.1} & \mbox$								115	111	1
$ \begin{bmatrix} \operatorname{Invert} \operatorname{algustment} \operatorname{s} \operatorname{necessary} \\ \left[\operatorname{Invert} \operatorname{algustment} \operatorname{s} \operatorname{necessary} \\ Invert \operatorname{necessary} \\$				0.4				111		
$ \begin{bmatrix} n \text{ rest adjustment a necessary} \\ [Insert adjustment a necessary] \\ [Insert adjustment and necessary] \\ [Insert adjustment and necessary] \\ [Insert adjustment and necessary] \\ [Insert adjustment a necessary] \\ [In$			0.1	0.1	0.1	0.1	0.1	111		
$\begin{bmatrix} \text{Instrat} \text{digustment as necessary} \\ \text{Instrat} \text{digustment as necessary} \\ \text{Instrat digustment or neglated as liability with timing differences} \\ \text{Instrat digustment as necessary} \\ \text{Adjustment or neglated as liability with timing differences} \\ Adjustment or neglated as liability for comparison against allowance extended extended as liability for comparison against allowance extended extended by diguing for notional gearing \\ \text{Revised regulated as liability for comparison against allowance extended extende$								100		
Intert adjustment as necksary) Em nominal transmit Important tem nominal tem nominal tem nominal tem nominal Important tem nominal tem nominal Important tem nominal tem nominal Tetrast regulated tax liability (frickding inpact of enduring value adjustments) Adjusted forecast regulated tax liability with timing differences Important tem nominal Importantem tem no										1
Total other adjustments Em nominal 14 13 17 12 13 13 0.7 Forecast requisited tax liability (including impact of enduring value adjustments) Adjusted forecast requised tax liability with timing differences Em nominal Em nominal Im nominal <								111	1111	7.7
Process requised tax liability (including impact of enduring value adjustments) Em nominal Em nominal Em nominal Em nominal Em nominal Ed 127 23.8 16.8 0.0 13.3 14.4 Adjusted forecast requised tax liability with timing differences Em 0710 7.2 10.7 19.8 13.7 0.0 10.1 10.7 Adjusted/forecast requised tax liability with timing differences Em 0710 7.2 10.7 19.8 13.7 0.0 10.1 10.7 Adjusted/forecast requised by deviating from notical levels of genring Em nominal 6.5.0% 55.0%								111		1
Adjusted forecast requilated tax liability with timing differences Em nominal 8.4 12.7 23.8 16.6 0.0 13.3 14.4 Financial year average RPI index 1.167 1.90 1.202 1.228 1.274 1.313 1.347 Adjusted/forecast requilated tax liability with timing differences Em 09/10 7.2 10.7 19.8 13.7 0.0 10.1 0.7 Tax out(under)performance a number of yearing Statused/forecast requilated tax liability with timing differences 55.0% 63.2% 64.8% 62.3% 64.8% 62.3% 64.8% 62.3% 64.8% 62.3% 64.8% 62.3% 66.8% 63.2% 64.8% 62.3% 66.8% 68.5% 68.5%	Total other adjustments	£m nominal	1.4	1.3	1.7	1.2	1.3	1.3	0.7	
Adjusted forecast requilated tax liability with timing differences Em nominal 8.4 12.7 23.8 16.6 0.0 13.3 14.4 Financial year average RPI index 1.167 1.90 1.202 1.228 1.274 1.313 1.347 Adjusted/forecast requilated tax liability with timing differences Em 09/10 7.2 10.7 19.8 13.7 0.0 10.1 0.7 Tax out(under)performance a number of yearing Statused/forecast requilated tax liability with timing differences 55.0% 63.2% 64.8% 62.3% 64.8% 62.3% 64.8% 62.3% 64.8% 62.3% 64.8% 62.3% 66.8% 63.2% 64.8% 62.3% 66.8% 68.5% 68.5%	Forecast regulated tax liability (including impact of enduring value adjustments)	fm nominal	EN CONTRACTOR OF THE OWNER OF THE	1111	e de de la		1.11	14.6	15.1	
