

RP6 Business Plan

Pensions

Guidance Notes



RP6 Business Plan Pensions Guidance Notes

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1. Introduction

1.1 Overview

- 1.1.1 As detailed in the RP6 BPT (Business Plan Template) Overarching Guidance, the BPT submission shall have a specific pensions work area.
- 1.1.2 The BPT submission for the pensions work area (the BPT Pensions submission) shall comprise the following in addition to the pensions section to be contained in the overall RP6 Business Plan:
- BPT Pensions Reporting Workbook (in Microsoft Excel format);
 - BPT Pensions Commentary Template (in Microsoft Word format);
 - Data assurance letter and report with respect to the BPT Pensions submission (as specified in chapter 5 of this document); as well as
 - any other additional documentation as requested in the BPT Pensions Guidance Notes and/or BPT Pensions Commentary Template and/or deemed appropriate by the licensees.
- 1.1.3 The BPT Pensions submission shall be made in line with the RP6 BTP Overarching Guidance and with the guidance provided in the present BPT Pensions Guidance Notes. These documents set out, in particular, the Utility Regulator's (the Authority) regulatory instructions and guidance for the completion and submission of the BPT Pensions Reporting Workbook, BPT Pensions Commentary Template and BPT Pensions Data Assurance documentation.
- 1.1.4 We reserve the right to issue, in addition to the regulatory instructions and guidance contained in these documents, additional, complementary guidance on selected business plan components if and as appropriate.
- 1.1.5 We note that the data assurance requirements detailed in chapter 5 will need to be complied with.
- 1.1.6 The pension data and information will be used as a basis for informing the RP6 price control with respect to pension cost. It will also form the basis for assessing any adjustments that may need to be made to RP5 with regards to pensions as part of the RP5 adjustments.
- 1.1.7 In line with CC guidance¹ and Ofgem practice², we consider using benchmarking, where reasonable and practical, as part of the assessment of pension costs incurred and pension funds requested by the licensees. The templates for the

¹ See [Competition Commission: Northern Ireland Limited Electricity Price Determination, Final Determination, 26 March 2014](#).

² See e.g. [Ofgem: Consultation on Ofgem's policy for funding Network Operators' pension deficits, Consultation](#), 21/05/2015.

provision of pensions-related data and commentary for the RP6 price control have been designed with this in mind. They have been based on related Ofgem templates, with NI-specific amendments as appropriate.

- 1.1.8 In our position paper regarding pension deficit recovery³ we indicated that we “will be developing a set of Pension Principles and Regulatory Instructions and Guidance (RIGs) for pension costs. This set of RIGs will be developed using the Ofgem Pension RIGS methodology.” We note that we consider the BPT Pensions Reporting Workbook and BPT Pensions Commentary Template together with the present accompanying guidance to be a key step in developing a consistent set of Pension Principles and Regulatory Instructions and Guidance for NI DNOs. Whilst being specific to NIE, the documents have been drawn up in a way that will facilitate their application for other NI DNOs as well, with some modifications as appropriate to account for DNO-specifics, lessons learnt from the RP6 price control process and any development of RIGs by Ofgem which may result in it seeking information in a different format.
- 1.1.9 When Regulatory Instructions and Guidance for annual reporting were issued to NIE in 2015, these did not contain specific provisions for pensions-related data. The BPT Pensions Reporting Workbook and BPT Pensions Commentary Template address this information gap with the templates covering historic as well as forward-looking data. Whilst some elements of the templates may be of relevance in a price control context only, others will also be required for monitoring on an ongoing basis performance against price control determinations. We therefore consider using the BPT Pensions Reporting Workbook and BPT Pensions Commentary Template as a basis when developing templates and associated guidance for annual and/or triennial reporting to take place during the course of the price control period, with modifications as appropriate to account for lessons learnt from the RP6 price control process and any development of RIGs by Ofgem which may result in it seeking information in a different format.

1.2 Relevant Period and Timescales for Reporting

- 1.2.1 As detailed in the BPT Overarching Guidance, unless otherwise specified in the reporting workbooks and templates, a reporting year runs from 1 April to 31 March in the following year. A reporting year of 2013 or 2012/2013 means the year ended on 31 March 2013. This convention applies throughout the BPT, including the BPT Pensions and all associated documents.
- 1.2.2 To facilitate allocation of data between the RP5 and RP6 price control periods, the 2017/2018 reporting year has been broken down into part years in some sections of the BPT Pensions Reporting Workbook, with the first part running from 1 April 2017 to 30 September 2017 and the second part running from 1 October 2017 to 31 March 2018. Where this is the case, this has been clearly indicated in the template.

³ [Utility Regulator: Pension Deficit Recovery – A Utility Regulator Position Paper, December 2014](#), p.11.

- 1.2.3 Within the BPT Pensions Reporting Workbook, different data sets may be required for different periods. For example, some data may be required for each year beginning with the start of the RP5 price control period until the end of the RP6 price control period, whilst other data may only be required for certain years. This has been clearly indicated in the templates.
- 1.2.4 The NIE T&D (the licensees) must provide the BPT pensions submission, including all documents listed under paragraph 1.1.2, within the timeline set out in the BPT Overarching Guidance.

1.3 Review Following Submission

- 1.3.1 The guidance provided in the BPT Overarching Guidance applies.

1.4 Template Errors

- 1.4.1 The guidance provided in the BPT Overarching Guidance applies.

2. BPT Pensions – General

2.1 Introduction

- 2.1.1 This chapter sets out overall instructions and guidance which apply to all parts of the BPT Pensions submission relating to pensions.

2.2 Submission and Resubmission

- 2.2.1 The BPT Pensions submission shall comprise of the information detailed in paragraph 1.1.2 of this document and must be submitted in line with the guidance provided in the BPT Overarching Guidance and in the present BPT Pensions Guidance Notes.
- 2.2.2 The BPT Pensions submission should be well-justified, self-explanatory, consistent internally, with the overall BPT submission and with other submissions the licensees have made to us.
- 2.2.3 The submission must comply with the data assurance requirements set out in chapter 5.
- 2.2.4 With respect to resubmission of information relating to the BPT Pensions submission, the guidance provided in the BPT Overarching Guidance applies.

2.3 Financial Basis, Estimates and Allocations

- 2.3.1 All costs reported in the BPT Pensions submission shall be on a cash basis.
- 2.3.2 Within the BPT Pensions Reporting Workbook, some worksheets are required to be completed on a nominal cost basis, others on a real cost basis. The cost basis to be used is set out clearly at the top of each worksheet. Where a worksheet is to be completed on a real cost basis, a constant price base shall be used. This shall be the price base specified in the BPT Overarching Guidance.
- 2.3.3 Unless identified otherwise in the Authority's Guidance (or in the licensees' submissions) the licensees should consistently classify revenues, cost and outputs, using the same policies and procedures to estimate and allocate cost as in the preparation of other related regulatory submissions relating to the RP5 or RP6 price control periods to ensure comparability of the data provided. Where this is not the case, appropriate details including quantification of the difference must be provided in the BPT Pensions Commentary Template.
- 2.3.4 Apportionments should be avoided wherever possible. However, where licensees have to use allocations or estimates as part of their BPT Pensions submission because the required information has not been captured or has not been captured to the relevant level of detail, the relevant policies, methodologies and data basis shall be provided in the BPT Pensions Commentary.

- 2.3.5 The data provided should include data from any affiliate or related undertaking of the licensees that either directly or indirectly provides goods and/or services to the licensees or forms part of the business, either separately or consolidated.

3. BPT Pensions – Reporting Workbook

3.1 Introduction

3.1.1 The BPT Pensions Reporting Workbook is provided in form of a Microsoft Excel workbook, subdivided into the following worksheets:

- Worksheet: Cover
- Worksheet: Navigation
- Worksheet: Index
- Worksheet: Changes Log
- Worksheet: P0 Universal Data
- Worksheet: P1 PDAM Licensee Provided
- Worksheet: P2 PDAM Actuary Provided
- Worksheet: P3 DB Overview – Historic
- Worksheet: P4 DB Scheme Cost – Outlook
- Worksheet: P5 DC Scheme Costs – Outlook
- Worksheet P6: PPF Levies – Outlook
- Worksheet: P7 Pension Scheme Administration – Outlook
- Worksheet: P8 Allocations – Outlook

3.1.2 The first four worksheets (Worksheet: Cover, Worksheet: Navigation, Worksheet: Index and Worksheet: Changes Log) are of administrative nature with limited data entry requirements for the licensees.

3.1.3 Worksheet: P1 PDAM Licensee Provided, Worksheet: P2 PDAM Actuary Provided and Worksheet: P3 DB Overview – Historic are based on the Ofgem Pension RIGs⁴, with amendments as relevant and appropriate. These worksheets relate to historic data required to understand and assess the performance of the licensees' pension schemes in the past, to assess related forecast future requirements and to apply the pension deficit allocation methodology in line with the decisions taken by

⁴ [Ofgem: Energy Network Operators' Price Control Pension Costs - Regulatory Instructions and Guidance: Triennial Pension Reporting Pack supplement including pension deficit allocation methodology, 12 April 2013](#) and [Ofgem: Pension RIGs \(Regulatory Instructions and Guidance\) tables, 12 April 2013](#).

the Competition Commission in their determination on the RP5 price control¹. Therefore, these worksheets need to be understood in the context of the related Ofgem publications. It should be noted in particular that, unless where explicitly stated otherwise, the Ofgem pension deficit allocation methodology applies accordingly to the licensee.

