Price Control for Northern Ireland's Gas Distribution Networks GD23

Regulatory Instructions and Guidance for Business Plan Submission

29 January 2021

About the Utility Regulator

The Utility Regulator is the independent non-ministerial government department responsible for regulating Northern Ireland's electricity, gas, water and sewerage industries, to promote the short and long-term interests of consumers.

We are not a policy-making department of government, but we make sure that the energy and water utility industries in Northern Ireland are regulated and developed within ministerial policy as set out in our statutory duties.

We are governed by a Board of Directors and are accountable to the Northern Ireland Assembly through financial and annual reporting obligations.

We are based at Queens House in the centre of Belfast. The Chief Executive leads a management team of directors representing each of the key functional areas in the organisation: Corporate Affairs, Markets and Networks. The staff team includes economists, engineers, accountants, utility specialists, legal advisors and administration professionals.

Abstract

We are publishing the Regulatory Instructions and Guidance for the GD23 business plan submission. GD23 is the price control for the gas distribution companies Phoenix Natural Gas Ltd (PNGL), firmus energy (Distribution) Ltd (firmus) and Scotia Gas Networks Northern Ireland Ltd (SGN) for the years from 2023 to 2028.

The Regulatory Instructions and Guidance document is complemented by an Excel-based reporting template and sets out the business plan submission requirements.
The business plan submissions are an integral part of the overall GD23 approach. They allow us to collect consistent information from the gas distribution network operators (Licensees) which we will scrutinise and use as a basis for the GD23 determination.

Audience

Gas Distribution Network Operators in Northern Ireland.

Consumer impact

Provision of business plan submissions in line with the Regulatory Instructions and Guidance set out in this document will provide a basis for benchmarking of GDN performance and allow us to build a solid information basis to inform price control decisions and determinations.

The GD23 price control will set out the allowed distribution charges for the gas distribution companies. Distribution charges make up around 35% of the total domestic customer bill.

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1 Introduction

Chapter Summary

1.1 This chapter sets out the purpose and structure of the Regulatory Instructions and Guidance (RIGs) which will apply for the gas distribution network operators for the GD23 price control business plan submission. It also sets out guidance on the process for reporting under the regulatory instructions and guidance and our audit requirements.

Background

1.2 In the gas distribution business, regulators, such as ourselves, use price controls in order to promote, through a range of cost allowances, incentive mechanisms and targets, a natural gas industry with more connections and increased pipeline network that extends the benefits of natural gas to more consumers. Price control packages are designed to encourage the GDNs (Gas Distribution Network Operators) to innovate to achieve more connections and to continue to find efficiencies to ensure they remain amongst the most efficient operators in the UK.

1.3 In this context, it is important to have a system in place in which the GDNs set out in a consistent and transparent manner their assessment of the allowances required to achieve target outcomes during the price control period.

1.4 We have used the RIGs for annual/cost reporting for the 2019 reporting year as well as the Ofgem business plan data template instructions and guidance for the RIIO-GD1 price control (and the RIIO-GD2 price control where appropriate) as a starting point for the present RIGs for the GD23 business plan submission. This is to facilitate consistency of reporting and monitoring of GDN performance as well as to facilitate benchmarking between the NI GDNs and with GB GDNs where reasonably possible. That said we recognise that the nature of the work in NI compared with GB is different in certain areas and that it would be inappropriate to use the Ofgem template without amendment.

Components of the RIGs

Overall Structure

1.5 The RIGs comprise two main elements:

- instructions and guidance on how to prepare the GD23 business plan submission and report the data; and
- templates for reporting the data (in MS Excel v.2007 or newer).

1.6 The data templates and instructions and guidance have been designed to be consistent with the overall GD23 approach.

Instructions and Guidance

1.7 The purpose of this document is to provide instructions and guidance to support the GDNs in completing their GD23 business plan submission and the associated tables. This document provides information on:

- the systems, processes, procedures, recording and provision of the required data;

- reporting units;
- levels of accuracy (including rounding);
- the methodology for calculating or deriving required numbers;
- the provision of the data to us (e.g. format);
- any audit or examiner requirements;
- reasons for the data requirement;
- explanations of how we will monitor, assess, and enforce compliance; and
- technical definitions and a glossary of terms used in the tables.

1.8 For the avoidance of doubt, Appendix 1: Glossary and Appendix 2: Technical Definitions will not change any definitions or obligations contained within the gas conveyance licence applicable to the GDNs and in the event of any dispute, the licence conditions will always take precedence.

Business Plan Submission under the RIGs

Form of Submission and Timelines

1.9 GDNs must provide the information required under the RIGs as soon as reasonably practicable and in any event within the timelines set out in paragraphs 2.4 and 2.6. These timelines define latest dates that GDNs can submit information unless we have previously consented otherwise in writing.

1.10 The GD23 business plan submission including the elements set out in paragraph 2.4 as well as any additional appendices the GDNs may consider useful, relevant and appropriate shall be submitted electronically to Paul.Harland@uregni.gov.uk by the submission deadline as per paragraph 1.9.

1.11 The business plan data template must be submitted as an Excel file: submission of the template as a portable document format (“PDF”) file is not permissible.

1.12 The submission must be accompanied by a letter signed by a director on behalf of the licensee confirming that the data is accurate and has been provided in accordance with the RIGs. An electronic copy of this letter is to be submitted electronically by the submission deadline referred to in paragraph 1.9 to Paul.Harland@uregni.gov.uk together with the documents referred to in paragraph 1.10.

Resubmissions

1.13 The GDNs are required to seek the agreement of us, or a person nominated by us, before resubmitting any information in accordance with these RIGs.

1.14 In any such instance any component of the GD23 business plan which is being resubmitted must be resubmitted in full. The resubmission must only be accompanied by a letter signed by a director where significant changes have been made and where we and/or the licensee decide such a letter is required. The volume of supporting information the licensee will be required to submit to support any resubmission will be dependent on the nature of any required resubmission.

1.15 For each resubmission a detailed explanation must be provided on what has been amended and on the reasons for the required resubmission. For any changes made in

the Excel template the GDN must update the Changes Log Table on Worksheet: Changes Log listing every cell that has been amended.

Review

1.16 Once the GDNs have submitted the information to us, we will undertake a detailed review of the information. Such a review may include a visit to each GDN for discussion of the information submitted. Such visits will be agreed with the GDNs in advance.

1.17 We reserve the right to nominate a person (a "reviewer") to assist us with the review or undertake it on our behalf. Should we decide to do so, we will agree the related arrangements with the reviewer and the GDNs. This may involve the reviewer entering into an agreement with the licensee to maintain confidentiality on reasonable terms.

Appointing an Examiner

1.18 We reserve the right to appoint an "examiner" to substantively look at specified areas of the GD23 business plan submission and audit any issues that may arise from time to time. Should we decide to do so, we will agree the related arrangements with the examiner and the GDNs.

1.19 The role of the examiner may involve examination of:

- the systems, processes and procedures for measuring the specified information;
- the specified information collected by the licensee; and
- the extent to which the systems, process and procedures and the specified information complies with the RIGs.

Audit Requirements in Relation to Revenue Reporting

1.20 We reserve the right to identify any specified information to be audited, the terms on which an auditor is to be appointed for that purpose and the nature of the audit to be carried out by that person.

Structure of this Document

1.21 This document is divided into sections reflecting the different component parts of the GD23 business plan submission. These are as follows:

- Chapter 2 provides guidance for completing the overall business plan submission;
- Chapter 3 provides general instructions for the completion of the data template tables;
- Chapter 4 provides instructions for the completion of the general sections tables of the data template;
- Chapter 5 provides instructions for the completion of the series 1 finance tables;
- Chapter 6 provides instructions for the completion the series 2 volumes and customer number tables;
- Chapter 7 provides instructions for the completion of the series 3 opex tables;
- Chapter 8 provides instructions for the completion of the series 4 capex tables;
- Chapter 9 provides instructions for the completion of the series 5 network assets tables;

- Chapter 10 provides instructions for the completion of the series 6 outputs and environment tables;
- Appendix 1 provides a glossary defining key terms and abbreviations used in this document;
- Appendix 2 provides technical definitions and differentiation of technical terms and concepts of similar or related nature; and
- Appendix 3 provides links to related documents.

2 Guidance for Completing the Overall Business Plan Submission

Chapter Summary

2.1 This chapter provides an overview over the different element and documents that should be contained in the GD23 business plan submission by the GDNs. It also sets out key requirements for selected components. It should be noted that the business plan data template will be explained in further detail in chapters 3 to 10 of this document.

2.2 In addition to the guidance provided in this document, we reserve the right to issue additional, complementary guidance on selected business plan components if and as appropriate.

Business Plan Overview

2.3 As part of the GD23 price control process, each GDN needs to submit its business plan. This will then be scrutinised and used as a basis for the GD23 determination.

2.4 The business plan submission should be well-justified, self-explanatory, consistent in itself and with other submissions the GDN has made to us, and comprise as a minimum the documents set out in the table below:

Documents to be submitted by 30 June 2021

• Rate of return paper
• Asset management system update
• Reinforcement/Security paper
• Telemetry update paper
• Infill Allowances – Plan on how Infill Allowances could be developed, evidenced with:
  ○ Potential Projects NPV analysis (with lengths, costs and properties passed by tenure)
  ○ Amount of Pipe to be economically laid
  ○ Penetration rates justified
  ○ Connection numbers annual profile and tenure split of customer connections
  ○ Evidenced gas consumption by tenure
  ○ Fuel poverty implications
• Connection Policy
• Main construction contract[1]
• Meter replacements[2]
• Emergency jobs contract[3]
• Business Plan Template (BPT)
• Detailed Commentary of the BPT
• Innovation business plans
• Publication – Business Plans of GDN's - Public Version
• Policy paper on how costs are allocated from Opex to Capex with Key Drivers provided
• Policy papers on how costs are allocated within a group structure;
• Policy paper on how Unregulated Business actives impact on Regulated activities
• PI Model

1 & 2 & 3

Papers circulated on the 18 December 2020

- GDNs working together update paper
- Benchmarking Paper
- Business Plan Assessments
- Connection Incentive Paper
- Consumer Engagement Paper

2.5 In addition to the documents listed above, each GDN may submit any additional documents they consider useful, relevant and appropriate.

2.6 Furthermore, a data accuracy statement as detailed in paragraphs 1.12 and 1.14 covering all the elements of the business plan submission shall be submitted by no later than 30 June 2021.