Adjusted/forecast regulated tax liability with timing differencesImage: control of the control of th	Adjusted forecast regulated tax liability with timing differences		8.4	12.7	23.8	16.8	0.0			
Adjusted/forecast regulated tax liability with timing differencesImage: control of the control of th	Financial year average RPI	Index	1,167	1,190	1.202	1.228	1.274	1.313	1.347	
Tax outfunder) performance a painst allowance is impacted by deviating from notional levels of gearing % 55.0%										
Performance against allowance is impacted by deviating from notional levels of gearing % 55.0%		211 0 // 10								
Actual Gearing % 68.1% 70.1% 61.5% 59.2% 63.2% 64.8% 62.3% Adjusted/forecast requilated tax liability with timing differences £m nominal £m nominal 8.4 12.2 23.8 10.8 0.0 13.3 14.4 Adjusted/forecast requilated tax liability for comparison against allowance £m nominal 8.4 12.2 23.8 10.6 0.0 0.0 0.2 Revised requilated tax liability for comparison against allowance £m nominal 8.4 10.2 20.3 13.8 0.01 13.4 14.5 Allowance £m nominal £m nominal 8.6 13.0 24.4 16.9 0.01 13.4 14.5 Allowance £m 00/10 7.4 10.9 20.3 13.8 0.01 10.2 10.8 Allowance £m 00/10 7.8 6.2 9.6 8.7 5.5 5.8 6.8 10.8 Net Tax Allowance £m 00/10 7.8 6.2 9.6 8.7 5.5 5.8 6.8 10.8 Net Tax Allowance £m 00/10 7.8 6.2 <td></td>										
Actual Gearing % 68.16 70.16 61.58 50.2% 63.2% 64.3% 62.3% Adjusted/forecast requilated tax liability with timing differences Revised regulated tax liability for comparison against allowance £m nominal £m 00/10 £m 00/10 <u>7.8 6.2 9.6 8.7 5.5 5.8 6.8 Adjusted EXFL devised FCM does not account for the forecast TIM performance - and ultimate impact on tax allowance £m 00/10 Tax allowance <u>7.8 6.2 9.6 8.7 5.5 5.8 6.8 Net Tax Allowance ET as Allowance <u>5.8 6.8 1.8 6.2 9.6 8.7 5.5 3.7 4.2 Net Tax Allowance ET as Allowance <u>5.8 6.8 1.8 0.0 1.8 6.2 9.6 8.7 5.5 3.7 <t< u=""></t<></u></u></u></u>	Notional Gearing	%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	E
Adjustment to regulatory tax cost relating to variance from notional genring Em nominal Em nomin	Actual Gearing		68.1%	70.1%	61.5%	59.2%	63.2%	64.8%	62.3%	é
Adjustment to regulatory tax cost relating to variance from notional genring Em nominal Em nomin		6		40.7	00.0	44.0		40.0		
Revised regulated tax liability for comparison against allowance Em nominal 8.6 1.0 2.4.4 1.6.9 (0.1) 1.3.4 1.4.5 Revised regulated tax liability for comparison against allowance Em 09/10 7.4 10.9 20.3 13.8 (0.1) 10.2 10.8 Allowance Em 09/10 7.4 10.9 20.3 13.8 (0.1) 10.2 10.8 Allowance Em 09/10 7.8 6.2 9.6 8.7 5.5 5.8 6.8 10.9 10.8										
Revised regulated tax liability for comparison against allowance $I = 0$ $I = 0$ $I = 0$ $I = 0$ Allowance $I = 0$ $I =$			8.6	13.0	24.4	16.9	(0.2)	13.4		
Allowance The latest published PCFM does not account for the forecast TIM performance - and ultimate impact on tax allowance.										