- 3.1.4 Worksheet: P4 DB Scheme Cost – Outlook, Worksheet: P5 DC Scheme Costs – Outlook, Worksheet P6: PPF Levies – Outlook and Worksheet: P7 Pension Scheme Administration – Outlook are based on Ofgem Annual Reporting and Business Plan templates, with consideration of relevant sections of the Ofgem Pension RIGs⁴ where applicable and with NI-specific amendments as relevant and appropriate. These worksheets relate to historic and forecast pension data required to understand the costs and performance of the licensees' pension schemes in the past and assess requirements for future funding of pension costs through the price control process.
- 3.1.5 Worksheet: P8 Allocations – Outlook is NI-specific. It serves for the recording of allocation details for cases where data required in Worksheet: P4 DB Scheme Cost – Outlook is not available in the required level of detail because it is only held for the pension scheme as a whole rather than broken down by business.
- 3.1.6 This chapter sets out general instructions and guidance for completion and submission of the BPT Pension Reporting Workbook, followed by specific instructions and guidance relating to the completion of the individual worksheets.

3.2 General Instructions and Guidance

- 3.2.1 The BPT Pensions Reporting Workbook should be completed and submitted in line with the related guidance provided in the BPT Overarching Guidance and any additional guidance provided in the present BPT Pensions Guidance Notes.
- 3.2.2 In the BPT Pensions Reporting Workbook the numbers other than percentages will be displayed to three decimal places; percentages will be displayed to two decimal places. The licensee is required to provide this data to the highest level of accuracy available to them with the minimum being three decimal places (two for percentages), unless otherwise indicated.
- 3.2.3 The BPT Pensions Reporting Workbook should not be returned with outstanding reconciling items or erroneous check cells unless prior agreement has been provided by the Authority in writing and a substantiating explanation has been provided in the BPT Pensions Commentary Template, including, where appropriate, the process for making good these items.

3.3 Worksheet: Cover

- 3.3.1 This worksheet introduces the name of the workbook, the licensees, the reporting price base and the relevant year or years.
- 3.3.2 No data entry is required on this worksheet.

3.4 Worksheet: Navigation

- 3.4.1 This worksheet helps to navigate the workbook. It contains three sections: Key; Version Submission Control; and Worksheets, each of which are described below.
- 3.4.2 The Key section sets out the colour code key used on all worksheets in this reporting workbook.
- 3.4.3 In the Version Submission Control section, the licensees shall populate, for each submission, the date the version was submitted to the Authority and the submission version number.
- 3.4.4 In the Worksheets section each of the remaining worksheets within the workbook are introduced by setting out the worksheet type, worksheet name, worksheet status and worksheet category. The worksheet name is hyperlinked for ease of navigation.

3.5 Worksheet: Index

- 3.5.1 This worksheet provides an overview over all worksheets and tables in this workbook. It helps to understand the structure of the workbook and worksheets and facilitates the maintenance of consistency with associated documentation.
- 3.5.2 No data entry is required on this worksheet.

3.6 Worksheet: Changes Log

- 3.6.1 The purpose of this worksheet is to provide a record of any changes to the workbook. For each version of the workbook the licensees or the Authority (whichever party has last changed it) must update the changes log table with the relevant version number, date, comments/notable changes, the effect of the changes and the reason for the changes. This shall be done by completing the next free new row in the changes log table.
- 3.6.2 A new version shall be created if any of the following apply: new formula/e; changed template structure; new worksheets required; changed data input; changed row or column headings or changed classifications. As detailed in the BPT Overarching Guidance, changes to the workbook formats, formulae or structure shall not be done by the licensees unless in line with prior instructions and guidance from the Authority to do so.

3.7 Worksheet: P0 Universal Data

Overview

- 3.7.1 This worksheet is a central repository for data that is valid for and/or used throughout the workbook.
- 3.7.2 The worksheet comprises two tables:

- Table: P0a Licensee Details
- Table: P0b BPT Pensions Reporting Period

3.7.3 No data entry is required on this worksheet.

Table: P0a Licensee Details

3.7.4 This table determines the licensees for which the data in the workbook needs to be provided and broken down.

3.7.5 It should be noted that two different levels of breakdown are used:

- Organisational breakdown for pensions reporting; and
- Organisational breakdown for reconciliation/determination.

3.7.6 The reason for using two levels of breakdown is that some pensions-related data is only recorded on scheme level, i.e. it is not available broken down by sponsoring employer. On the other hand, there is a need to have pensions-related data available broken out at least on licensee level, i.e. into NIE Distribution and NIE Transmission. As NIE Distribution and NIE Transmission are two separate licence holders, the price control determination will need to be made on this level. Also, BPT reporting workbooks for other work areas have been designed so as to have NIE Distribution and NIE Transmission data split out separately and to support reconciliation between these workbooks and the BPT Pensions Reporting Workbook it is desirable for pensions data to be available in this level of detail as well.

3.7.7 To address these issues, we have allowed for reporting of pensions data on two levels.

3.7.8 Where pensions data is required mainly for analysis purposes (e.g. assessment of reasonableness) and/or does not necessarily need to be broken out by licensee, the organisational breakdown for pensions reporting is used. This means that data can be reported on in aggregate across NIE Distribution and NIE Transmission to avoid any unnecessary allocations that might impact negatively on data quality. We note, however, that there may still be a requirement to differentiate data on pension scheme level into data relating to the regulated activities from NIE Distribution and NIE Transmission on one side, and data relating to unregulated activities on the other side. Any assumptions used to derive at such differentiation shall be detailed in the BPT Pensions Commentary Template.

3.7.9 Where pensions data is required for determination and/or reconciliation purposes and/or where it can be expected to be available in such level of detail, the more detailed organisational breakdown for reconciliation/determination is used.

3.7.10 We note that for both levels of breakdown (i.e. organisational breakdown for pensions reporting and organisational breakdown for reconciliation/determination),

for those years where NIE Networks Services constituted a sponsoring employer of the NIE pensions scheme, data relating to NIE Networks Services should be subsumed under the NIE Distribution and NIE Transmission data as and to the extent appropriate.

Table: P0b BPT Pensions Reporting Period

- 3.7.11 This table sets out the periods for which data may need to be reported on, in so far as the reporting period does not depend on the year of valuation or funding update. Reporting periods depending on year of valuation or funding update are managed through Table: P1a General Information.

3.8 Worksheet: P1 PDAM Licensee Provided

Overview

- 3.8.1 The purpose of this worksheet is to provide an update on licensee DB scheme data with respect to the period since the previous valuation until the latest valuation or funding update, whichever is later.
- 3.8.2 The worksheet shall be completed in nominal prices on a cash basis.
- 3.8.3 This worksheet is to be completed for each DB scheme separately. In cases where a licensee has more than one DB scheme, a separate copy of this worksheet shall be used for each scheme; the copies will be renamed “P1 PDAM Licensee Provided – Sx”, with x being consecutive numbers (e.g. 1, 2, 3, etc.) for the different schemes. If a licensee finds that the number of copies of this worksheet provided in the reporting workbook is smaller than the number of DB schemes it has, it shall contact us following the procedure described in section 1.4 Template Errors accordingly. We will then re-issue the workbook with the appropriate number of worksheets, ensuring the formulae to any cells linked to other worksheets in the workbook (cells highlighted in blue) point to the relevant worksheet referring to the scheme.
- 3.8.4 The worksheet comprises the following tables:
- Table: P1a General Information
 - Table: P1b ERDC Computation of Movement in Residual Unfunded Balance in Period
 - Table: P1c Adjustments to pre Cut-Off Date Regulatory Fractions
 - Table: P1d Post Cut-Off Date Regulatory Proportion at Previous Valuation
 - Table: P1e Calculation of Weighted Proportion
- 3.8.5 The details required for the breakdown by business are populated automatically from Table: P0a Licensee Details. Where relevant, certain cells are formatted

automatically as input or non-input cells, as appropriate, in line with the data contained in that table.

Table: P1a General Information

- 3.8.6 This table captures general information on the DB scheme. This information is used throughout the workbook where reference to that DB scheme is being made, e.g. to populate pre-populated and descriptor cells and in Worksheet: P1 PDAM Licensee Provided, Worksheet: P2 PDAM Actuary Provided and Worksheet: P3 DB Overview – Historic to adjust the formatting of certain cells as input or non-input cells, as appropriate.
- 3.8.7 Row 10: Please enter the name under which this scheme is referred to in your BPT Pensions submission.
- 3.8.8 Rows 13 to 16: Please provide the valuation dates of previous and current valuation as well as the dates at which any subsequent funding updates were made. Where a first and/or second funding update after the current valuation have not taken place, n/a should be entered for both the respective Day & Month as well as Year.
- 3.8.9 We note that even though cells B13 to C16 are input cells, data may exceptionally have been pre-populated. Where you find this to be the case, please verify the correctness of such data and amend as appropriate.
- 3.8.10 Day and Month information should be provided in a format that follows this example: “31 March”.
- 3.8.11 Where the reporting day and month are not consistent between the valuations and/or funding updates, please contact us, following the procedure described in section 1.4 Template Errors, to clarify in how far this impacts on the reporting requirements.

Table: P1b ERDC Computation of Movement in Residual Unfunded Balance in Period

- 3.8.12 This section establishes the movement in unfunded ERDCs by business.
- 3.8.13 Row 24: Please enter for each year the vanilla WACC from the relevant Final Determination or the return rate on the scheme, as appropriate, to three decimal places. Please provide details in the BPT Pensions Commentary Template on which data you have used, the reasons for your choice and the source of the data.
- 3.8.14 Row 26: Please enter in the yellow cells the opening balance of the residual amount of unfunded ERDCs by business.
- 3.8.15 Row 27: The return on the opening unfunded ERDCs based is calculated automatically based on the data provided in row 24.
- 3.8.16 Row 28: Please enter in £m the proportion of employer deficit payments that can be attributed, when applying the approach detailed in paragraph 6.5 of chapter 6 of the

Ofgem Pension RIGs⁴ accordingly, to the remaining additional liabilities which relate to unfunded ERDCs, allowing for expected returns calculated using the WACC determined for the relevant price control.