2.7 All GDN's will be expected to publish a public version of the Business Plan, highlighting the key numbers and appropriate commentary, on their respective website. This will be due on the 30 July 2021.

Guidance on Selected Business Plan Components

Completed Business Plan Data Template

2.8 The main purpose of the business plan data template is to provide the basis for documentation of the GDNs' business plans in a consistent and transparent manner. This will avoid varying interpretations of definitions and reporting requirements.

2.9 The information contained in the completed business plan data templates will be used to:

- assist us in the assessment of the allowances requested by the GDNs as part of their GD23 business plan submission;
- facilitate benchmarking between the NI GDNs and with GB GDNs where reasonably possible;
- facilitate ongoing consistency of reporting and monitoring of GDN performance.

2.10 The instructions and guidance for completing the GD23 business data template are detailed in chapters 3 to 10 of this document.

Commentary to Completed Business Plan Data Template

2.11 The GDN's GD23 business plan data template submission should be accompanied by a commentary. The main purpose of the commentary is to:

- Explain the strategic background of the GD23 price control period;
- give us an understanding of forecast business performance in terms of costs, workload and outputs and provide an appropriate narrative that explains the actual/forecast data included in the template to aid our understanding of that data;

- provide an outlook on expected performance for the GD17 price control period, an understanding of material variances against GD17 forecasts and final proposals for outputs, costs and workload as well as reasons for any such variances; and
- inform us of any organisational changes/performance improvements, including modification/enhancements to allocation methodology and/or data capture (e.g. systems) with indication of effective date of such changes/improvements.

2.12 The appropriateness and materiality should be set at a level that avoids the need for us to ask supplementary questions.

2.13 The commentary should be reflective of how the actual and forecast costs link with outputs.

2.14 The outline structure of the commentary should be as follows:

- Part 1: Executive Summary
- Part 2: GD17 Review:
  - Key overall messages on GD17 spend to date versus allowances with reference to workloads.
  - Key outputs delivered during the GD17 price control period to date in the context of the overall price control period.
  - Key overall messages on forecast delivery of outputs for the overall GD17 price control period with reference to forecast spend.
  - Outlook on overall GD17 price control period.
- Part 3: Strategic Outlook for GD23:
  - Plans for the development and maintenance of the GDN's network, for the GD23 period and also, on a higher level, for the period up the end of the revenue recovery period specific to each GDN;
  - Details on how the GDN intends to develop its business during the GD23 price control period, the key outputs and outcomes it intends to achieve as well as the investment anticipated to be needed to do.
- Part 4: Finance: Any supplementary information that may help us to better understand the data provided in the reporting template. This will include, where relevant, but does not need to be limited to:
  - explanation of accounting practice applied, changes to same compared to previous regulatory submissions for the 2019/2020 reporting years and for GD17 as well as effective date and impact of such changes;
  - methodologies and rules used for allocations and estimation, changes to same compared to previous regulatory submissions for the 2019/2020 reporting years and for GD17 as well as effective date and impact of such changes;
  - substantiation of significant changes from figures relating to GD17 forecasts and allowances previously set out;
- Part 5:Volumes and Customer Numbers: Any supplementary information that may help us to better understand the data provided in the reporting template. This will include, where relevant, but does not need to be limited to:

- methodologies and rules used for allocations and estimation, changes to same compared to previous regulatory submissions for the 2019/2020 reporting years and for GD17 as well as effective date and impact of such changes; and
- substantiation of significant changes from figures relating to GD17 volume and customer number forecasts and allowances previously set out.

- Part 6: Opex: Any supplementary information that may help us to better understand the data provided in the reporting template. This will include, where relevant, but does not need to be limited to:
  - methodologies and rules used for allocations and estimation, changes to same compared to previous regulatory submissions for the 2019/2020 reporting years and for GD17 as well as effective date and impact of such changes;
  - additional details on cost movements in the reporting period;
  - additional details about changes in workload, their timing and impact of same on the business, now and in the future;
  - details on any non-price controlled activities listed;
- Part 7: Capex: Any supplementary information that may help us to better understand the data provided in the reporting template. This will include, where relevant, but does not need to be limited to:
  - methodologies and rules used for allocations and estimation, changes to same compared to previous regulatory submissions for the 2019/2020 reporting years and for GD17 as well as effective date and impact of such changes;
  - additional details on cost movements in the year;
  - additional details about changes in workload, their timing and impact of same on the business, now and in the future;
  - justification for proposed diversion, feeder mains, reinforcement and security of supply projects as well as for capex replacement;
  - details on any capex classified as other capex, amounting to >£5k and not falling into any of the following expenditure categories: system operations; IT and telecoms; commercial gas trading IT; plant, tools and equipment, land, buildings, furniture and fittings, security, vehicles & wheeled plant.
  - an explanatory on the GDN's view on the implementation of the TMA legislation in Northern Ireland, including expected timelines, expected impact on the GDN cost base during the GD23 price control period and proposed methodology for determination of TMA allowances.
  - details on economic tests and business cases relating to replacement expenditure; and
  - business cases for feeder mains, reinforcement and security of supply projects.
- Part 8: Network Assets: Any supplementary information that may help us to better understand the data provided in the reporting template. This will include, where relevant, but does not need to be limited to methodologies and rules used for allocations and estimation, changes to same compared to previous regulatory submissions for the 2019/2020 reporting years and for GD17 as well as effective date and impact of such changes.

- Part 9: Outputs and Environment: Any supplementary information that may help us to better understand the data provided in the reporting template. This will include, where relevant, but does not need to be limited to:
    - details on events and occurrences that have impacted or are expected to impact significantly on the PRE reports and repairs numbers and performance indicators, including timing of such events and occurrences;
    - methodologies and rules used for allocations and estimation, changes to same compared to previous regulatory submissions for the 2019/2020 reporting years and for GD17 as well as effective date and impact of such changes;
    - details on reporting boundaries for business carbon footprint reporting; and
    - details on relevant fuel-types over and above those pre-listed in the business plan data template.
- Part 10: Real price effects and efficiencies
    - Company view of real price effects that it the GDN expects to be faced with until the end of the GD23 price control period.
    - Details of what the GDN has undertaken during the GD17 price control period to date or proposes for the future with respect to benchmarking/performance/efficiency improvements as well as the actual/expected findings of these actions and how they will be used.
    - Details of any capex/opex trade-offs and their effects on the results and forecasts for the future.
    - details on and substantiation of any cost categories for which the GDN believes separate RPEs should be considered as well as substantiation of and underlying source data for any RPE assumptions contained in the business plan data template;
    - details on the relative efficiency assessment undertaken and the derivation of the proposed catch-up efficiency targets, together with an explanation of how these will be met; and
    - details on studies undertaken and information considered when establishing the frontier shift assumptions.

- Part 11: Special factors and atypical expenditure: Any supplementary information that may help us to better understand the data provided in the business plan data template, in particular with respect to comparability across time and/or, where relevant and appropriate, against similar data from other NI and GB GDNs. This information is needed to inform any adjustment to our efficiency analysis for the following:
    - Special factors, i.e. variables typically outside of management control which result in either higher or lower costs than comparators. In order to be awarded a special factor, the GDN must adequately demonstrate the following:
        - What is different about the circumstances that cause materially higher costs (“material” claims have previously been agreed by company and Regulator as those individual claims which amount to greater than 1% of total opex)?

- Why do these differences result in higher costs?
- What is the net impact of these costs on prices over and above that which would be incurred without these factors? What has been done to manage the additional costs arising from the different circumstances and to limit their impact?
- Are there any other different circumstances that reduce the company's costs relative to the industry norms? If so, have these been quantified and offset against the upward cost pressures?

- Atypical expenditure, i.e. costs (or reductions) which are not repeatable and are exceptional in nature ('one-off' costs). In order to be considered as an atypical expenditure, the GDN must adequately demonstrate the following:
  - What is different about the circumstance which causes it to be exceptional or 'one-off'?
  - Why does it result in cost variances?
  - Which data sources has the GDN used to assess the impact of the atypical expenditure and what results have been established?
  - When was the atypical expenditure incurred?

- Part 12: Organisational changes: details of any changes in the company's structure, timing of such changes and the effect this may have on the future performance.
- Part 13: Price Control Performance: Any supplementary information that may help us to better understand the data provided in the business plan data template as well as the overall perspective of the GDN with respect to its performance against the GD17 price control targets with consideration of outputs, costs and workload. This will include, where relevant, but not be limited to:
  - explanation of changes in financial and non-financial forecasts; and
  - impact of uncertainties over the full period up to the end of GD17, including both uncertainties that have been triggered and those yet to be triggered; and
  - methodologies and rules used for allocations, estimation and forecasts, changes to same compared to previous regulatory submissions for the 2019/2020 reporting years and for GD17 as well as effective date and impact of such changes.
- Part 14: Other (where relevant): Any other information the GDN considers relevant and which is not covered under any of the other commentary headings.

2.15 Where any aspects listed under 2.14 as aspects that should be included in the outline structure of the commentary are considered by a GDN as not being relevant to them, this should be stated explicitly in the commentary (rather than not mentioning the aspect at all).

3 General Instructions for Completing the Data Template Tables

Chapter Summary

3.1 The purpose of this chapter is to provide general instructions for completion of the data template tables by each GDN. This is to enable us to effectively assess the business plans, monitor performance and benchmark businesses against other GNDs in NI and/or GB, where relevant and appropriate.

Overview of Template

3.2 The data templates comprise a series of tables in a Microsoft Excel workbook. The purpose of the workbook is to facilitate the submission of uniform and comparable financial, workload, outputs and cost information from GDNs. This enables comparison across the GDNs of past and forecast performance, and comparative regulation on a consistent basis. The template consists of a number of data entry and various summary tables.

3.3 The template has been designed to have single data entry where possible in order to avoid duplication and to facilitate reconciliations and balance checks.

3.4 The template has been separated into the following sections:

- General section;
- Series 1 Finance;
- Series 2 Volumes and Customer Numbers;
- Series 3 Opex;
- Series 4 Capex;
- Series 5 Network Assets; and
- Series 6 Outputs and Environment.

Guidance on Template Completion

Accounting Policies

3.5 The GDNs should use the same accounting policies as in the preparation of the regulatory financial statements, in accordance with UK GAAP or IFRS unless otherwise stated. Where this is not the case, appropriate details including quantification of the difference must be included.