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	Revised regulated tax liability for comparison against allowance	£m 09/10	7.4	10.9	20.3	13.8	(0.1)	10.2	10.8	
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	Allowance									
Tax Allowance per latest published PCFM Em 09/10 7.8 6.2 9.6 8.7 5.5 5.8 6.8 Tax clawbacks Em 09/10 - <										
Tax davabacks Em 09/10 - - - - - Not Tax Allowance Em 09/10 7.8 6.2 9.6 8.7 5.5 5.8 6.8 Not Tax Allowance Em 09/10 7.8 6.2 9.6 8.7 5.5 5.8 6.8 Not Tax Allowance Em 09/10 7.8 6.2 9.6 8.7 5.5 3.7 4.2 Forecast tax allowance Em 09/10 7.8 6.2 9.6 8.7 5.5 3.7 4.2 Not forecast tax allowance Em 09/10 7.8 6.2 9.6 8.7 5.5 3.7 4.2 Reconciliation of forecast movement in allowance Em 09/10 - - - - - Changes in corporation tax rates Em 09/10 - - - - - - Data allowance retained within deadband Em 09/10 - - - - - - Other allowance retained within deadband Em 09/10 - - - - -		Em 00/10	7.9	6.2	4.0	8.7	5.5	5.8	6.8	_
Net Em 0.9/1 7.8 6.2 9.6 8.7 5.5 5.8 6.8 Network operators should provide forecast allowances taking account of the tatest totex, allowances, reopeners, enduring value adjustments - and other financial variables <td></td> <td></td> <td></td> <td>-</td> <td>7.0</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td></td>				-	7.0	-	-	-	-	
Em 09/10 7.8 6.2 9.6 8.7 5.5 3.7 4.2 Forecast tax allowance Em 09/10 - <t< td=""><td></td><td></td><td>7.8</td><td>6.2</td><td>9.6</td><td>8.7</td><td>5.5</td><td>5.8</td><td>6.8</td><td></td></t<>			7.8	6.2	9.6	8.7	5.5	5.8	6.8	
Em 09/10 7.8 6.2 9.6 8.7 5.5 3.7 4.2 Forecast tax allowance Em 09/10 - <t< td=""><td>Network operators should provide forecast allowances taking account of the latest totex, allowances, reopeners, enduri</td><td>ng value adjustments - and oth</td><td>er financial variables</td><td>s</td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	Network operators should provide forecast allowances taking account of the latest totex, allowances, reopeners, enduri	ng value adjustments - and oth	er financial variables	s						
Foreast tax clavbacks Em 09/10 -										
Net forecast tax allowance Em 09/10 7.8 6.2 9.6 8.7 5.5 3.7 4.2 Reconclitation of forecast movement in allowance - - - - - 2 2 2.6 0.01 2.6 0.01 2.6 0.01 2.6 0.01 2.6 0.01 2.6 0.01 2.6 0.01 2.6 0.01 2.6 0.01 2.6 0.01 2.6 0.01 2.6 0.01 2.6 0.01			7.8	6.2	9.6	8.7	5.5	3.7	4.2	
Execonciliation of forecast movement in allowance - - - - (2.0) Changes in corporation tax rates Em 09/10 (0.1) (0.1) Tax allowance retained within deadband Em 09/10 (0.1) (0.1) Other adjustments Em 09/10 (0.1) (0.1)			- 7.8	6.2	9.6	8.7	5.5	3.7	4.2	
Chanase in corporation taxrates Em 09/10 Image: Chanase in corporation taxrates (0.1) (0.1) (0.1) Tax allowance retained within deadband Em 09/10 Em 09/10 Image: Chanase in corporation taxrates Image: Chanase in corporates Image: Chanase in	Her for coust tax unowarde	LIII 09/10	7.0	0.2	7.0	0.7	0.0	3.7	4.4	
Tax allowance related within deadband Em 09/10 Im	Reconciliation of forecast movement in allowance		-	-	-	-	-	(2.0)	(2.6)	
Other adjustments Em 09/10 Em 09/10 (2.5)								(0.1)	(0.1)	_
								(4.0)	(0.5)	
Em 09/10 UK UK UK OK OK OK OK			014	014	01	014	01/			-
										O

Regulated tax out(under) performance at actual gearing	£m 09/10	0.6	(4.5)	(10.2)	(5.0)	5.4	(6.4)	(6.4)	(5.2)
Regulated tax out(under) performance at notional gearing	£m 09/10	0.4	(4.7)	(10.7)	(5.1)	5.6	(6.5)	(6.6)	(5.5)