- 3.8.17 Row 29: The closing balance of residual unfunded ERDCs is calculated automatically.

Table: P1c Adjustments to pre Cut-Off Date Regulatory Fractions

- 3.8.18 This section summarises, by business, adjustments to the regulatory fractions resulting from bulk transfers in and out of the scheme as well as other relevant transactions and occurrences in the period between the previous and current valuation.
- 3.8.19 Row 35: Please provide, for each business, the opening regulatory fraction before adjustments for ERDCs.
- 3.8.20 Rows 36 to 39: Please provide details on the required adjustments from bulk transfers in and out of the scheme in the period between the previous and current valuation, broken down by business. In the case of adjustments related to bulk transfers being recorded which relate to more than one bulk transfer, the supporting data shall include detailed breakdown into the different bulk transfers with associated impact.
- 3.8.21 Row 40: Please provide details any other adjustments required relating to the period between the previous and current valuation, broken down by business. Please note that ERDC adjustments shall not be subsumed in this row, as they will be calculated separately based on the details provided in Table: P1b ERDC Computation of Movement in Residual Unfunded Balance in Period.
- 3.8.22 Each positive or negative entry in cells B35 to E40 must be evidenced with supporting data, setting out the source and the calculation of the proposed adjustment as a percentage of the scheme. Where an entry other than 0 is provided in any of these cells, the reference field in the related row will become an input cell in which the reference to the related supporting data, source and calculation shall be provided.

Table: P1d Post Cut-Off Date Regulatory Proportion at Previous Valuation

- 3.8.23 Row 46: Please provide the opening post cut-off date regulatory proportion by business.

Table: P1e Calculation of Weighted Proportion

- 3.8.24 This section collects data to support the calculation of the weighted proportion for each year following the date of the previous valuation up to and including the date of the current valuation.

- 3.8.25 Rows 53 to 55: Input for each relevant year the amount of pensionable salaries (before salary sacrifice) by business for this defined benefit pension scheme. This data provided should be consistent with any relevant previous information submitted to us (as part of annual reporting or otherwise), where applicable, with source details being provided in columns G to I.
- 3.8.26 Rows 58 to 61: The proportions of service as well as the weighted proportion based on pensionable salaries by business are calculated automatically based on the pensionable salary data provided.
- 3.8.27 Rows 65 to 67: Input for each relevant year the service periods by business for this defined benefit pension scheme. This data provided should be consistent with any relevant previous information submitted to us (as part of annual reporting or otherwise), where applicable, with source details being provided in columns G to I.
- 3.8.28 Rows 70 to 73: The proportions of service as well as the weighted proportion based on service periods by business are calculated automatically based on the service period data provided.

3.9 Worksheet: P2 PDAM Actuary Provided

Overview

- 3.9.1 The purpose of this worksheet is to provide an update on actuarial DB scheme data with respect to the period since the previous valuation until the latest valuation or funding update, whichever is later.
- 3.9.2 The worksheet shall be completed in nominal prices on a cash basis.
- 3.9.3 The worksheet is to be completed and signed off by the reporting actuary, with provision of a related report as specified in section 5.2 .
- 3.9.4 This worksheet is to be completed for each DB scheme separately. In cases where a licensee has more than one DB scheme, a separate copy of this worksheet shall be used for each scheme; the copies will be renamed “P2 PDAM Actuary Provided – Sx”, with x being consecutive numbers (e.g. 1, 2, 3, etc.) for the different schemes. If a licensee finds that the number of copies of this worksheet provided in the reporting workbook is smaller than the number of DB schemes it has, it shall contact us following the procedure described in section 1.4 Template Errors accordingly. We will then re-issue the workbook with the appropriate number of worksheets, ensuring the formulae to any cells linked to other worksheets in the workbook (cells highlighted in blue) point to the relevant worksheet referring to the scheme.
- 3.9.5 The worksheet comprises the following tables:
- Table: P2a General Information
 - Table: P2b Assets and Liabilities

- Table: P2c Reconciliation of Surplus/Deficit
- Table: P2d Scheme Liabilities and Attribution
- Table: P2e Attribution of Scheme Liabilities to Pre and Post Cut-Off Date Notional Sub-Funds
- Table: P2f Scheme Assets and Attribution to Pre and Post Cut-Off Date Notional Sub-Funds
- Table: P2g Calculation of Pre and Post Cut-Off Date Deficits

3.9.6 Details such as scheme name and dates for valuation or funding updates are populated automatically from Table: P1a General Information.

Table: P2a General Information

3.9.7 This table is populated automatically from Table: P1a General Information; no data input is required.

Table: P2b Assets and Liabilities

3.9.8 This table requires the input of the total assets and liabilities of the named DB scheme at the date of the previous valuation, the current valuation and, where applicable, of each subsequent funding update.

3.9.9 For the current valuation only, data related to the total liabilities shall be split out as follows:

- Active liabilities
- Deferred liabilities
- Pensioner liabilities

3.9.10 Assets should be entered as a positive amount and liabilities as a negative amount respectively.

3.9.11 Row 23: The scheme deficit or surplus at the date of the previous valuation, the current valuation and, where applicable, of each subsequent funding update is calculated automatically.

Table: P2c Reconciliation of Surplus/Deficit

3.9.12 Row 28: The scheme deficit of the named DB scheme (as negative) or surplus (as a positive) at the previous valuation is pre-populated from Table: P2b Assets and Liabilities.

3.9.13 Rows 29 to 40: Please capture the relevant movements observing the relevant signage. Assets and cash in should be recorded as positive values, outgoings as

negative values. Rows 38 to 40 should be used for additional items, where material. If used, the text in column B must be overwritten with a description.

- 3.9.14 The reconciliation should follow that in the DB scheme's current valuation.
- 3.9.15 Rows 41 to 42: The scheme deficit or surplus as at the date of the current valuation in cell E41 is calculated automatically based on the adjustments recorded in this table. It needs to be consistent with the related data in cell E23. This is verified through the consistency check in cell E42. If the consistency check results in an error message, the data must be corrected until the error is eliminated.
- 3.9.16 Should completion of this table not be reasonably possible because of a timing difference between the valuation date of the triennial valuation directly preceding the current valuation and the date of the previous valuation as per Table: P1a General Information, row 13, it is exceptionally permissible not to complete Table: P2c Reconciliation of Surplus/Deficit, provided a detailed explanation together with any reconciliation data that can reasonably be provided is included in the BPT Pensions Commentary Template. Such circumstances can exceptionally arise if the valuation date of the triennial valuation directly preceding the current valuation is prior to the cut-off date.

Table: P2d Scheme Liabilities and Attribution

- 3.9.17 This table captures the movements in scheme liabilities from the previous valuation to the current valuation.
- 3.9.18 Row 47: The liabilities of the named DB scheme at the previous valuation are pre-populated from Table: P2b Assets and Liabilities.
- 3.9.19 Rows 48 to 61: Please enter the movements in the period for each item listed in the scheme's liabilities. Amounts should be entered as a positive number for an item increasing the liability and as a negative number for an item reducing the liability, as indicated in column A.
- 3.9.20 Rows 62 to 63: The scheme liabilities as at the date of the current valuation in cell E62 are calculated automatically. They need to be consistent with the related data in cell E22. This is verified through the consistency check in cell E63. If the consistency check results in an error message, the data must be corrected until the error is eliminated.
- 3.9.21 Should completion of this table not be reasonably possible because of a timing difference between the valuation date of the triennial valuation directly preceding the current valuation and the date of the previous valuation as per Table: P1a General Information, row 13, it is exceptionally permissible not to complete Table: P2d Scheme Liabilities and Attribution, provided a detailed explanation together with any reconciliation data that can reasonably be provided is included in the BPT Pensions Commentary Template. Such circumstances can exceptionally arise if the valuation date of the triennial valuation directly preceding the current valuation is prior to the cut-off date.

Table: P2e Attribution of Scheme Liabilities to Pre and Post Cut-Off Date Notional Sub-Funds

- 3.9.22 This table captures the necessary data required to attribute total DB scheme liabilities to the pre and post cut-off Date notional sub-funds.
- 3.9.23 Rows 69 to 71: Please enter (as a percentage) the proportion of the scheme's active, deferred and pensioner liabilities attributable to the post-cut-off date notional sub-fund, calculated by applying the guidance in chapter 4 of the Ofgem Pension RIGs⁴ accordingly.
- 3.9.24 Please enter in row 77 the value of liabilities at the current valuation date in respect of post cut-off date benefits accrued up to and including the date of the previous valuation. Please enter in row 78 the value of liabilities at the current valuation date in respect of post cut-off date benefits accrued since the date of previous valuation. The sum of the two needs to be consistent with the liabilities attributable to the post cut-off date notional sub fund in row 73. This is verified through a consistency check in row 80. If the consistency check results in an error message, the data must be corrected until the error is eliminated.

Table: P2f Scheme Assets and Attribution to Pre and Post Cut-Off Date Notional Sub-Funds

- 3.9.25 This table analyses the movement in scheme assets in the period between the previous valuation and the current valuation and its attribution to pre and post cut-off date notional sub-funds.
- 3.9.26 Cell E85: Please indicate if for the named DB scheme, the assets relating to the pre and post cut-off date notional sub funds are tracked separately at each valuation by selecting the yes or no entry from the drop-down list as appropriate. This will determine which additional row(s) of Table: P2f Scheme Assets and Attribution to Pre and Post Cut-Off Date Notional Sub-Funds will need to be completed and the worksheet will automatically be formatted accordingly:
- If the answer is no, rows 89 to 103 will need to be completed and paragraphs 3.9.27 to 3.9.31 below apply.
 - If the answer is yes, rows 104 and 105 will need to be completed and paragraph 3.9.32 below applies.
- 3.9.27 Applying the methodology in chapters 5 and 6 of the Ofgem Pension RIGs⁴ accordingly, enter, in column E, the assets at previous valuation and the movements in the value of assets since for the total DB scheme for each of the items listed in column B.
- 3.9.28 Applying the methodology in chapters 5 and 6 of the Ofgem Pension RIGs⁴ accordingly, enter, in column D, the assets at previous valuation and the movements in the value of assets since for assets attributable to the post cut-off date notional sub-fund for each of the items listed in column B.