Gas Distribution Business

3.6 The requirements for provision of data in the business plan data template may vary between GDNs and depend, for example on the type of price control and duration of revenue recovery period applicable to them. The related assumptions are detailed in Worksheet: Universal Data.

3.7 The financial information presented in the template should relate to activities of the GDN, whether carried out by the GDN directly or by any contractors (be it external contractors or internal ones providing services to the GDN as related parties or under service level agreements).

3.8 For the purposes of filling out the template, all costs relating to non price control activities should be reported separately from the transportation costs. Specific columns have been included in the template to capture such costs.

3.9 For the avoidance of doubt, any costs considered to be pass-through costs should also be included in the business plan data reporting template.

3.10 Except where otherwise indicated, costs of related parties in performing the licensee's activities should be reported including any margin for those related parties. These margins should be disclosed by activity to be removed from the total cost of those activities.

3.11 The treatment of any margin for a contractor will depend on whether or not that contractor is a related party and whether the contract for carrying out those activities has been awarded as part of a competitive tender process.

- If the contractor is not a related party and the work has been awarded to the contractor through a competitive tender process, the margins of the contractor will be an allowed cost.
- If the contractor is a related party, or if the contract has not been awarded through a competitive tender process (or both), then the margins are not an allowed cost and should be disclosed together with details of how these margins have been allocated across activities.

Definitions

3.12 Appendix 1 contains the detailed glossary of definitions to be used.

3.13 Appendix 2 gives further detailed technical definitions.

3.14 GDNs must ensure that the definitions in appendices 1 & 2 are clearly understood and are complied with when entering any data into the template. Deviations from these definitions are not permitted unless instructed by us. Where there is doubt or uncertainty, please refer to us for clarification. This is to ensure consistency and comparability of data entry across GDNs.

Workload and Cost Capture

3.15 The forecasts should be completed on the same basis as the annual/cost reporting for 2020 actual performance. This requires all workload to be accounted for in the period for which the activity was carried out. This includes all capex and opex activities. The costs for all activities shall be matched to the workloads carried out. If the basis for forecast is different, from cost reporting, it should be disclosed, with justification of why.

Treatment of Contractor Management Fees

3.16 Where any contractor management fees are part of the contracture terms of the contract GDNs shall allocate the fee to all relevant activities to which the fee is associated. The commentary to the submission shall outline the principles used by the GDN for this allocation.

Use of Estimates and Allocations

3.17 Apportionments should be avoided wherever possible. However, where GDNs (and any affiliate or related undertaking of the GDNs) has to use estimates or allocations to complete the tables, any apportionments required shall be done in line with existing apportionment policies, where relevant and applicable. Should apportionment be required for circumstances not covered by an apportionment policy, such apportionment shall be done on a reasonable basis. For example, in the case of contributions for connections and projects relating to mains and services, the contributions could be apportioned pro-rata based on costs.

3.18 In any case, the rules and basis used for apportionment shall be detailed in the commentary to the business plan submission, and any apportionment policy referred to shall be provided together with the business plan submission. Changes in apportionment compared to previous regulatory submissions for the 2019/2020 reporting years and for GD17 as well as impact of such changes should also be highlighted.

Cost Basis

3.19 GDNs are to input Financial values in line with their licence conditions (i.e. 2020 year average for SGN and FE and September 2020 for PNGL) and exclusive of real price effects unless explicitly stated otherwise in the template or guidance. GDNs are to confirm RPI index figures used.

3.20 Real price effects are captured separately in Table 1.5c Opex Input Price Development and Real Frontier Shift and Table 1.5d Capex Input Price Development and Real Frontier Shift and automatically feed through into Table 3.0d Overview over RPE and Efficiency Impact on Controllable Opex after Income Received and Table 4.0d Overview over RPE and Efficiency Impact on Net Capex.

3.21 Table 1.0a Income Statement (Nominal Prices), Table 1.1a Financial Position (Nominal Prices), Table 1.2a Cash Flow Statement (Nominal Prices), Table 1.3a Tax Composition (Nominal Prices) and Table 1.4a Tax Allocations (Nominal Prices) are to be completed in nominal prices using the inflation assumptions contained in the Worksheet: Universal Data, Table g RPI Forecast.

Data Entry

3.22 As the template is a series of tables in a Microsoft Excel workbook, links and formulae have been included to limit, where possible, the amount of manual data entry required. The workbook cells have not been “locked”, but GDNs are not to change any formulas or formats (including insertion or deletion of rows or columns, moving any cells, or altering any text, figures or formulae in any cells not shaded yellow) without permission from us first. If a change is necessary (to correct an error, for example), we will notify all GDNs of the correction to be made.

3.23 Key points to note when completing the tables are:

- Some cells in some tables have been designed to link to cells in other tables. These links must be retained by the GDN in the version submitted to us. Failure to do so will be considered non-compliance with the RIGs.
- The RIGs tables are colour coded to reflect the action required:
    - Yellow cells represent input fields.
    - Light grey is used to denote cells containing a formula.

- White cells and dark grey cells are used where cells do not need to be completed.

- The workbook contains a number of consistency checks. These should all show "OK"; any anomalies must be explained in the commentary to this business plan submission.
- All years referred to in the reporting templates are calendar years, running from 1 January to 31 December.
- There is a requirement to forecast costs, workload and outputs for the GD23 price control period and beyond. It is acknowledged that forecasts may not be as accurate as actual reported data. Nevertheless, it is expected that GDNs will take reasonable measures to ensure that forecasts are as robust as possible.
- Unless otherwise indicated in the guidance document or templates, financial values should be provided in whole £.The GDNs are required to provide all actual financial data to the highest reasonable level of accuracy available from their source systems, and commensurate with the purpose for which such data is intended, taking into consideration the appropriate allocations that are necessary to complete the tables.
- Workload units and outputs should be reported at the highest reasonable level of accuracy from the source systems and commensurate with the purpose for which such data is intended, taking into consideration the appropriate allocations that are necessary to complete the tables.
- Workload and outputs should be entered in the unit of measurement set out in this guidance or in the template.
- Unless otherwise indicated in the guidance or templates, financial values should be input as positive values.
- Where a reportable value is zero or not applicable to the licensee, then a zero must be input rather than the cell being left blank.
- Some cells have been provided with dropdown validation values where only specific values will be accepted by us. It is recognised that for parts of the template GDNs will gather data in other spreadsheets prior to the data being "pasted" into this template. Please note that this will override the validation of these cells and GDNs will be expected to ensure the validity of the data being pasted into these cells.
- In some areas conditional formatting has been introduced to assist in the identification of invalid data.

Additional Information

3.24 If GDNs consider additional information beyond that requested is necessary to develop a complete understanding of the information presented in the tables of the template, then such information should be included the commentary to the submission.

Template Errors

3.25 In the event of any errors in the RIGs templates being identified after the templates have been sent out to GDNs for completion, the following procedure shall be followed:

a) Upon identifying an error, notify us by email, detailing the nature of the error. CC the email to representatives from the other GDN(s) for their information. Do not correct the error in the version to be submitted to us.

b) We will respond and if necessary provide guidance on correcting the error.

c) We will maintain a log of known issues for consideration when preparing future business plan data and annual/cost reporting master templates.

4 Instructions for Completing the General Section of the Template

Chapter Summary

4.1 This chapter provides an overview over the general sections of the template. The main purpose of general section is to provide an overview over all the worksheets contained in the template and to provide information and data that is relevant to all the other worksheets.

4.2 Whilst the general section of the template is mainly informative in nature, limited data entry by the GDNs is required, as detailed below.

Overview of Tables

4.3 The worksheets included within the general section of the template are:

- Worksheet: Cover
- Worksheet: Index
- Worksheet: List of Tables
- Worksheet: Changes Log
- Worksheet: Universal Data

Guidance on Table Completion

Worksheet: Cover

Cover Table

Purpose and Use	This table provides the cover sheet for the business plan data template. It summarises which GDN has completed the template, the version and the date of template submission.
Instructions for Completion	Complete the GDN details in cell E15 by selecting the relevant entry from the drop-down list. It is essential that this is done before entering data for series 1 to 6 of the workbook, as other worksheets will be adjusted based on the entry chosen to ensure that each GDN only completes the data relevant to it. In particular, the entry from cell E15 determines for which years data will need to be provided and ensures any additional reporting columns not relevant for that GDN are greyed out. It also pre-populates the form of price control details in cell B7 of Worksheet: 2.0 Volumes & Customers Summary to Worksheet: 2.5x Interruptible < and ensures any reporting tables contained therein not relevant for that GDN are greyed out. Complete, in cell E17, the version number for the business plan data template submitted and in E19 the date of submission. Note that these details shall be consistent with the related information recorded in the

	Version Submission Control section of the Worksheet: Index for the latest version listed there.

Worksheet: Index

Index Table

Purpose and Use	The Index Table presents an overview over all worksheets contained in the business plan data template. It is designed to help understand the general structure of the template and to support navigation within the template through hyperlinks to the different worksheets.
Instructions for Completion	Enter, for each completed worksheet, an “X” in column G by selecting the relevant value from the dropdown list. At the time of submission of the spreadsheet, all worksheets listed should be highlighted as complete. Enter, in the version submission control section of the worksheet (rows 74 to 76), the version number of the submitted version in column C and the date of submission in column G. If resubmission of a previously submitted version becomes necessary, this section needs to be updated accordingly. Note that the version number and submission date for the latest version listed shall be consistent with the corresponding detail on the Worksheet: Cover. Enter, in the additional information submitted with this business plan data template section of the worksheet (rows 79 to 143), a reference to all components of the GD23 business plan submission, detailing in column C the designation for any additional appendices not listed and in column G the completion indicator for each document listed.

Worksheet: List of Tables

Table of Tables

Purpose and Use	The Table of Tables presents an overview over all tables contained in the business plan data template. It is designed to help understand the general structure of the template.
Instructions for Completion	No data entry by the GDNs is required for this table.

Worksheet: Changes Log

Changes Log Table

Purpose and Use	The purpose of this table is to provide an overview over the change history of the business plan data template.
Instructions for Completion	This worksheet will be updated by us if, after publication of the business plan data template, submission of a revised version becomes necessary, e.g. to correct any errors and issues identified.

	The changes log shall be completed by the GDNs if, following agreement with us (and only then) a GDN makes changes to the template structure or provides a resubmission to a previously submitted version of the business plan data template. In both cases, all changes made shall be clearly indicated using a separate line for each table that is modified.