Impact on out(under) performance relating to deviating from notional levels of gearing	£m 09/10	0.1	0.3	0.5	0.1	(0.1)	0.0	0.1	0.4
Tax impact of financing performance (at actual gearing) Tax impact of financing performance (at actual gearing) Tax impact of financing performance (at notional gearing) Tax impact of financing performance (at notional gearing)	Em nominal Em 09/10 Em nominal Em 09/10	2.2 1.8 2.3 2.0	1.4 1.1 1.7 1.4	(2.2) (1.8) (1.6) (1.4)	1.5 1.2 1.6 1.3	5.0 3.9 4.8 3.8	2.8 2.1 2.8 2.1	1.4 1.0 1.6 1.2	(1.6) (1.2) (1.1) (0.8)

R11 - Dividends									
SHET		Navigate							
2019									
		Actuals 2014	Actuals 2015	Actuals 2016	Actuals 2017	Actuals 2018	Actuals N/A N/A 2019 2020 2021		
Dividend paid as per Statutory Accounts Less dividend paid not related to Regulated business	£m nominal	-	-	200.0	150.0	110.0	45.0		
[Insert adjustment as necessary] [Insert adjustment as necessary] [Insert new rows here as necessary]	£m nominal £m nominal £m nominal								
Dividend paid relating to the Regulated Business	£m nominal	-	=	200.0	150.0	110.0	45.0		
Shareholder loan interest (not included as Net Interest per Regulatory (RIIO-1) definition)	£m nominal	-	-	-	-	-			

- Pensions T		Navigate							
		Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Forecast	Forecast
		2014	2015	2016	2017	2018	2019	2020	2021
Licensee share of total pension deficit repair payment made for defined benefit scheme Of which:	£m nominal	2.1	2.1	1.0	1.0	0.6			
Established deficit element funded via specific allowances Incremental deficit funded via totex	£m nominal £m nominal	2.1	2.1	- 1.0	- 1.0	- 0.6			
Established deficit element funded via specific allowances	£m 09/10	1.8	1.7	0.9	0.8	0.5		-	-
Established deficit (EDE) allowance as per PCFM Less Pension Payment History Allowance (PPH) Established deficit allowance less PPH	£m 09/10 £m 09/10 £m 09/10	0.5 0.5 -	0.5	1.5 1.5 -	1.5 1.5 -	1.5 1.5 -	2.7	2.1 2.1 -	-
Latest pension scheme valuation		Enter valuation date 31/03/2016							
Price base		2015/16							
Total Liabilities attributable to post cut-off date notional sub fund Total Liabilities attributable to pre cut-off date notional sub fund		£m 147.6 1,850.4							
Total Assets attributable to post cut-off date notional sub fund Total Assets attributable to pre cut-off date notional sub fund		95.9 1,773.1							
Deficit in the post Cut-Off Date Notional Sub-Fund Deficit in the pre Cut-Off Date Notional Sub-Fund		51.7 77.3							
Licensee element of established deficit Licensee element of incremental deficit		18.8 44.0							

- Other activities									
т		Navigate							
		Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Forecast	Forecast
		2014	2015	2016	2017	2018	2019	2020	2021
Post-tax total fines and penalties (including GS payments)	£m 09/10	-	-	-	-	-	-	-	-
Ofgem related fines and penalties									
[Insert detail of fine or penalty]	£m nominal								
[Insert detail of fine or penalty]	£m nominal								
[Insert new rows here as necessary]	£m nominal								
Total Ofgem related fines and penalties	Em nominal	-	-	-	-	-	-	-	-
Any adjustment for tax Post-tax total fines and penalties	£m nominal £m nominal								
Fost-tax total files and penalties	Littitoitilla	-	-	-	-	-		_	-
Guaranteed Standard (GS) payments									
Total GS payments	£m nominal	-	-	-	-	-	-	-	-
Any adjustment for tax	£m nominal	-	-	-	-	-	-	-	-
Post-tax total GS payments	£m nominal	-	-	-	-	-	-	-	-