- 3.9.29 No data entry is required for column C, which subtracts the amounts in column D from those in column E to show the value of assets attributable to the pre cut-off date notional sub-fund.
- 3.9.30 For each of the items listed in column B, enter in column F the basis of the calculation of total and attribution to post cut-off date sub-fund values, including data and formulae applied. Where appropriate, this information can be included in the BPT Pensions Commentary Template or another appendix to your BPT submission, in which case a clear reference to the relevant place in such document shall be recorded in column F.
- 3.9.31 If movements relating to bulk transfers are recorded in row 97 and/or row 100 respectively, please specify which transfer(s) the data relates to. Should the data relate to more than one bulk transfer, please provide the detailed breakdown into the different bulk transfers with their associated impact.
- 3.9.32 If the assets relating to the pre and post cut-off date notional sub funds are tracked separately at each valuation, enter in column E the total value of assets for the total DB scheme at the previous valuation date in row 104 and at the current valuation date in row 105 respectively. Enter in column D the respective values of the assets attributable to the post cut-off date notional sub-funds at these dates. The value of assets attributable to the pre cut-off date notional sub-fund as per the previous and current valuation dates is calculated automatically in column C. Enter in column F the basis for deriving the total and attribution to post cut-off date sub-fund values, including data and formulae applied. Where appropriate, this information can be included in the BPT Pensions Commentary Template or another appendix to your BPT Pensions submission, in which case a clear reference to the relevant place in such document shall be recorded in column F.

Table: P2g Calculation of Pre and Post Cut-Off Date Deficits

- 3.9.33 This table calculates the attribution of the deficit or surplus between the pre and post cut-off date notional sub-funds from the data in Table: P2b Assets and Liabilities to Table: P2f Scheme Assets and Attribution to Pre and Post Cut-Off Date Notional Sub-Funds.

3.10 Worksheet: P3 DB Overview – Historic

Overview

- 3.10.1 This worksheet collects data on the DB scheme. This data is for the purposes of assessing performance against price controls with regards to pensions, to inform pension cost reasonable reviews and to inform the RP6 price control with respect to pensions.
- 3.10.2 The worksheet shall be completed in nominal prices on a cash basis.
- 3.10.3 This worksheet is to be completed for each DB scheme separately. In cases where a licensee has more than one DB scheme, a separate copy of this worksheet shall

be used for each scheme; the copies will be renamed “P3 DB Overview – Historic–Sx”, with x being consecutive numbers (e.g. 1, 2, 3, etc.) for the different schemes. If a licensee finds that the number of copies of this worksheet provided in the reporting workbook is smaller than the number of DB schemes it has, it shall contact us following the procedure described in section 1.4 Template Errors accordingly. We will then re-issue the workbook with the appropriate number of worksheets, ensuring the formulae to any cells linked to other worksheets in the workbook (cells highlighted in blue) point to the relevant worksheet referring to the scheme.

3.10.4 The worksheet comprises the following tables:

- Table: P3a General Information
- Table: P3b Group Scheme Cashflows
- Table: P3c Investment Returns
- Table: P3d Scheme Assets by Class
- Table: P3e Scheme Membership
- Table: P3f Actuarial Data

3.10.5 Table: P3f Actuarial Data is to be completed and signed off by the reporting actuary, with provision of a related report and certificate as specified in section 5.2; the other tables contained in this worksheet can be completed by the licensees.

3.10.6 The details required for the breakdown by business are populated automatically from Table: P0a Licensee Details. Where relevant, certain cells are formatted automatically as input or non-input cells, as appropriate, in line with the data contained in that table.

3.10.7 Details such as scheme name and dates for valuation or funding updates are populated automatically from Table: P1a General Information.

Table: P3a General Information

3.10.8 This table is populated automatically from Table: P1a General Information; no data input is required.

Table: P3b Group Scheme Cashflows

3.10.9 This section collects information on the total group scheme cashflows of the DB scheme.

3.10.10 Cells D18 to H24: Please provide the amounts payable by employees and employers without adjustment to reverse for the effect of salary sacrifice amounts.

- 3.10.11 Cells J18 to N19: Please provide the amounts payable by employees and employers reported after reversing for the impact of salary sacrifice amounts, i.e. any reduction in employee contributions and increase in employer contributions from the salary sacrifice arrangements.
- 3.10.12 Rows 27 to 42: Please record details on the transfer values in and out of the scheme.
- 3.10.13 Rows 45 to 50: Please record details on payments.
- 3.10.14 In the case of any other contributions, receipts or payments being reported in rows 24, 42 and/or 50 respectively, please amend the description of what these relate to in column A accordingly and provide any details on what these refer to, as you consider relevant, in the BPT Pensions Commentary Template in addition to what you have recorded in the BPT Pensions Reporting Template.
- 3.10.15 In the case of any bulk transfers and/or corporate transactions in and/or out of the scheme being recorded in rows 28 to 40, please provide details on each transfer in the BPT Pensions Commentary Template.

Table: P3c Investment Returns

- 3.10.16 This table collects investment returns, net of investment management fees where they are deducted from investment returns.
- 3.10.17 Rows 57 to 61: Please record investment returns and investment-related expenses as positive respectively negative values, as appropriate. The data is required for each year starting from the year of the previous valuation up to and including to the year of the current valuation or last funding update, whichever is later. If the licensees have not previously provided or do not have the historical data on an annual basis, it should be provided as at each full actuarial valuation date and an explanatory comment should be included in the BPT Pensions Commentary Template.
- 3.10.18 Row 62: The total investment return is calculated automatically.
- 3.10.19 In the case of any of the other lines (i.e. rows 60 and 61) being used, please amend the description of what these relate to in column A accordingly and provide any details on what these refer to, as you consider relevant, in the BPT Pensions Commentary Template in addition to what you have recorded in the BPT Pensions Reporting Template.
- 3.10.20 Row 64: Please enter the investment return assumption in each of the relevant valuations applicable to each year as a percentage. It should be the average or the weighted average of the pre- and post-retirement discount rates.
- 3.10.21 Row 65: Please enter the investment return assumption in each of the relevant recovery plans applicable to each year as a percentage. It should be the average or the weighted average of the pre and post- retirement discount rates.

3.10.22 Row 66: Please enter the actual investment return achieved in each year as a percentage of total assets based on scheme cashflows.

Table: P3d Scheme Assets by Class

3.10.23 Rows 73 to 91: Please enter in columns D to I details on the assets by category held in the scheme in each year. The data should be sourced from triennial valuations, funding updates and/or annual pension scheme accounts. For the purposes of the asset allocation memorandum, enter in column B which category each asset is in for the analysis at rows 95 to 97.

3.10.24 Rows 95 to 97: The asset allocation memorandum as percentages of the total assets in rows 73 to 91 is calculated automatically in columns D to I. This is the scheme's view of asset classes and these are not pre-determined as some asset categories may fall into different classes dependent on how the assets are managed.

3.10.25 In columns J to L, please enter the estimated attribution of assets at the current valuation date in rows 73 to 91 and the asset allocation memorandum as percentages of the total assets in rows 95 to 97, to the following groups of members:

- Members in currently regulated activities
- Members in non-regulated activities
- Legacy members from businesses disposed of

It is acceptable to use an approximation if assets are not held in physically separated sub-funds attributable to any specific groups of members.

3.10.26 Please explain how you have made your attributions in the BPT Pensions Commentary Template and provide any supporting documents or analysis. Please explain whether assets are, or are not, held in physically separated sub-funds attributable to any specific groups of members.

Table: P3e Scheme Membership

3.10.27 This table seeks membership information for the following key groups of members:

- Members in currently regulated activities, broken down by business
- Members in non-regulated activities
- Legacy members from businesses disposed of

3.10.28 Rows 106 to 147: Please provide details on member numbers as requested. As indicated by the colour-coding of the template, some cells are pre-populated automatically.

- 3.10.29 The total group data across all these groups should be that used in the valuation.
- 3.10.30 The analysis of members by business, activities and legacy members for businesses disposed of should be extracted from the scheme records. Please explain how you have made the attributions in the BPT Pensions Commentary Template and provide any supporting documents or analysis. If the individual movements are unobtainable then it is acceptable to provide at a minimum the opening balance and a single movement figure (using only the leavers row in each case) to derive the closing balance. If you have not previously provided or do not have the historical data on an annual basis, it should be provided as at each full actuarial valuation date.
- 3.10.31 In the case of any actives, deferred pensioners, pensioners or dependents data relating to bulk transfers being recorded, please specify in the BPT Pensions Commentary Template which transfer(s) the data relates to. Should the data relate to more than one bulk transfer, please also provide in the BPT Pensions Commentary Template the detailed breakdown into the different bulk transfers with their associated impact.
- 3.10.32 Rows 152 to 156: Please input the average age of members as at the dates of previous and current valuation.
- 3.10.33 Rows 160 to 163: Please provide the membership numbers for those members with protected rights under the Protected Persons legislation. The membership data for other members is then calculated automatically.
- 3.10.34 Rows 148, 174 and 175: Consistency checks in these rows verify the consistency of the data provided in Table: P3e Scheme Membership. If any of these consistency checks results in an error message, the data must be corrected until the error is eliminated.