Worksheet: Universal Data

Table a Company

Purpose and Use	The purpose of tables a to f of this worksheet is to be a central repository for data that is valid for and/or used throughout the spreadsheet.
Instructions for Completion	The information in cell A7 is pre-populated automatically from the related details in cell E15 of the Worksheet: Cover.

Table b Price Control Details

Purpose and Use	The purpose of tables a to f of this worksheet is to be a central repository for data that is valid for and/or used throughout the spreadsheet.
Instructions for Completion	No data entry by the GDNs is required for this table. It is used to pre-populate, depending on the GDN details selected in cell E15 of the Worksheet: Cover and the revenue recovery period for that GDN, the reporting years to be completed by the GDNs in other data reporting worksheets and to grey out any additional columns not required.

Table c Historic RPI Index

Purpose and Use	The purpose of tables a to f of this worksheet is to be a central repository for data that is valid for and/or used throughout the spreadsheet.
Instructions for Completion	No data entry by the GDNs is required in this table. It lists RPI indices which are used for price base conversions by the UR.

Table d Price Base Conversion (not used)

Purpose and Use	This table is not being used for GD23
Instructions for Completion	This table is not being used for GD23

Table e Conversion Factors

Purpose and Use	The purpose of tables a to f of this worksheet is to be a central repository for data that is valid for and/or used throughout the spreadsheet.
Instructions for Completion	No data entry by the GDNs is required in this table. It lists the conversion factor for converting therms to kWh which is used in formulae contained in other worksheets of this workbook.

Table f Form of Price Control

Purpose and Use	The purpose of tables a to f of this worksheet is to be a central repository for data that is valid for and/or used throughout the spreadsheet.
Instructions for Completion	No data entry by the GDNs is required in this table. It lists for each GDN the applicable form of price control. This information is used to pre-populate, depending on the GDN details selected in cell E15 of the Worksheet: Cover, the form of price control details in cell B7 of Worksheet: 2.0 Volumes & Customers Summary to Worksheet: 2.5x Interruptible < and ensures that any reporting tables contained therein which are not relevant for that form of price control are greyed out.

Table g RPI Forecast

Purpose and Use	This table details the RPI forecast for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period. This information will be used in Table 1.5a Opex Input Factor Weighting and Cost Forecast to Table 1.5d Capex Input Price Development and Real Frontier Shift to establish the GDN's opex and capex forecasts with consideration of RPEs. We note that the assumptions contained in this table[4] cannot be taken as a precedent to the RPI assumptions that will be used in the GD23 draft and final determinations and are subject to change as time progresses and updated RPI forecast data becomes available.
Instructions for Completion	No data entry by the GDNs is required in this table.

[4] The RPI assumptions in this table are based on: OBR: Economic and fiscal outlook – November 2020

5 Instructions for Completing the Finance Tables

Chapter Summary

5.1 This section provides an overview over the finance worksheets of the template. The main purpose of the Finance section is to summarise the financial data required to indicate the implications of the business plan for the GDN's income statement, financial position and cash flow.

Overview of Tables

5.2 The worksheets and tables included within the finance section of the template are:

- Worksheet: 1.0 Income Statement
  - Table 1.0a Income Statement (Nominal Prices)
- Worksheet: 1.1 Financial Position
  - Table 1.1a Financial Position (Nominal Prices)
  - Table 1.1b Asset Life and Depreciation
- Worksheet: 1.2 Cash Flow Statement
  - Table 1.2a Cash Flow Statement (Nominal Prices)
- Worksheet: 1.3 Tax Composition
  - Table 1.3a Tax Composition (Nominal Prices)
- Worksheet: 1.4 Tax Allocations
  - Table 1.4a Tax Allocations (Nominal Prices)
- Worksheet: 1.5 RPEs and Efficiencies
  - Table 1.5a Opex Input Factor Weighting and Cost Forecast
  - Table 1.5b Capex Input Factor Weighting and Cost Forecast
  - Table 1.5c Opex Input Price Development and Real Frontier Shift
  - Table 1.5d Capex Input Price Development and Real Frontier Shift
  - Table 1.5e Opex Catch-up Efficiency Assumptions Year-on-Year
  - Table 1.5f Capex Catch-up Efficiency Assumptions Year-on-Year
  - Table 1.5g Opex Compound Efficiency Assessment
  - Table 1.5h Capex Compound Efficiency Assessment

5.3 It should be noted that for all of the worksheets in the Finance section, the years for which data will need to be provided will populate automatically in the relevant table headers once the GDN Name has been provided in cell E15 of the Worksheet: Cover.

Guidance on Table Completion

Worksheet: 1.0 Income Statement

Table 1.0a Income Statement (Nominal Prices)

Purpose and Use	This table is designed to provide a Profit & Loss/Statement of Consolidated Income forecast for the years of the price control period. It will be used as a reference for consistency checks.
Instructions for Completion	This table should be populated **in nominal prices**, on the same basis on which the GDN prepares its regulatory accounts. Whilst there are more categories than in the Profit & Loss/Statement of Comprehensive Income in audited regulatory accounts, the additional detail is required to facilitate reconciliation/agreement with other tables. Row 10: Indicate whether accounts are prepared under UK GAAP or IFRS accounting standards. Rows 12 to 65: These rows cover the licensed entity. Row 39-45: Finance Expenses & Investment Income on the Income account should include non-transportation related items and all movements on derivative financial instruments. It should be noted that for each year, the Transfer to Reserves shown in row 65 of the spreadsheet needs to equal the sum of Profit and Loss Account / Retained earnings details in row 69 and Other Reserves details in row 71 of Table 1.1a Financial Position (Nominal Prices). This is verified through the balance check in row 67.All balance checks should show “OK”; any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 1.1 Financial Position

Table 1.1a Financial Position (Nominal Prices)

Purpose and Use	This table is designed to provide a Balance Sheet/Statement of Financial Position forecast for the years of the price control period. It will be used as a reference for consistency checks.
Instructions for Completion	This table should be populated in nominal prices, on the same basis on which the GDN prepares its regulatory accounts. Whilst there are more categories than in the Balance Sheet/Statement of Financial Position in audited regulatory accounts, the additional detail is required to facilitate reconciliation/agreement with other tables. The Accounting Framework in row 10 is automatically pre-populated from row 10 in Table 1.0a Income Statement (Nominal Prices). The Net Assets in row 65 must equal the Equity Shareholders’ Funds in row 73. This is verified through the balance check in row 77 which should for each year show the result “OK”; any anomalies must be explained in the commentary to the business plan submission.

Table 1.1b Asset Life and Depreciation

Purpose and Use	This table provides an overview over the asset life and depreciation rules used in drawing up the business plan. This information is used as a reference when interpreting the data submitted and comparing it across the GDNs.
Instructions for Completion	Complete, for each of the assets, the Asset Live in cells C82 to C90 and select in cells D82 to D90 the relevant Depreciation Rule from the drop-down list. This table should be populated on the same basis on which the GDN prepares its regulatory accounts and asset lives should be reflective of the useful economic life.

Worksheet: 1.2 Cash Flow Statement

Table 1.2a Cash Flow Statement (Nominal Prices)

Purpose and Use	This table is designed to provide a standard form of each licensee's cash flow position forecast for the years of the price control period. It will be used as a reference for consistency checks.
Instructions for Completion	This table should be populated in nominal prices, on the same basis on which the GDN prepares its regulatory accounts. This table is linked to movements implied by Table 1.0a Income Statement (Nominal Prices) and Table 1.1a Financial Position (Nominal Prices) as far as practicable. The Net Debt/Cash at 31 December in row 80 must equal the Net Debt in row 75 of Table 1.1a Financial Position (Nominal Prices). This is verified through the balance check in row 83 which should for each year show the result "OK"; any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 1.3 Tax Composition

Table 1.3a Tax Composition (Nominal Prices)

Purpose and Use	This worksheet provides a summary of the tax calculation and an analysis of capital allowances for tax purposes, forecast for the GD23 price control period.
Instructions for Completion	This table should be completed in nominal prices. Populate the expected Corporation Tax rate in row 7, in line with existing legislation and, where applicable, budget proposals and latest HMRC guidance for Corporation Tax rates and Capital Allowances. Input details of tax calculation to arrive at the tax charge shown in Table 1.0a Income Statement (Nominal Prices). This is verified by the consistency check in row 60 which shall show OK for each year; any anomalies shall be explained in the commentary to the business plan submission.

	Input details of capital additions and write down allowances as appropriate in the yellow shaded boxes in column C of the table. Note: The Corporation Tax rates shown in row 7 are of indicative nature only. These rates are subject to change and will be amended, where relevant and appropriate, to reflect changes in budget proposals, budgets, legislation and HMRC guidance.

Worksheet: 1.4 Tax Allocations

Table 1.4a Tax Allocations (Nominal Prices)

Purpose and Use	This table is used to report the allocation of capex and opex spend to capital allowance pools for the licensee. It obtains an analysis of the GDN's capex and ensures allocation to the capital allowance pools on a consistent and comparable format across GDNs. It enables monitoring and comparison of allocations to capital allowance pools across GDNs, and across time, which will inform price control allowances.
Instructions for Completion	This table should be completed in nominal prices. The table requires GDNs to insert the allocation of expenditure across tax categories for the various types of expenditure for each of the forecast years of the GD23 price control period. These allocations should reflect the basis on which the tax charge for the Regulatory Accounts is anticipated. Enter the analysis of the expenditure in each area for tax purposes by each of the capital allowance pools. The total expenditure should agree to that reflected in Table 4.2a Capital Gross Expenditure. This is verified by the check in row 66. It should show OK for each year; any anomalies shall be explained in the commentary to the business plan submission. Profiles are calculated automatically for each expenditure type in the bottom half of the sheet.