Table: P3f Actuarial Data

- 3.10.35 This table collects information on the actuarial valuation results for the DB scheme as at the previous and current valuations. This refers to scheme funding valuations rather than valuations for other purposes (for example, company accounting valuations or PPF levy valuations or sectionalisation).
- 3.10.36 Most of the information is self-explanatory and will be that from the previous and current valuations; however, where necessary answers should be expanded in the BPT Pensions Commentary Template.
- 3.10.37 Row 188: Please indicate if there have been significant changes to the valuation approach and/or the assumptions since the directly preceding valuation by selecting the relevant entries from the drop-down lists. In case of the yes entry being selected, please provide details in the BPT Pensions Commentary Template. This should include, but does not need to be limited to, details on nature of and rationale for such changes as well as on their impact and timing.

- 3.10.38 Row 194: If different parts of the existing deficit are to be funded over differing periods, please provide a detailed breakdown in the BPT Pensions Commentary Template, specifying the different components of the deficit for which the different funding periods apply as well as the related funding periods.
- 3.10.39 Rows 199 and 200: These two rows need to be considered together. In row 200 the assumed retirement age is to be recorded, in row 199 the average remaining active service life based on this retirement assumption.
- 3.10.40 Row 201: Please enter the total amount for salaries in the group accounts.
- 3.10.41 Row 202: Please enter, in columns G to L as relevant, the amount of deficit recovery contributions paid to the scheme in each year. The total deficit recovery contributions paid for the previous and current valuation periods respectively are then populated automatically in columns D and E.
- 3.10.42 Rows 205 to 207 and 211 to 214: As indicated, please enter in columns G and H respectively (column G) whether smoothing has been applied, and (column H) whether account has been taken of changes in market conditions since the valuation date, in arriving at the value of assets and liabilities. This should be indicated by selecting the relevant entry from the drop-down list.
- 3.10.43 Rows 209 and 215: Please enter the neutral pre- and post-retirement rates of return respectively. Please provide details in the BPT Pensions Commentary on the assumptions used and the valuation results on a neutral basis including, but not limited to, calculations as well as resulting liability assessments and funding levels.
- 3.10.44 Row 226: Please provide detail on the rate of smoothing of discount rate applied to liabilities. This may be answered as narrative in the BPT Pensions Commentary Template. It will also depend on whether smoothing is eventually prescribed and on its form.
- 3.10.45 Rows 229 to 248: Where different actuarial assumptions are used in the deficit recovery plan compared to the actuarial valuation, please enter only the different assumptions compared to those for each category in row 205 to 226.
- 3.10.46 Rows 217, 218, 221, 222, 239, 240, 243 and 244: Please specify the mortality table used, including any age ratings: e.g. "PMA/PFA92 U=2004 x-1" with medium cohort improvement factors subject to a 1 per cent underpin". Expand in the BPT Pensions Commentary Template as necessary.
- 3.10.47 Rows 252 to 266: Please enter, for up to four different groups of members, the current scheme benefits applicable to each different group of members. Additional columns may be copied and pasted in where there are more than four different groups. Where insufficient space is provided in the BPT Pensions Reporting Workbook to record all relevant details, please provide details in the BPT Pensions Commentary Template and reference to the reporting template. Also, please detail in the BPT Pensions Commentary Template, for each of the groups, to which sponsoring employer(s) of the scheme it is applicable.

- 3.10.48 Row 255: The rows headed “normal retirement age” are to be completed with the earliest age at which unreduced benefits are payable on age retirement (which might strictly be different to the scheme’s “normal retirement age”).
- 3.10.49 Rows 269 to 270: Information on AVC (additional voluntary contribution) facilities is required only to the extent that employees can purchase additional service in the defined benefit scheme or the employer contributes in some way. Where applicable, AVC information is required for the DB scheme as a whole.
- 3.10.50 Rows 276 to 278: Please indicate in row 276, by selecting the relevant entry from the drop-down list, if the scheme accepts transfers in. Depending on the entry, either row 277 (if the scheme does not accept transfers in) or row 278 (if the scheme accepts transfers in) will need to be completed. The formatting of these two rows will be adjusted accordingly automatically, depending on the entry in row 276.
- 3.10.51 Row 287: Please indicate if there have been any instances since the directly preceding valuation of pension benefits being increased by more than the minimum level permissible in the scheme rules. This should be done by selecting the relevant entry from the drop-down list. In case of the yes entry being selected, please describe the process used to implement such an increase in the BPT Pensions Commentary Template.
- 3.10.52 Row 290: The data to be entered here should be computed as the number of members retiring in the scheme in each triennial period who took a lump sum commutation payment as a percentage of all retirements in the scheme. This includes where provided those who take the 3/80ths scheme lump sum.
- 3.10.53 Row 291: Please enter the nominal average actual salary increases to active scheme members in the triennial period computed, expressed as a percentage of each years’ pensionable salary as at 1 April.
- 3.10.54 Row 292: Please provide the percentage increase in salary assumption in the valuation applicable to the triennial period.
- 3.10.55 Rows 296 to 308: Please enter the relevant ratios. They should be derived from information in the regulatory accounts and the scheme’s pension deficits at each date using the published regulatory fraction from the relevant determination document. Expand in the BPT Pensions Commentary Template as necessary.

3.11 Worksheet: P4 DB Scheme Cost – Outlook

Overview

- 3.11.1 This worksheet collects data relating to the licensees’ pension costs for the defined benefit scheme. This data is for the purposes of assessing performance against price controls with regards to pensions, to inform pension cost reasonable reviews and to inform the RP6 price control with respect to pensions.

- 3.11.2 The worksheet, whilst being designated as being an outlook worksheet and containing mostly forecast data, also contains historic data with respect to the PR5 price control period.
- 3.11.3 The worksheet shall be completed in real prices as specified in the BPT Overarching Guidance, on a cash basis.
- 3.11.4 This worksheet is to be completed for each DB scheme separately. In cases where a licensee has more than one DB scheme, a separate copy of this worksheet shall be used for each scheme; the copies will be renamed “P4 DB Scheme Cost – Outlook – Sx”, with x being consecutive numbers (e.g. 1, 2, 3, etc.) for the different schemes. If a licensee finds that the number of copies of this worksheet provided in the reporting workbook is smaller than the number of DB schemes it has, it shall contact us following the procedure described in section 1.4 Template Errors accordingly. We will then re-issue the workbook with the appropriate number of worksheets, ensuring the formulae to any cells linked to other worksheets in the workbook (cells highlighted in blue) point to the relevant worksheet referring to the scheme.
- 3.11.5 The worksheet comprises the following tables:
- Table: P4a Scheme Information
 - Table: P4b Cost of Meeting Current Pension Service Cost for this Defined Benefit Scheme
 - Table: P4c Attribution of Current Pension Service Cost
- 3.11.6 The details required for the breakdown by business are populated automatically from Table: P0a Licensee Details. Where relevant, certain cells are formatted automatically as input or non-input cells, as appropriate, in line with the data contained in that table.
- 3.11.7 Details such as the scheme name are populated automatically from Table: P1a General Information.
- 3.11.8 Within this worksheet, some information relates to the total DB scheme as a whole and is to be reported on group level, other information is to be reported on business level (also referred to as licensee level in the worksheet). The relevant reporting level is indicated in column B. We note that where it is stated in the worksheet that reporting on licensee level is required, this may relate to using the organisational breakdown for pensions reporting or the organisational breakdown for reconciliation/determination from Table: P0a Licensee Details. Which breakdown is applicable for which sections of the worksheet is visible from the respective column/row headers.

Table: P4a Scheme Information

- 3.11.9 The scheme overview section of this table will be populated automatically from Table: P1a General Information for the pension scheme name and Table: P3f Actuarial Data for details on deficit funding.
- 3.11.10 Rows 18 and 19: Please enter the regulatory fraction and regulatory proportion respectively by business. These should be consistent with the decisions in the Competition Commission final determination on the RP5 price control¹, with those established or expected to be established by applying the Ofgem pension deficit allocation methodology⁴ accordingly and, for the years where this is relevant and applicable, with those reported in Worksheet: P1 PDAM Licensee Provided.
- 3.11.11 Row 23: Please enter the investment return in percent assumed in setting deficit funding payments. For the years where this is relevant and applicable, this should be consistent with the data reported in Worksheet: P3 DB Overview – Historic.
- 3.11.12 Rows 24 to 26: Please provide the cash cost of group scheme deficit repair funding, contingent asset and pension hedging cost for the DB scheme in the respective rows.
- 3.11.13 Row 27: The total of contingent asset and pension hedging cost for this DB scheme is calculated automatically.
- 3.11.14 Rows 31 and 32: Please provide the cash cost of post cut-off date group scheme deficit repair funding in row 32. The cash cost of pre cut-off date group scheme deficit repair funding will then be populated automatically in row 31.

Table: P4b Cost of Meeting Current Pension Service Cost for this Defined Benefit Scheme

- 3.11.15 Row 40: Please insert the total pensionable pay (including salary sacrifice) of active members of the DB scheme by business.
- 3.11.16 Row 41: Please insert the salary sacrifice element of employer pension contributions (which equal the salary sacrificed) by the employers which relate solely to sacrifice for additional DB pension contributions made under an arrangement with the sponsoring employer for active members in this DB scheme only.
- 3.11.17 Rows 46 to 47: Please insert, by business, the employee contributions excluding salary sacrifice (as per row 41), provided in both percentage and £m.
- 3.11.18 Rows 50 to 51: Please insert, by business, the employee contributions including salary sacrifice (as per row 41), provided in both percentage and £m.
- 3.11.19 Rows 48 and 52: The checks in these rows verify consistency between the data included in the Pensionable Pay and Salary Sacrifice and the Employee's Contributions sections of this table. If any of the consistency checks results in an error message, the data must be corrected until the error is eliminated.