Worksheet: 1.5 RPEs and Efficiencies

Table 1.5a Opex Input Factor Weighting and Cost Forecast

Purpose and Use	The purpose of this table is to capture the GDN's assumptions on input price development for different opex cost categories. This information will be used to inform the setting of opex allowances.
Instructions for Completion	**Input Factor Cost Categories** The column Cost Category (column A) displays the different input factor cost categories. The cost categories used as part of GD17 have been pre-populated. It should be noted, however, that the input factor cost categories will be reviewed as part of the GD23 price control and that the input factor categorisation may change as a result of this

	review. To inform the review, please enter any input factor cost categories you consider relevant but which are not pre-populated in cells A15 to A19 and provide additional substantiation in the commentary to the business plan submission. **Input Factor Cost Weightings** For each of the input factor cost categories listed in column A, list in column C the relative weight in per cent that you consider should be given to this cost category with consideration of the relative importance of such costs in your cost base. The sum across the relative weights shall equal 100%. This is verified by the consistency check in row 20 which shall show OK; any anomalies shall be explained in the commentary to this business plan submission. If the sum across the total weights in column C equals 100%, these weights will automatically copy into column D and be used for calculating the expected opex input price development in Table 1.5c Opex Input Price Development and Real Frontier Shift as well as the split of capitalised overheads into input factors in Table 4.2c Capitalised Overheads Percentage Split; in all other cases the GD17 weights will be used for these calculations as default. Cell C23 indicates which of the weights (GDN Assumption or GD17 Determination) will be used. **Input Factor Cost Forecast** For each input factor cost category with the exception of the Other category, enter in columns E to L the forecast input price development in per cent for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period. The entry can be positive if inflation is expected, or negative if deflation is expected. Note that for each cost category, substantiation of and underlying source data for the input price development assumptions shall be provided in the commentary to the business plan submission. The cost category Other will be expected to move in line with RPI. We have therefore pre-populated row 14 with the RPI assumptions from Table g RPI Forecast on the Worksheet: Universal Data, but we note that this forecast will be reviewed as part of the GD23 price control process and is subject to change. <u>Note:</u> The input price development to be recorded in this table is the expected input price development in per cent in nominal terms, not the expected input price development above RPI.

Table 1.5b Capex Input Factor Weighting and Cost Forecast

Purpose and Use	The purpose of this table is to capture the GDN's assumptions on input price development for different capex cost categories. This information will be used to inform the setting of capex allowances.
Instructions for Completion	**Input Factor Cost Categories**

	The column Cost Category (column N) displays the different input factor cost categories. The cost categories used as part of GD17 have been pre-populated. It should be noted, however, that the input factor cost categories will be reviewed as part of the GD23 price control and that the input factor cost categorisation may change as a result of this review. To inform the review, please enter any input factor cost categories you consider relevant but which are not pre-populated in cells N15 to N19 and provide additional substantiation in the commentary to the business plan submission. **Input Factor Weightings** For each of the input factor cost categories listed in column N, list in column P the relative weight in per cent that you consider should be given to this cost category with consideration of the relative importance of such costs in your cost base. The relative weights shall equal 100%. This is verified by the consistency check in row 20 which shall show OK; any anomalies shall be explained in the commentary to this business plan submission. If the sum across the total weights in column P equals 100%, these weights will automatically copy into column Q and be used for calculating the expected capex input price development in Table 1.5d Capex Input Price Development and Real Frontier Shift as well as the split of contractor costs into input factors in Table 4.2e Gross Costs Excluding Capitalised Overheads Percentage Split, in all other cases the GD17 weights will be used for this calculation as default. Cell P23 indicates which of the weights (GDN Assumption or GD17 Determination) will be used. **Input Factor Forecast** For each input factor cost category with the exception of the Other category, enter in columns R to Y the forecast input price development in per cent for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period. The entry can be positive if inflation is expected, or negative if deflation is expected. Note that for each cost category, substantiation of and underlying source data for the input price development assumptions shall be provided in the commentary to the business plan submission. The cost category Other will be expected to move in line with RPI. We have therefore pre-populated row 14 with the RPI assumptions from Table g RPI Forecast on the Worksheet: Universal Data, but we note that this forecast will be reviewed as part of the GD23 price control process and is subject to change. <u>Note:</u> The input price development to be recorded in this table is the expected input price development in per cent in nominal terms, not the expected input price development above RPI.

Table 1.5c Opex Input Price Development and Real Frontier Shift

Purpose and Use	This table provides, for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period, a forecast of expected weighted input prices and the subsequent real frontier shift calculation.
Instructions for Completion	Each GDN is expected to insert a productivity assumption into row 28 for each of the years 2021-2028. To calculate the Real Frontier Shift in row 29, RPI assumptions for each year will be taken from Table g RPI Forecast on the Worksheet: Universal Data. The Real Frontier Shift is then calculated automatically by subtracting both the productivity and RPI figures from the weighted input price figure (row 27) for each respective year. In order to properly align with our catch-up efficiency figures, the sign for frontier shift is reversed by multiplying by minus one. The cumulative impact of each additional year of frontier shift is calculated in row 30. We note that the information in this table is of indicative nature only as RPI forecast data, input factor cost categories and weightings as well as the GDN's input factor cost assumptions will all be reviewed and are subject to change during the price control process.

Table 1.5d Capex Input Price Development and Real Frontier Shift

Purpose and Use	This table provides, for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period, a forecast of expected weighted input prices and the subsequent real frontier shift calculation.
Instructions for Completion	Each GDN is expected to insert a productivity assumption into row 28 for each of the years 2021-2028. To calculate the Real Frontier Shift in row 29, RPI assumptions for each year will be taken from Table g RPI Forecast on the Worksheet: Universal Data. The Real Frontier Shift is then calculated by subtracting both the productivity and RPI figures from the weighted input price figure (row 27) for each respective year. In order to properly align with our catch-up efficiency figures, the sign for frontier shift is reversed by multiplying by minus one. The cumulative impact of each additional year of frontier shift is calculated in row 30. We note that the information in this table is of indicative nature only as RPI forecast data, input factor cost categories and weightings as well as the GDN's input factor cost assumptions will all be reviewed and are subject to change during the price control process.

Table 1.5e Opex Catch-up Efficiency Assumptions Year-on-Year

Purpose and Use	The purpose of this table is to summarise the findings of the GDN's relative efficiency assessment with respect to opex as well as the proposed GDN opex catch-up efficiency targets for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period.
Instructions for Completion	**Assessment of Relative Efficiency Gap in Base Year** In a first step, conduct an assessment of your relative efficiency with respect to opex compared to appropriate GDNs, using 2020 as a base year to establish the efficiency gap in per cent compared to the benchmark. Record this information in cell D37. **Assessment of Scope for Catch-up Until End of GD23 Price Control Period** Record, in cell D38, the opex efficiency improvement in per cent you propose to achieve in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period to catch-up with the benchmark. This efficiency improvement can be equal to the efficiency gap recorded in cell D37, or it can be smaller, provided adequate substantiation for such a smaller gap is provided in the commentary to this business plan submission. **Assessment of Scope for Catch-up Year on Year** Record, in cells E39 to L39, the proposed opex efficiency catch-up targets in per cent for the different years. The targets can be the same for each year, or they can differ from year to year. In any case, the compound effect of the year-on-year targets (displayed for information in row 40) must equal the overall efficiency improvement target recorded in cell D38. This is verified through the consistency check in cell D40 which should show "OK"; any anomalies must be explained in the commentary to the business plan submission. **Commentary** As supplement to the details recorded in Table 1.5e Opex Catch-up Efficiency Assumptions Year-on-Year, the following substantiating information shall be included in the commentary to the business plan submission: • Details of studies undertaken to arrive at both, the assessment of the relative efficiency gap in the base year and the scope for catch-up efficiencies to be achieved before the end of the GD23 price control period. • If the proposed scope for catch-up efficiencies is smaller than the relative efficiency gap in the base year, substantiation of why the GDN considers that it will not be able to close the full efficiency gap during the course of the GD23 price control period.

	• An explanation of how the GDN intends to meet its efficiency assumptions, including where these will be made and a substantiation for the proposed phasing of the proposed year-on-year catch-up targets. • A confirmation that the proposed efficiency assumptions can be met, without increasing the risk of service or quality compliance failure. Note 1: We note that whilst 2020 will be used as a base year in the business plan submission for the relative efficiency analysis, the base year designation will be reviewed as part of the GD23 price control process and is subject to change. Note 2: If it is assumed that the year-on-year catch-up targets in per cent will be the same for each year, the following formula can be used to establish these targets based on the overall efficiency improvement target recorded in cell D38: yearly target = 1-((1-overall efficiency improvement target)^(1/number of years during which the improvement is to be achieved)). The default setting is for catch-up on geometric basis over 3 years, but duration of term can be shortened/lengthened by the company using the formula above.

Table 1.5f Capex Catch-up Efficiency Assumptions Year-on-Year

Purpose and Use	The purpose of this table is to summarise the findings of the GDN's relative efficiency assessment with respect to capex as well as the proposed GDN capex catch-up efficiency targets for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period.
Instructions for Completion	**Assessment of Relative Efficiency Gap in Base Year** In a first step, conduct an assessment of your relative efficiency with respect to capex compared to appropriate GDNs. using 2020 as a base year to establish the efficiency gap in per cent compared to the benchmark. Record this information in cell Q37. **Assessment of Scope for Catch-up Until End of GD23 Price Control Period** Record, in cell Q38, the capex efficiency improvement in per cent you propose to achieve in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period to catch-up with the benchmark. This efficiency improvement can be equal to the efficiency gap recorded in cell Q38, or it can be smaller, provided adequate substantiation for such a smaller gap is provided in the commentary to this business plan submission. **Assessment of Scope for Catch-up Year on Year**

	Record, in cells R39 to Y39, the proposed capex efficiency catch-up targets in per cent for the different years. The targets can be the same for each year, or they can differ from year to year. In any case, the compound effect of the year-on-year targets (displayed for information in row 40) must equal the overall efficiency improvement target recorded in cell Q38. This is verified through the consistency check in cell Q40 which should show "OK"; any anomalies must be explained in the commentary to the business plan submission. **Commentary** As supplement to the details recorded in Table 1.5f Capex Catch-up Efficiency Assumptions Year-on-Year, the following substantiating information shall be included in the commentary to the business plan submission: • Details of studies undertaken to arrive at both, the assessment of the relative efficiency gap in the base year and the scope for catch-up efficiencies to be achieved before the end of the GD23 price control period. • If the proposed scope for catch-up efficiencies is smaller than the relative efficiency gap in the base year, substantiation of why the GDN considers that it will not be able to close the full efficiency gap during the course of the GD23 price control period. • An explanation of how the GDN intends to meet its efficiency assumptions, including where these will be made and a substantiation for the proposed phasing of the proposed year-on-year catch-up targets. • A confirmation that the proposed efficiency assumptions can be met, without increasing the risk of service or quality compliance failure. <u>Note 1:</u> We note that whilst 2020 will be used in the business plan submission as a base year for the relative efficiency analysis, the base year designation will be reviewed as part of the GD23 price control process and is subject to change. <u>Note 2:</u> If it is assumed that the year-on-year catch-up targets in per cent will be the same for each year, the following formula can be used to establish these targets based on the overall efficiency improvement target recorded in cell Q38: yearly target = 1-((1-overall efficiency improvement target)^(1/number of years during which the improvement is to be achieved)). The default setting is for catch-up on geometric basis over 3 years, but duration of term can be shortened/lengthened by the company using the formula above.