- 3.11.20 Row 57: Please insert the employer contributions excluding salary sacrifice (as per row 41) by business in £m. This data needs to reconcile with the total employer DB normal ongoing pension contributions in row 86 of the BPT C1 Matrix Reporting Workbook.
- 3.11.21 Row 58: The actual normal ongoing pension service funding as percentage of pensionable pay excluding salary sacrifice is calculated automatically.
- 3.11.22 Rows 59 to 64: These lines are populated automatically from Worksheet P6: PPF Levies – Outlook and Worksheet: P7 Pension Scheme Administration – Outlook.
- 3.11.23 Rows 69 to 71: The cash cost of the pension deficit funding cost (excluding any pension hedging and contingent assets) relating to pre cut-off date, post cut-off date and the total of the two will be populated automatically based on data provided in Table: P4a Scheme Information. It needs to reconcile with the established deficit repair payments in row 94 and the incremental deficit repair payments in row 93 respectively of the BPT C1 Matrix Reporting Workbook on total level.
- 3.11.24 Row 72: Please provide the cash cost of funding pension hedging and contingent asset cost, by business.
- 3.11.25 Row 73: Please provide the cash cost of augmentation of benefits, by business.
- 3.11.26 Row 74: Please provide the cash cost of funding ERDCs, by business. They need to reconcile with the ERDCs in row 99 of the BPT C1 Matrix Reporting Workbook on total level.
- 3.11.27 Rows 75 to 77: Provide the cash cost of funding pension strain cost, by business, in rows 76 and 77. The total across the two is automatically populated in row 75. It needs to reconcile with the employer DB pension scheme contributions to pension strain benefits in row 98 of the BPT C1 Matrix Reporting Workbook on total level.
- 3.11.28 Row 78: The cash cost of funding pension-related severance cost is calculated automatically based on the data recorded in rows 74 and 75 for ERDCs and pension strain cost.
- 3.11.29 Rows 83 to 92: In these rows, the information from rows 69 to 78 is broken out to a greater level of detail. Whereas rows 69 to 78 are based on the organisational breakdown for pensions reporting, rows 83 to 92 are based on the more detailed organisational breakdown for reconciliation/determination from Table: P0a Licensee Details. Rows 83 to 92 are populated automatically using the information from rows 69 to 78 and the allocation rules from Table: P8a Pension Scheme Cost Allocation for Reconciliation/Determination – DB Scheme. Where a licensee considers that it is more appropriate not to use allocations but to provide the data required for the more detailed organisational breakdown for reconciliation/determination directly, they may exceptionally overwrite the blue cells in rows 83 to 92 with that data, provided consistency with the data in rows 69 to 78 is maintained and a related comment is included in the BPT Pensions Commentary Template, clearly stating

the rows for which formulas in this section of the worksheet have been overwritten and why.

- 3.11.30 Row 97: The total DB Pension Funding Payment is calculated automatically based on the total ongoing pension funding cost, total deficit funding cost, pension hedging and contingent asset cost, augmentation of benefit cost and funding of pension-related severance cost recorded above.

Table: P4c Attribution of Current Pension Service Cost

- 3.11.31 Rows 105 to 108: Please record, by business, the attribution of the ongoing pension funding cost for the DB scheme to UoS funded cost and non UoS funded cost in rows 105 and 106 respectively. The total across both is populated automatically in row 107 and needs to be consistent with the total ongoing pension funding cost in row 64. This is verified through a consistency check in row 108. If the consistency check results in an error message, the data must be corrected until the error is eliminated. The data also needs to reconcile with the total employer DB normal ongoing pension contributions, DB Pension scheme administration cost and investment management fees and PPF Levies in rows 86, 88 and 90 respectively of the BPT C1 Matrix Reporting Workbook on UoS funded, non UoS funded and total level.
- 3.11.32 Rows 112 to 117: Please record the ongoing pension funding cost for the DB scheme borne by non-regulated businesses in row 112. The ongoing pension funding cost for the DB scheme borne by the other businesses is automatically populated in rows 114 to 116. The total ongoing pension funding cost for the DB scheme across all businesses is automatically calculated in row 117.
- 3.11.33 Rows 122 to 125: Please record, by business, the attribution of the deficit repair payments for the DB scheme to UoS funded cost and non UoS funded cost in rows 122 and 123 respectively. The total across both is populated automatically in row 124 and needs to be consistent with the total pension deficit funding cost in row 85. This is verified through a consistency check in row 125. If the consistency check results in an error message, the data must be corrected until the error is eliminated. The data also needs to reconcile with the sum of incremental deficit repair payments and established deficit repair payments in rows 93 and 94 respectively of the BPT C1 Matrix Reporting Workbook on UoS funded, non UoS funded and total level.
- 3.11.34 Rows 129 to 135: Please record the deficit repair payments for the DB scheme borne by non-regulated businesses in row 129. The deficit repair payments for the DB scheme borne by the other businesses is automatically populated in rows 131 to 133. The total deficit repair payments for the DB scheme across all businesses is automatically calculated in row 134. It needs to be consistent with the group scheme deficit repair funding in row 24. This is verified by a consistency check in row 135. If the consistency check results in an error message, the data must be corrected until the error is eliminated.

- 3.11.35 Rows 140 to 143: Please record, by business, the attribution of the pension hedging and contingent asset cost for the DB scheme to UoS funded cost and non UoS funded cost in rows 140 and 141 respectively. The total across both is populated automatically in row 142. It needs to be consistent with the pension hedging and contingent asset cost in row 86. This is verified through a consistency check in row 143. If the consistency check results in an error message, the data must be corrected until the error is eliminated. The data also needs to reconcile with the pension hedging and contingent assets cost in row 91 of the BPT C1 Matrix Reporting Workbook on UoS funded, non UoS funded and total level. In the absence of any specific hypothecation to either a specific group of pension scheme members, the cost attribution to the businesses should be on the basis of the regulatory fraction. In any event, please explain the nature and benefit of each pension hedging instrument and each contingent asset costs borne by the sponsoring employers directly and the attribution with respect to both businesses and UoS/non UoS funded cost in the BPT Pensions Commentary Template.
- 3.11.36 Rows 147 to 153: Please record the hedging and contingent asset cost for the DB scheme borne by non-regulated businesses in row 147. The hedging and contingent asset cost for the DB scheme borne by the other businesses is automatically populated in rows 149 to 151. The total hedging and contingent asset cost for the DB scheme across all businesses is automatically calculated in row 152. It needs to be consistent with the group scheme hedging and contingent asset cost in row 27. This is verified by a consistency check in row 153. If the consistency check results in an error message, the data must be corrected until the error is eliminated.
- 3.11.37 Rows 159 to 161: Please record, by business, the attribution of the augmentation of benefit cost for the DB scheme to UoS funded cost and non UoS funded cost in rows 158 and 159 respectively. The total across both is populated automatically in row 160. It needs to be consistent with the augmentation of benefit cost in row 87. This is verified through a consistency check in row 161. If the consistency check results in an error message, the data must be corrected until the error is eliminated. The data also needs to reconcile with the augmentation of benefit cost in row 92 of the BPT C1 Matrix Reporting Workbook on UoS funded, non UoS funded and total level.
- 3.11.38 Rows 165 to 170: Please record the augmentation of benefit cost for the DB scheme borne by non-regulated businesses in row 165. The augmentation of benefit cost for the DB scheme borne by the other businesses is automatically populated in rows 167 to 169. The total augmentation of benefit cost for the DB scheme across all businesses is automatically calculated in row 170.
- 3.11.39 Rows 175 to 178: Please record, by business, the attribution of the pension-related severance cost for the DB scheme to UoS funded cost and non UoS funded cost in rows 175 and 176 respectively. The total across both is populated automatically in row 177 and needs to be consistent with the pension-related severance cost in row 92. This is verified through a consistency check in row 178. If the consistency check results in an error message, the data must be corrected until the error is eliminated.

The data also needs to reconcile with the sum of employer DB pension scheme contributions to pension strain benefits and ERDCs in rows 98 and 99 respectively of the BPT C1 Matrix Reporting Workbook on UoS funded, non UoS funded and total level.

- 3.11.40 Rows 182 to 187: Please record the pension-related severance cost for the DB scheme borne by non-regulated businesses in row 182. The pension-related severance cost for the DB scheme borne by the other businesses is automatically populated in rows 184 to 186. The total pension-related severance cost for the DB scheme across all businesses is automatically calculated in row 187.

3.12 Worksheet: P5 DC Scheme Costs – Outlook

Overview

- 3.12.1 This worksheet collects data relating to the licensees' pension defined contribution scheme, personal accounts and stakeholder schemes (if any). These form part of the overall pension cost. The data is collected for the purposes of assessing performance against price controls with regards to pensions, to inform pension cost reasonable reviews and to inform the RP6 price control with respect to pensions.
- 3.12.2 The worksheet, whilst being designated as being an outlook worksheet and containing mostly forecast data, also contains historic data with respect to the PR5 price control period.
- 3.12.3 The worksheet shall be completed in real prices as specified in the BPT Overarching Guidance, on a cash basis.
- 3.12.4 This worksheet is to be completed for each DC scheme separately. In cases where a licensee has more than one DC scheme, Table: P5a Cost of Meeting Current Pension Service Cost for this Defined Contribution Scheme shall be replicated at the bottom of the worksheet and in Table: P5c Ongoing Pension Service Cost for Defined Contribution, Stakeholder Pensions and Personal Accounts Schemes the formula for the check shall be amended to account for all DC schemes. If this is required, the licensee shall contact us following the procedure described in section 1.4 Template Errors accordingly. We will then re-issue the workbook with the appropriate modifications.
- 3.12.5 The worksheet comprises the following tables:
- Table: P5a Cost of Meeting Current Pension Service Cost for this Defined Contribution Scheme
 - Table: P5b Cost of Meeting Current Pension Service Cost for Stakeholder Pensions and Personal Accounts
 - Table: P5c Ongoing Pension Service Cost for Defined Contribution, Stakeholder Pensions and Personal Accounts Schemes by Business

- 3.12.6 All data in this worksheet is to be reported on business level (also referred to as licensee level in the worksheet). The details required for the breakdown by business are populated automatically from Table: P0a Licensee Details. Where relevant, certain cells are formatted automatically as input or non-input cells, as appropriate, in line with the data contained in that table.

Table: P5a Cost of Meeting Current Pension Service Cost for this Defined Contribution Scheme

- 3.12.7 Row 10: Please enter the name of the DC scheme the worksheet relates to.
- 3.12.8 Row 15: Please provide the cash cost of the employer contribution to the DC scheme in £m.
- 3.12.9 Row 16: Please provide the cash cost of insurance payments to the DB scheme for DC members, where applicable.
- 3.12.10 Row 17: The total employer DC scheme contributions and insurance payments in this row are calculated automatically. They, together with the total cash cost of stakeholder pensions & personal accounts in row 34, need to reconcile with the Employer DC normal ongoing pension contributions for DC scheme (incl. insurance payments to DB scheme for DC members), stakeholder pensions and personal accounts in row 87 of the BPT C1 Matrix Reporting Workbook on total level.
- 3.12.11 Row 19: Please provide the cash cost of the employee contributions to the DC scheme in £m.
- 3.12.12 Rows 21 to 22: Please provide the DC scheme contributions made by employees and employers respectively, expressed as percentage of pensionable pay. Where different contribution rates exist, please enter an average percentage and explain in the BPT Pensions Commentary Template.
- 3.12.13 Row 24: Please provide the cash cost for DC scheme administration (inclusive of investment management fees) in £m. The data needs to reconcile with the DC pension scheme administration cost and investment management fees in row 89 of the BPT C1 Matrix Reporting Workbook on total level.

Table: P5b Cost of Meeting Current Pension Service Cost for Stakeholder Pensions and Personal Accounts

- 3.12.14 Rows 32 to 33: Enter the employer cash contribution to all stakeholder schemes and personal accounts respectively.
- 3.12.15 Row 34: The total cash cost of stakeholder pensions and personal accounts in this row is calculated automatically. Together with the total employer DC scheme contributions and insurance payments in row 17, it needs to reconcile with the Employer DC normal ongoing pension contributions for DC scheme (incl. insurance payments to DB scheme for DC members), stakeholder pensions and personal accounts in row 87 of the BPT C1 Matrix Reporting Workbook on total level.

Table: P5c Ongoing Pension Service Cost for Defined Contribution, Stakeholder Pensions and Personal Accounts Schemes

- 3.12.16 Rows 42 to 45: Please attribute the total of DC scheme, stakeholder scheme and personal accounts cost by business to UoS funded and non UoS funded cost in rows 42 and 43 respectively. The total across both is populated automatically in row 44 and needs to be consistent with the sum of total cash cost of the DC scheme in row 17, scheme administration cost and investment management fees in row 24 and total cash cost of stakeholder pensions & personal accounts in row 34. This is verified through a consistency check in row 45. If the consistency check results in an error message, the data must be corrected until the error is eliminated. The data also needs to reconcile with the sum of Employer DC normal ongoing pension contributions for DC scheme (incl. insurance payments to DB scheme for DC members), stakeholder pensions and personal accounts and DC Pension scheme administration cost and investment management fees in rows 87 and 89 respectively of the BPT C1 matrix Reporting Workbook on UoS funded, non UoS funded and total level.

3.13 Worksheet P6: PPF Levies – Outlook

Overview

- 3.13.1 This worksheet collects data relating to the PPF levies for the DB scheme. This data is for the purposes of assessing performance against price controls with regards to pensions, to inform pension cost reasonable reviews and to inform the RP6 price control with respect to pensions.
- 3.13.2 The worksheet, whilst being designated as being an outlook worksheet and containing mostly forecast data, also contains historic data with respect to the PR5 price control period.
- 3.13.3 The worksheet shall be completed in real prices as specified in the BPT Overarching Guidance, on a cash basis.
- 3.13.4 This worksheet is to be completed for each DB scheme separately. In cases where a licensee has more than one DB scheme, a separate copy of this worksheet shall be used for each scheme; the copies will be renamed “P6 PPF Levies – Outlook – Sx”, with x being consecutive numbers (e.g. 1, 2, 3, etc.) for the different schemes. If a licensee finds that the number of copies of this worksheet provided in the reporting workbook is smaller than the number of DB schemes it has, it shall contact us following the procedure described in section 1.4 Template Errors accordingly. We will then re-issue the workbook with the appropriate number of worksheets, ensuring the formulae to any cells linked to other worksheets in the workbook (cells highlighted in blue) point to the relevant worksheet referring to the scheme.
- 3.13.5 The worksheet comprises the following tables:
- Table: P6a Pension Protection Fund Levies Paid by the DB Scheme

- Table: P6b Pension Protection Fund Levies by Business
- Table: P6c Dun & Bradstreet/Experian PPF Score

- 3.13.6 The details required for the breakdown by business are populated automatically from Table: P0a Licensee Details. Where relevant, certain cells are formatted automatically as input or non-input cells, as appropriate, in line with the data contained in that table.
- 3.13.7 Details such as the scheme name are populated automatically from Table: P1a General Information.

Table: P6a Pension Protection Fund Levies Paid by the DB Scheme

- 3.13.8 Row 10: The pension scheme name is populated automatically from Table: P1a General Information; no data input is required.
- 3.13.9 Row 14: Please enter the total fixed PPF levy for the DB scheme (including the levy for PPF administration charge) paid (in cash) in the year.
- 3.13.10 Rows 17 to 22: Please enter the fixed PPF levies paid directly by the employer (not collected through the scheme contributions) by business.
- 3.13.11 Rows 25 to 29: Please enter the fixed PPF levies collected through the scheme contributions (not paid directly by the employer) by business.
- 3.13.12 Rows 32 to 33: The total across the fixed PPF levies paid directly by the employer and those collected through scheme contributions is populated automatically in row 32. It needs to be consistent with the total fixed levies (including levy for PPF admin charge) for the scheme recorded in row 14. This is verified through a consistency check in row 33. If the consistency check results in an error message, the data must be corrected until the error is eliminated.
- 3.13.13 Row 37: Please enter the cash payment for the total risk based PPF levy.
- 3.13.14 Rows 40 to 44: Please enter the risk based PPF levies paid directly by the employer (not collected through the scheme contributions) by business.
- 3.13.15 Rows 48 to 52: Please enter the risk based PPF levies collected through the scheme contributions (not paid directly by the employer) by business.
- 3.13.16 Rows 55 to 56: The total across the risk based PPF levies paid directly by the employer and those collected through scheme contributions is populated automatically in row 55. It needs to be consistent with the total risk based levies for the scheme recorded in row 37. This is verified through a consistency check in row 56. If the consistency check results in an error message, the data must be corrected until the error is eliminated.
- 3.13.17 Rows 60 to 78: The total PPF levies paid directly by the employer and those collected through scheme contributions are populated automatically by business.

- 3.13.18 Row 79: The check in this row verifies the consistency of the data provided. If the consistency check results in an error message, the data must be corrected until the error is eliminated.
- 3.13.19 Row 83: The proportion of total PPF levies that is risk based is populated automatically.

Table: P6b Pension Protection Fund Levies by Business

- 3.13.20 Rows 91 to 94: Please record, by business, the attribution of the PPF levies for the DB scheme to UoS funded cost and non UoS funded cost in rows 91 and 92 respectively. The total across both is populated automatically in row 93. It needs to be consistent the data recorded in the Total PPF Levies for this DB Scheme section of Table: P6a Pension Protection Fund Levies Paid by the DB Scheme. This is verified through a consistency check in row 94. If the consistency check results in an error message, the data must be corrected until the error is eliminated. The data also needs to reconcile with the PPF Levies in row 90 of the BPT C1 Matrix Reporting Workbook on UoS funded, non UoS funded and total level.

Table: P6c Dun & Bradstreet/Experian PPF Score

- 3.13.21 Rows 101 to 103: Please provide the latest PPF credit rating score for the risk-based element of the levy, the date it was scored for the DB pension scheme and whether the score was based on multi-company data. If the score is based on multi-company data, enter the weighted average score (as used by the PPF) and detail the constituent scores in the BPT Pensions Commentary Template. The requirement to do so will automatically be highlighted in cell Q103 if the yes entry is chosen for any year in row 103.

3.14 Worksheet: P7 Pension Scheme Administration – Outlook

Overview

- 3.14.1 This worksheet collects data relating to scheme administration cost for the DB scheme. This data is for the purposes of assessing performance against price controls with regards to pensions, to inform pension cost reasonable reviews and to inform the RP6 price control with respect to pensions. Scheme administration cost for DC schemes is not covered by this worksheet and is to be included in Worksheet: P5 DC Scheme Costs – Outlook.
- 3.14.2 The worksheet, whilst being designated as being an outlook worksheet and containing mostly forecast data, also contains historic data with respect to the PR5 price control period.
- 3.14.3 The worksheet shall be completed in real prices as specified in the BPT Overarching Guidance, on a cash basis.
- 3.14.4 This worksheet is to be completed for each DB scheme separately. In cases where a licensee has more than one DB scheme, a separate copy of this worksheet shall

be used for each scheme; the copies will be renamed “P7 Pension Sch Adm – Outlook – Sx”, with x being consecutive numbers (e.g. 1, 2, 3, etc.) for the different schemes. If a licensee finds that the number of copies of this worksheet provided in the workbook is smaller than the number of DB schemes it has, it shall contact us following the procedure described in section 1.4 Template Errors accordingly. We will then re-issue the workbook with the appropriate number of worksheets, ensuring the formulae to any cells linked to other worksheets in the workbook (cells highlighted in blue) point to the relevant worksheet referring to the scheme.