Table 1.5g Opex Compound Efficiency Assessment

Purpose and Use	This table establishes the combined effect of the opex catch-up and frontier shift targets detailed in Table 1.5c Opex Input Price Development and Real Frontier Shift and Table 1.5e Opex Catch-up Efficiency Assumptions Year-on-Year. This information will be used in calculating the post-efficiency and frontier shift opex in Table 3.0d Overview over RPE and Efficiency Impact on Controllable Opex after Income Received as well as for benchmarking and analysis purposes.
Instructions for Completion	No input is required as this table is auto-populated.

Table 1.5h Capex Compound Efficiency Assessment

Purpose and Use	This table establishes the combined effect of the capex catch-up and frontier shift targets detailed in Table 1.5d Capex Input Price Development and Real Frontier Shift and Table 1.5f Capex Catch-up Efficiency Assumptions Year-on-Year. This information will be used in calculating an indicative forecast of capex with RPEs and efficiencies before and after consideration of overheads Table 4.0d Overview over RPE and Efficiency Impact on Net Capex as well as for benchmarking and analysis purposes.
Instructions for Completion	No input is required as this table is auto-populated.

6 Instructions for Completing the Volumes & Customer Numbers Tables

Chapter Summary

6.1 This section provides an overview over workloads, customer numbers and volumes for the two years directly pre-ceding the GD23 price control period, the GD23 price control period itself and the years thereafter until the end of the revenue recovery period for each GDN, as appropriate.

6.2 The level of detail required for data entry in the customer number and volume tables will depend to a large extent on the form of price control applicable for the GDN. The tables in this section reflect the customer categories of each GDN. For example the tables related to price cap refer to SGN and their customer categories.

Overview of Tables

6.3 The worksheets and tables included within the Volumes & Customer Number section of the template are:

- Worksheet: 2.0 Volumes & Customers Summary
  - Table 2.0a Price Control Type Selection
  - Table 2.0b Volume Summary for Price Cap Price Control (kWh)
  - Table 2.0c Volume Summary for Price Cap Price Control (Therms)
  - Table 2.0d Volume Summary for Revenue Cap Price Control (kWh)
  - Table 2.0e Volume Summary for Revenue Cap Price Control (Therms)
  - Table 2.0f Cumulative Customers Summary for Price Cap Price Control
  - Table 2.0g Cumulative Customers Summary for Revenue Cap Price Control
  - Table 2.0h Average Volume by Tenure for Price Cap Price Control (kWh)
  - Table 2.0i Average Volume by Tenure for Price Cap Price Control (Therms)
  - Table 2.0j Average Volume by Tenure for Revenue Cap Price Control (kWh)
  - Table 2.0k Average Volume by Tenure for Revenue Cap Price Control (Therms)
  - Table 2.0l Connections to Domestic Customers Requiring Special Arrangements for Price Cap Price Control
  - Table 2.0m Connections to Domestic Customers Requiring Special Arrangements for Revenue Cap Price Control
- Worksheet: 2.1 Domestic <=2.5Th
  - Table 2.1a Form of Price Control
  - Table 2.1b Customer Burn Profile

- Table 2.1c Average Burn Assumptions
- Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes
- Table 2.1e Domestic – NB Credit: Customers Additions/Losses and Volumes
- Table 2.1f Domestic – NIHE Credit: Customers Additions/Losses and Volumes
- Table 2.1g Domestic – OO Prepay: Customers Additions/Losses and Volumes
- Table 2.1h Domestic – NB Prepay: Customers Additions/Losses and Volumes
- Table 2.1i Domestic – NIHE Prepay: Customers Additions/Losses and Volumes
- Table 2.1j Domestic – OO Smart: Customers Additions/Losses and Volumes
- Table 2.1k Domestic – NB Smart: Customers Additions/Losses and Volumes
- Table 2.1l Domestic – NIHE Smart: Customers Additions/Losses and Volumes
- Table 2.1m Total Domestic: Customers Additions/Losses and Volumes

- Worksheet: 2.2 I&C Tariff <= 25kTh (P1 & P2)
  - Table 2.2a Form of Price Control
  - Table 2.2b Customer Burn Profile
  - Table 2.2c Average Burn Assumptions
  - Table 2.2d I&C Tariff– I&C1 (<=2.5kTh): Customers Additions/Losses and Volumes (P1)
  - Table 2.2e I&C Tariff– I&C2 (>2.5kTh): Customers Additions/Losses and Volumes (P2)
  - Table 2.2f Total I&C Tariff: Customers Additions/Losses and Volumes (P1 and P2)
- Worksheet: 2.3x Large I&C < 75kTh (P3)
  - Table 2.3a Form of Price Control
  - Table 2.3b Large I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028Table 2.3b Large I&C: Volume Detail (kWh) for Existing Customers between 2021 and
  - Table 2.3c Large I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028Table 2.3c Large I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and
  - Table 2.3d Large I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028Table 2.3d Large I&C: Volume Detail (Therms) for Existing Customers between 2021 and
  - Table 2.3e Large I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and 2028Table 2.3e Large I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and
  - Table 2.3f Large I&C: Customer Number and Volume SummaryTable 2.3f Large I&C: Customer Number and Volume Summary

- Worksheet: 2.3y CHP I&C < 100kTh (P4)
    - Table 2.3a Form of Price ControlTable 2.3a Form of Price Control
    - Table 2.3b CHP I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028Table 2.3b Large I&C: Volume Detail (kWh) for Existing Customers between 2021 and
    - Table 2.3c CHP I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028Table 2.3c Large I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028Table 2.3c Large I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and
    - Table 2.3d CHP I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028Table 2.3d Large I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028Table 2.3d Large I&C: Volume Detail (Therms) for Existing Customers between 2021 and
    - Table 2.3e CHP I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and 2028Table 2.3e Large I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and

  Table 2.3f CHP I&C: Customer Number and Volume SummaryTable 2.3f Large I&C: Customer Number and Volume Summary
- Worksheet: 2.4 Contract Firm <100kTh (P5)
    - Table 2.4a Form of Price ControlTable 2.4a Form of Price Control
    - Table 2.4b Large Firm Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028Table 2.4b Large Firm Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and
    - Table 2.4c Large Firm Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028Table 2.4c Large Firm Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and
    - Table 2.4d Large Firm Contract I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028Table 2.4d Large Firm Contract I&C: Volume Detail (Therms) for Existing Customers between 2021 and
    - Table 2.4e Large Firm Contract I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and 2028Table 2.4e Large Firm Contract I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and
    - Table 2.4f Large Firm Contract I&C: Customer Number and Volume SummaryTable 2.4f Large Firm Contract I&C: Customer Number and Volume Summary
- Worksheet: 2.5x Interruptible < 100kThWorksheet: 2.5x Interruptible <
    - Table 2.5a Form of Price ControlTable 2.5a Form of Price Control
    - Table 2.5b Large Interruptible Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028Table 2.5b Large Interruptible Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028
    - Table 2.5c Large Interruptible Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028Table 2.5c Large Interruptible

Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and

- Table 2.5d Large Interruptible Contract I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028Table 2.5d Large Interruptible Contract I&C: Volume Detail (Therms) for Existing Customers between 2021 and
- Table 2.5e Large Interruptible Contract I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and 2028Table 2.5e Large Interruptible Contract I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and
- Table 2.5f Large Interruptible Contract I&C: Customer Number and Volume Summary

- Worksheet: 2.5y Supercontract > 100kTh (P7)Worksheet: 2.5x Interruptible < 100kTh Worksheet: 2.5x Interruptible < 100kTh
  - Table 2.5a Form of Price Control
  - Table 2.5b Super Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028Table 2.5b Large Interruptible Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028Table 2.5b Large Interruptible Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028
  - Table 2.5c Super Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021and 2028Table 2.5c Large Interruptible Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028Table 2.5c Large Interruptible Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and
  - Table 2.5d Super Contract I&C: Volume Detail (Therms) for Existing Customers between 2021 and 202Table 2.5d Large Interruptible Contract I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028Table 2.5d Large Interruptible Contract I&C: Volume Detail (Therms) for Existing Customers between 2021 and
  - Table 2.5e Super Contract I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and 202Table 2.5e Large Interruptible Contract I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and 2028Table 2.5e Large Interruptible Contract I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and
  - Table 2.5f Super Contract I&C: Customer Number and Volume Summary
  - Table 2.6a Workload Summary
- Worksheet: 2.7 Workload Summary 2015-2018
  - Table 2.7a Workload Summary 2015-2018
  - Worksheet: 2.5y Supercontract > 100kTh (P7)

Guidance on Table Completion

Worksheet: 2.0 Volumes & Customers Summary

Table 2.0a Price Control Type Selection

Purpose and Use	This table is used to automatically grey out the data entry tables on Worksheet: 2.0 Volumes & Customers Summary that do not need to be completed by the GDN because of the form of price control applicable to it.
Instructions for Completion	No data entry is required. The table pre-populates automatically based on the GDN Name provided in cell E15 of the Worksheet: Cover.

Table 2.0b Volume Summary for Price Cap Price Control (kWh)

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It provides an overview over the forecast volumes (in kWh), by customer category, for the period beginning two years prior to the start of the GD23 price control period until the end of the revenue recovery period for the GDN. This information is used for analysis of shrinkage and environmental impact of the natural gas business and informs the price control formula.