3.14.5 The worksheet comprises the following tables:

- Table: P7a Pension Scheme Administration Cost Paid by the DB Scheme
- Table: P7b Pension Scheme Administration Cost by Business

3.14.6 The details required for the breakdown by business are populated automatically from Table: P0a Licensee Details. Where relevant, certain cells are formatted automatically as input or non-input cells, as appropriate, in line with the data contained in that table.

3.14.7 Details such as the scheme name are populated automatically from Table: P1a General Information.

Table: P7a Pension Scheme Administration Cost Paid by the DB Scheme

3.14.8 Row 10: The pension scheme name is populated automatically from Table: P1a General Information; no data input is required.

3.14.9 Rows 14: Please enter the DB scheme administration cost showing pure administration cost. This should exclude investment management fees, unless not paid through deduction from investment returns.

3.14.10 Row 15: Please enter the investment management fees (except those paid through deduction from investment returns).

3.14.11 Row 16: The total of DB scheme administration cost and investment management fees is calculated automatically.

3.14.12 Rows 19 to 23: Please enter the DB scheme administration cost and investment management fees paid directly by the employer (not collected through the scheme contributions) by business.

3.14.13 Rows 27 to 31: Please enter the DB scheme administration cost and investment management fees collected through the scheme contributions (not paid directly by the employer) by business.

3.14.14 Rows 34 to 35: The total across the DB scheme administration cost and investment management fees paid directly by the employer and those collected through scheme contributions is populated automatically in row 34. It needs to be consistent

with the total scheme administration cost and investment management fees for the scheme in row 16. This is verified through a consistency check in row 35. If the consistency check results in an error message, the data must be corrected until the error is eliminated.

Table: P7b Pension Scheme Administration Cost by Business

- 3.14.15 Rows 44 to 47: Please record, by business, the attribution of the DB scheme administration cost and investment management fees to UoS funded cost and non UoS funded cost in rows 44 and 45 respectively. The total across both is populated automatically in row 46 and needs to be consistent the data recorded in Table: P7a Pension Scheme Administration Cost Paid by the DB Scheme. This is verified through a consistency check in row 47. If the consistency check results in an error message, the data must be corrected until the error is eliminated. The data also needs to reconcile with the DB Pension scheme administration cost and investment management fees in row 88 of the BPT C1 Matrix Reporting Workbook on UoS funded, non UoS funded and total level.

3.15 Worksheet: P8 Allocations – Outlook

Overview

- 3.15.1 This worksheet collects data to facilitate the allocation of pension cost elements that have been recorded based on an organisational breakdown for pensions recording to the more granular organisational breakdown for reconciliation/determination from Table: P0a Licensee Details. Such an allocation may be necessary when pensions-related data is not available in the required level of detail because it is only held for the pension scheme as a whole rather than broken down by business.
- 3.15.2 The worksheet, whilst being designated as being an outlook worksheet and containing mostly forecast data, also contains historic data with respect to the PR5 price control period.
- 3.15.3 This worksheet is to be completed for each DB scheme separately. In cases where a licensee has more than one DB scheme, a separate copy of this worksheet shall be used for each scheme; the copies will be renamed “P8 Allocations – Outlook – Sx”, with x being consecutive numbers (e.g. 1, 2, 3, etc.) for the different schemes. If a licensee finds that the number of copies of this worksheet provided in the workbook is smaller than the number of DB schemes it has, it shall contact us following the procedure described in section 1.4 Template Errors accordingly. We will then re-issue the workbook with the appropriate number of worksheets, ensuring the formulae to any cells linked to other worksheets in the workbook (cells highlighted in blue) point to the relevant worksheet referring for the scheme.
- 3.15.4 The worksheet comprises the following table:

Table: P8a Pension Scheme Cost Allocation for Reconciliation/Determination – DB Scheme

- 3.15.5 The details required for the breakdown by business are populated automatically from Table: P0a Licensee Details. Where relevant, certain cells are formatted automatically as input or non-input cells, as appropriate, in line with the data contained in that table.
- 3.15.6 Details such as the scheme name are populated automatically from Table: P1a General Information.

Table: P8a Pension Scheme Cost Allocation for Reconciliation/Determination – DB Scheme

- 3.15.7 Rows 14 to 37: Please record, for each of the pension cost elements listed in column A, the rules for allocating the total NIE T&D cost for this pension cost element to the businesses listed in column B (and representing the organisational breakdown for reconciliation/determination from Table: P0a Licensee Details). This should be done by recording the related allocation percentage for each year in columns D to P respectively and referencing the allocation basis in column Q. Please note that for each year and pension cost element, the sum of the allocation percentages across the businesses listed in column B needs to equal 100%. This is verified through the consistency checks in rows 17, 21, 25, 29, 33 and 37. If any of the consistency checks results in an error message, the data must be corrected until the error is eliminated.
- 3.15.8 Please record in the BPT Pensions Commentary Template any additional information not contained in this worksheet which may be required to support the proposed allocations. This should include, but does not need to be limited to, provision of the calculations and underlying data used to derive the allocation percentages.
- 3.15.9 If you consider it is appropriate, for some or all of the pension cost elements listed in this table, to provide the cost breakdown directly in Table: P4b Cost of Meeting Current Pension Service Cost for this Defined Benefit Scheme, rather than using allocation details from Table: P8a Pension Scheme Cost Allocation for Reconciliation/Determination – DB Scheme, it is permissible not to complete the related rows in Table: P8a Pension Scheme Cost Allocation for Reconciliation/Determination – DB Scheme, provided the relevant data and its source is detailed in the BPT Pensions Commentary Template.

4. BPT Pensions Commentary Template

4.1 Overview

- 4.1.1 The BPT Pensions Commentary Template provides the opportunity for the licensees to provide additional details, explanations and background information that may be helpful to better understand the data submitted in the BPT Pensions Reporting Workbook and put it into context.

4.2 Instructions and Guidance

- 4.2.1 The BPT Pensions Commentary shall be provided in line with the related guidance provided in the RP6 Overarching Guidance document and in the BPT Pensions Commentary Template.

5. BPT Pensions Data Assurance

5.1 Overview

5.1.1 We note that there are a number of data assurance requirements for the BPT Pensions submission with respect to pensions which need to be complied with as set out below. These include provision of:

- Data assurance letter signed by a director on behalf of the licensees
- Data assurance report and certificate by the reporting actuary
- Responses to the data assurance-related queries contained in the BPT Pensions Commentary Template
- Any additional relevant information as appropriate

5.2 Instructions and Guidance

5.2.1 As part of their BPT Pensions submission, the licensees are required to provide a data assurance letter signed by a director on behalf of the licensees confirming that the information provided as part of the submission (i.e. in particular the data in the BPT Pensions Reporting Workbook, the information in the BPT Pensions Commentary Template as well as in any supplementary appendixes provided) is accurate and has been provided in accordance with the relevant instructions and guidance.

5.2.2 As part of their BPT Pensions submission with respect to pensions, the licensees are required to provide a report by the reporting actuary. This report is to be prepared for each DB pension scheme of which the licensees are sponsor or co-sponsor and must include a certificate by the reporting actuary that provides the following:

- The input information required on Worksheet: P2 PDAM Actuary Provided and Worksheet: P3 DB Overview – Historic (where relevant)
- Confirmation that the information has been prepared from the valuation (i.e. a triennial valuation or an updated valuation) of the licensees' defined benefit pension schemes as at the valuation date
- Confirmation that the input information has been prepared in accordance with the methodology set out in the present BPT Pensions Guidance Notes
- Confirmation that the reporting actuary received all the information necessary to calculate and complete the input in accordance with the methodologies and guidance as required and the source(s) of that information

5.2.3 The certificate to be provided by the reporting actuary shall be provided as a certified copy of the original certificate and shall take the following form:

I certify that:

- *the information above has been prepared from [my / A N Other's] valuation report to the Trustees of [name of scheme] dated DD MMM YYYY;*
- *the input information has been prepared for the [name of] scheme in accordance with the methodology set out in the RP6 Business Plan Pensions Guidance Notes; and*
- *that I have received all the information necessary to calculate and complete the inputs in accordance with that methodology as required and the source(s) of that information are shown in [insert relevant chapters of report].*

Signed:

5.2.4 Responses shall be provided to the data assurance-related queries contained in the BPT Pensions Commentary Template.

5.2.5 The BPT Pensions submission shall be accompanied by any additional relevant reports from the auditors as well as by any additional data assurance measures set out by the Authority, where relevant.

6. Glossary of Terms

- 6.1.1 The relevant definitions of the Ofgem Electricity Distribution (DPCR5) Glossary of Terms – Regulatory Instructions and Guidance: Version 3⁵ apply to the BPT Pensions (including the present BPT Pensions Guidance Notes, the BPT Pensions Reporting Workbook and the BPT Pensions Commentary Template), unless for those deviating and/or additional definitions defined in the RP6 BPT Glossary of Terms Appendix.
- 6.1.2 The licensees must ensure that the definitions provided are clearly understood and are complied with when preparing the BPT Pensions submission. Deviations from these definitions are not permitted unless instructed by the Authority. Where there is doubt or uncertainty, please refer to the Authority for clarification.

⁵ [Ofgem: Electricity Distribution \(DPCR5\): Glossary of Terms – Regulatory Instructions and Guidance: Version 3, 23 March 2012.](#)

Version Control

Version	Date	Description	Applicable Year/s
01.00	20/01/2016	Issued to NIE for queries	2012/2013 to 2023/2024
02.00	17/02/2016	<ul style="list-style-type: none"> • Alignment with structural changes made in BPT Pensions Reporting Workbook • Removal of reference to data assurance requirements for other BPT work areas • Clarification that in exceptional circumstances it may be permissible not to complete Table: P2c Reconciliation of Surplus/Deficit and Table: P2d Scheme Liabilities and Attribution • Correction of minor errors and inconsistencies 	2012/2013 to 2023/2024