Instructions for Completion	No data entry is required for the two years prior to the start of the GD23 price control period and the years of the GD23 price control. The related cells are populated automatically from Worksheet: 2.1 Domestic <=2.5Th, Worksheet: 2.2 I&C Tariff <= 25kTh (P1 & P2), Worksheet: 2.3x Large I&C < , Worksheet: 2.3y CHP I&C < 100kTh (P4), Worksheet: 2.4 Contract Firm <100kTh (P5), Worksheet: 2.5x Interruptible < and Worksheet: 2.5y Supercontract > 100kTh (P7)
	
	For the years following the GD23 price control period until the end of the revenue recovery period, best estimates for the relevant data shall be provided. All volume data must be expressed in kWh, net of shrinkage and must be broken down into the following customer categories:
	• Domestic
	  ○ Owner Occupied
	  ○ New Build
	  ○ NIHE
	• I&C
	  ○ Tariff
	  ○ Contract

	The Domestic subtotal in row 18, the I&C subtotal in row 26 as well as the total volume in row 27 are populated automatically based on the information provided for the different customer categories. The consistency check in column AT verifies if the volume details recorded in Table 2.0b Volume Summary for Price Cap Price Control (kWh) are consistent with those recorded on Worksheet: 2.1 Domestic <=2.5Th for the GD23 price control period. It should show "OK" for each row; any anomalies must be explained in the commentary to the business plan submission.

Table 2.0c Volume Summary for Price Cap Price Control (Therms)

Purpose and Use	This table is only required for GDNs with a price cap form of price control. The purpose of this table is to convert the data provided in table Table 2.0b Volume Summary for Price Cap Price Control (kWh) into therms.
Instructions for Completion	No input is required as this table is auto-populated. The consistency check in column AT verifies if the volume details in Table 2.0c Volume Summary for Price Cap Price Control (Therms) are consistent with those recorded on Worksheet: 2.1 Domestic <=2.5Th for the GD23 price control period. It should show "OK" for each row; any anomalies must be explained in the commentary to the business plan submission.

Table 2.0d Volume Summary for Revenue Cap Price Control (kWh)

Purpose and Use	This table is only required for GDNs with a revenue cap form of price control. It provides an overview over the forecast volumes (in kWh), by customer category, for the period beginning two years prior to the start of the GD23 price control period until the end of the revenue recovery period for the GDN. This information is used for analysis of shrinkage and environmental impact of the natural gas business.

Instructions for Completion	For the period starting two years prior to the start of the GD23 price control until the end of the revenue recovery period, best estimates for the relevant data shall be provided. All volume data must be expressed in kWh, net of shrinkage and must be broken down into the following customer categories:
	• Domestic
	  ○ Owner Occupied
	  ○ New Build
	  ○ NIHE
	• I&C

	○ Tariff ○ Contract The Domestic subtotal in row 46, the I&C subtotal in row 49 as well as the total volume in row 50 are populated automatically based on the information provided for the different customer categories. The consistency check in column AT verifies if the volume details recorded in Table 2.0d Volume Summary for Revenue Cap Price Control (kWh) are consistent in each other for the GD23 price control period. It should show "OK" for the sub-totals; any anomalies must be explained in the commentary to the business plan submission.

Table 2.0e Volume Summary for Revenue Cap Price Control (Therms)

Purpose and Use	This table is only required for GDNs with a revenue cap form of price control. The purpose of this table is to convert the data provided in Table 2.0d Volume Summary for Revenue Cap Price Control (kWh) into therms.
Instructions for Completion	No input is required as this table is auto-populated. The consistency check in column AT verifies if the volume details recorded in Table 2.0e Volume Summary for Revenue Cap Price Control (Therms) are consistent in each other for the GD23 price control period. It should show "OK" for the sub-totals; any anomalies must be explained in the commentary to the business plan submission.

Table 2.0f Cumulative Customers Summary for Price Cap Price Control

Purpose and Use	This table is only required for GDNs with a price cap form of price control. The purpose of this table is to record the number of customers by customer category. This information is needed to determine the average volume by tenure in Table 2.0h Average Volume by Tenure for Price Cap Price Control (kWh) and Table 2.0i Average Volume by Tenure for Price Cap Price Control (Therms).
Instructions for Completion	No data entry is required for the two years prior to the start of the GD23 price control period and the years of the GD23 price control. The related cells are populated automatically from Worksheet: 2.1 Domestic <=2.5Th, Worksheet: 2.2 I&C Tariff <= 25kTh (P1 & P2), Worksheet: 2.3x Large I&C < , Worksheet: 2.3y CHP I&C < 100kTh (P4), Worksheet: 2.4 Contract Firm <100kTh (P5), Worksheet: 2.5x Interruptible < and Worksheet: 2.5y Supercontract > 100kTh (P7). For the years following the GD23 price control period until the end of the revenue recovery period, best estimates for the number of customers per the end of each year shall be provided. The data must be broken down into the following customer categories:

	• Domestic
	  ○ Owner Occupied
	  ○ New Build
	  ○ NIHE
	• I&C
	  ○ Tariff
	  ○ Contract
	The Domestic subtotal in row 84, the I&C subtotal in row 92 as well as the total in row 93 are populated automatically based on the information provided for the different customer categories.
	The consistency check in column AT verifies if the details recorded in Table 2.0f Cumulative Customers Summary for Price Cap Price Control are consistent with those recorded on Worksheet: 2.1 Domestic <=2.5Th for the GD23 price control period. It should show "OK" for each row; any anomalies must be explained in the commentary to the business plan submission.

Table 2.0g Cumulative Customers Summary for Revenue Cap Price Control

Purpose and Use	This table is only required for GDNs with a revenue cap form of price control. The purpose of this table is to record the number of customers by customer category. This information is needed to determine the average volume by tenure in Table 2.0j Average Volume by Tenure for Revenue Cap Price Control (kWh) and Table 2.0k Average Volume by Tenure for Revenue Cap Price Control (Therms).

Instructions for Completion	For the period starting two years prior to the start of the GD23 price control until the end of the revenue recovery period, best estimates for the number of customers per the end of each year shall be provided. The data must be broken down into the following customer categories:
	• Domestic
	  ○ Owner Occupied
	  ○ New Build
	  ○ NIHE
	• I&C
	  ○ Tariff
	  ○ Contract
	The Domestic subtotal in row 88, the I&C subtotal in row 91 as well as the total in row 92 are populated automatically based on the information provided for the different customer categories.

Table 2.0h Average Volume by Tenure for Price Cap Price Control (kWh)

Purpose and Use	This table is only required for GDNs with a price cap form of price control. The purpose of this table is to establish the average volume by tenure in kWh for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the revenue recovery period for the GDN. This information is used for monitoring and benchmarking purposes.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.0i Average Volume by Tenure for Price Cap Price Control (Therms)

Purpose and Use	This table is only required for GDNs with a price cap form of price control. The purpose of this table is to convert the data provided in Table 2.0h Average Volume by Tenure for Price Cap Price Control (kWh) into therms.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.0j Average Volume by Tenure for Revenue Cap Price Control (kWh)

Purpose and Use	This table is only required for GDNs with a revenue cap form of price control. The purpose of this table is to establish the average volume by tenure in kWh for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the revenue recovery period for the GDN. This information is used for monitoring and benchmarking purposes.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.0k Average Volume by Tenure for Revenue Cap Price Control (Therms)

Purpose and Use	This table is only required for GDNs with a revenue cap form of price control. The purpose of this table is to convert the data provided in Table 2.0j Average Volume by Tenure for Revenue Cap Price Control (kWh) into therms.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.0l Connections to Domestic Customers Requiring Special Arrangements for Price Cap Price Control

Purpose and Use	This table is only required for GDNs with a price cap form of price control. The purpose of this table is to collate details, for each year in the period starting two years prior to the start of the GD23 price control until the end of the GD23 price control, on the forecast number and percentage of connections for domestic customer requiring special arrangements (as detailed in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers). This information is required for analysis purposes and may be used as a basis for the setting of allowances specific to customers or connections requiring special arrangements.
Instructions for Completion	Enter, for each year, in row 155, the number of forecast connections for domestic customers requiring special arrangements. The overall number of domestic connections for each year is populated automatically for information, based on the details recorded in Table 2.1m Total Domestic: Customers Additions/Losses and Volumes. The percentage of connections to domestic customers requiring special arrangements based on the overall number of domestic connections in each year is also populated automatically. It must not be greater than 100%. This is verified through the consistency check in row 157 which should show “OK” for each year; any anomalies must be explained in the commentary to the business plan submission.

Table 2.0m Connections to Domestic Customers Requiring Special Arrangements for Revenue Cap Price Control

Purpose and Use	This table is only required for GDNs with a revenue cap form of price control. The purpose of this table is to collate details, for each year in the period starting two years prior to the start of the GD23 price control until the end of the GD23 price control, on the forecast number and percentage of connections for domestic customer requiring special arrangements (as detailed in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers). This information is required for analysis purposes and may be used as a basis for the setting of allowances specific to customers or connections requiring special arrangements.
Instructions for Completion	Enter, for each year, in row 163 the number of forecast domestic connections and in row 164 the number of forecast domestic connections for customers requiring special arrangements. The percentage of connections to domestic customers requiring special arrangements based on the overall number of domestic connections in each year is populated automatically. It must not be

	greater than 100%. This is verified through the consistency check in row 166 which should show “OK” for each year; any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 2.1 Domestic <=2.5Th

Table 2.1a Form of Price Control

Purpose and Use	This table is used to automatically grey out the data entry tables on Worksheet: 2.1 Domestic <=2.5Th that do not need to be completed by the GDN because of the form of price control applicable to it.
Instructions for Completion	No data entry is required. The table pre-populates automatically based on the GDN Name provided in cell E15 of the Worksheet: Cover.

Table 2.1b Customer Burn Profile

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, for each domestic customer category, the burn profile across the months of the year. This information is used for volume calculations in Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes to Table 2.1l Domestic – NIHE Smart: Customers Additions/Losses and Volumes.
Instructions for Completion	Insert for each domestic customer category and year the customer burn profile in % across the different months of the year. Note that for each domestic customer category, the total across the months of each year is calculated automatically in columns O, AC, AQ, BE, BS, CG, CU and DI and needs to equal 100%. This is also verified through the consistency check in row 23 which should show “OK” for each year; any anomalies must be explained in the commentary to the business plan submission.

Table 2.1c Average Burn Assumptions

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, for each domestic customer category the average annual burn assumptions in kWh and therms. This information is used for volume calculations in Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes to Table 2.1l Domestic – NIHE Smart: Customers Additions/Losses and Volumes.

Instructions for Completion	Insert for each domestic customer category and year the average annual burn in kWh in columns C, Q, AE, AS, BG, BU, CI and CW, The corresponding values in therms are calculated automatically in the columns adjacent to the right.

Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It tracks, for the two years prior to the start of the GD23 price control period and for the years of the GD23 price control period itself, customer numbers and associated volumes across the months of each year. This information is used for analysis and benchmarking purposes.
Instructions for Completion	Insert for each year, the customer additions and losses in each month as well as, for January 2015, the number of customers at the start of the month. The customer number opening balances for all other months, the customer number closing balances as well as the monthly and yearly volumes in kWh and therms are populated automatically. The data entered should be relating to domestic OO customers (as defined in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers) with credit meters.

Table 2.1e Domestic – NB Credit: Customers Additions/Losses and Volumes

Purpose and Use	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above.
Instructions for Completion	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above, but with reference to domestic NB customers (as defined in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers) with credit meters rather than with reference to domestic OO customers with credit meters.

Table 2.1f Domestic – NIHE Credit: Customers Additions/Losses and Volumes

Purpose and Use	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above.
Instructions for Completion	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above, but with reference to domestic NIHE customers (as defined in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers) with credit meters rather than with reference to domestic OO customers with credit meters.

Table 2.1g Domestic – OO Prepay: Customers Additions/Losses and Volumes

Purpose and Use	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above.
Instructions for Completion	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above, but with reference to domestic OO customers (as defined in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers) with prepay meters rather than with reference to domestic OO customers with credit meters.

Table 2.1h Domestic – NB Prepay: Customers Additions/Losses and Volumes

Purpose and Use	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above.
Instructions for Completion	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above, but with reference to domestic NB customers (as defined in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers) with prepay meters rather than with reference to domestic OO customers with credit meters.

Table 2.1i Domestic – NIHE Prepay: Customers Additions/Losses and Volumes

Purpose and Use	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above.
Instructions for Completion	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above, but with reference to domestic NIHE customers (as defined in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers) with prepay meters rather than with reference to domestic OO customers with credit meters.

Table 2.1j Domestic – OO Smart: Customers Additions/Losses and Volumes

Purpose and Use	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above.
Instructions for Completion	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above, but with reference to domestic OO customers (as defined in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers) with smart meters rather than with reference to domestic OO customers with credit meters.

Table 2.1k Domestic – NB Smart: Customers Additions/Losses and Volumes

Purpose and Use	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above.
Instructions for Completion	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above, but with reference to domestic NB customers (as defined in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers) with smart meters rather than with reference to domestic OO customers with credit meters.

Table 2.1l Domestic – NIHE Smart: Customers Additions/Losses and Volumes

Purpose and Use	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above.
Instructions for Completion	As for Table 2.1d Domestic – OO Credit: Customers Additions/Losses and Volumes above, but with reference to domestic NIHE customers (as defined in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers) with smart meters rather than with reference to domestic OO customers with credit meters.

Table 2.1m Total Domestic: Customers Additions/Losses and Volumes

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It summarises across all domestic customer categories, for the two years prior to the start of the GD23 price control period and for the years of the GD23 price control period itself, customer numbers and associated volumes across the months of each year. This information is used for analysis and benchmarking purposes.
Instructions for Completion	No input is required as this table is auto-populated. The cross checks in rows 148 and 149 verify that volumes in kWh and therms are calculated consistently within the worksheet and should all show “OK”; any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 2.2 I&C Tariff <= 25kTh (P1 & P2)

Table 2.2a Form of Price Control

Purpose and Use	This table is used to automatically grey out the data entry tables on Worksheet: 2.2 I&C Tariff <= 25kTh (P1 & P2) that do not need to be completed by the GDN because of the form of price control applicable to it.

Instructions for Completion	No data entry is required. The table pre-populates automatically based on the GDN Name provided in cell E15 of the Worksheet: Cover.

Table 2.2b Customer Burn Profile

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, for each I&C tariff customer category, the burn profile across the months of the year. This information is used for volume calculations in tables Table 2.2d I&C Tariff– I&C1 (<=2.5kTh): Customers Additions/Losses and Volumes (P1) and Table 2.2e I&C Tariff– I&C2 (>2.5kTh): Customers Additions/Losses and Volumes (P2).
Instructions for Completion	Insert for each I&C tariff customer category and year the customer burn profile in % across the different months of the year. Note that for each I&C tariff customer category, the total across the months of each year is calculated automatically in columns O, AC, AQ, BE, BS, CG, CU and DI and needs to equal 100%. This is also verified through the consistency check in row 16 which should show “OK” for each of the years; any anomalies must be explained in the commentary to the business plan submission.

Table 2.2c Average Burn Assumptions

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, for each I&C tariff customer category the average annual burn assumptions in kWh and therms. This information is used for volume calculations in Table 2.2d I&C Tariff– I&C1 (<=2.5kTh): Customers Additions/Losses and Volumes (P1) and Table 2.2e I&C Tariff– I&C2 (>2.5kTh): Customers Additions/Losses and Volumes (P2).
Instructions for Completion	Insert for each I&C tariff customer category and year the average annual burn in kWh in columns C, Q, AE, AS, BG, BU, CI and CW, The corresponding values in therms are calculated automatically in the columns adjacent to the right.

Table 2.2d I&C Tariff– I&C1 (<=2.5kTh): Customers Additions/Losses and Volumes (P1)

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It tracks, for the two years prior to the start of the GD23 price control period and for the years of the GD23 price control period itself, customer numbers and associated volumes across the months of each

	year. This information is used for analysis and benchmarking purposes.
Instructions for Completion	Insert for each year, the customer additions and losses in each month as well as, for January 2021, the number of customers at the start of the month. The customer number opening balances for all other months, the customer number closing balances as well as the monthly and yearly volumes in kWh and therms are populated automatically. The data entered should be relating to I&C1 tariff customers (as defined in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers).

Table 2.2e I&C Tariff– I&C2 (>2.5kTh): Customers Additions/Losses and Volumes (P2)

Purpose and Use	As for Table 2.2d I&C Tariff– I&C1 (<=2.5kTh): Customers Additions/Losses and Volumes above.
Instructions for Completion	As for Table 2.2d I&C Tariff– I&C1 (<=2.5kTh): Customers Additions/Losses and Volumes above, but with reference to I&C2 tariff customers (as defined in Appendix 2: Technical Definitions, Properties Passed, Connections and Customers) rather than with reference to I&C1 tariff customers.

Table 2.2f Total I&C Tariff: Customers Additions/Losses and Volumes (P1 and P2)

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It summarises across all I&C tariff customer categories, for the two years prior to the start of the GD23 price control period and for the years of the GD23 price control period itself, customer numbers and associated volumes across the months of each year. This information is used for analysis and benchmarking purposes.
Instructions for Completion	No input is required as this table is auto-populated. The cross checks in rows 57 and 58 verify that volumes in kWh and therms are calculated consistently within the worksheet and should all show “OK”; any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 2.3x Large I&C < 75kTh (P3)

Table 2.3a Form of Price Control

Purpose and Use	This table is used to automatically grey out the data entry tables on Worksheet: 2.3x Large I&C < that do not need to be completed by the GDN because of the form of price control applicable to it.

Instructions for Completion	No data entry is required. The table pre-populates automatically based on the GDN Name provided in cell E15 of the Worksheet: Cover.

Table 2.3b Large I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large I& customers and associated volumes in kWh across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large I&C customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028.
Instructions for Completion	Enter in column A the name of all large I&C customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028. For each of the customers listed, enter, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, the monthly volumes in kWh. The yearly totals are populated automatically. Note: The following large I&C customers shall not be included in this table, but in Table 2.3c Large I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028 instead: • Large I&C costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large I&C customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large I&C customer or cease to be one.

Table 2.3c Large I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large I&C customers and associated volumes in kWh across the months of each year. This information is used for analysis and benchmarking purposes.

	The table is limited to large I contract customers for which at least one of the following is true: • Large I&C costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large I&C customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large I&C customer or cease to be one.
Instructions for Completion	Enter in column A the name of all large I&C customers that were such customers described above as being relevant for this table. For each of the customers listed, enter, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, the monthly volumes in kWh for those months during which the customer was a large I&C customer of the GDN. In the case of customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large I&C customer or cease to be one, please enter an explanatory note in the commentary accompanying the business plan template. The yearly totals are populated automatically. Note: Large I&C customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028 are not to be listed in this table but in Table 2.3b Large I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028 instead.

Table 2.3d Large I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large I&C customers and associated volumes in therms across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large I&C customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.3e Large I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large I&C customers and associated volumes in therms across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large I&C customers for which at least one of the following is true: • Large I&C costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large I&C customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large I&C customer or cease to be one.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.3f Large I&C: Customer Number and Volume Summary

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It summarises across all large I&C CHP contract customers, for the two years prior to the start of the GD23 price control period and for the years of the GD23 price control period itself, customer numbers and associated volumes in kWh and therms across the months of each year. This information is used for analysis and benchmarking purposes.
Instructions for Completion	No input is required as this table is auto-populated. The cross checks in rows 300 and 301 verify that volumes in kWh and therms are calculated consistently within the worksheet and should all show “OK”; any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 2.3y CHP I&C < 100kTh (P4)

Table 2.3a Form of Price Control

Purpose and Use	This table is used to automatically grey out the data entry tables on Worksheet: 2.3y CHP I&C < 100kTh (P4) that do not need to be

	completed by the GDN because of the form of price control applicable to it.
Instructions for Completion	No data entry is required. The table pre-populates automatically based on the GDN Name provided in cell E15 of the Worksheet: Cover.

Table 2.3b CHP I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large I&C CHP customers and associated volumes in kWh across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large I&C CHP customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028.
Instructions for Completion	Enter in column A the name of all large I&C CHP customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028. For each of the customers listed, enter, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, the monthly volumes in kWh. The yearly totals are populated automatically. Note: The following large I&C CHP contract customers shall not be included in this table, but in Table 2.3c CHP I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028 instead: • Large I&C CHP costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large I&C CHP customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large I&C CHP customer or cease to be one.

Table 2.3c CHP I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large I&C CHP customers and associated volumes in kWh across the

	months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large I&C CHP customers for which at least one of the following is true: • Large I&C CHP costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large I&C CHP customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large I&C CHP customer or cease to be one.
Instructions for Completion	Enter in column A the name of all large I&C CHP customers that were such customers described above as being relevant for this table. For each of the customers listed, enter, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, the monthly volumes in kWh for those months during which the customer was a large I&C CHP contract customer of the GDN. In the case of customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large I&C CHP contract customer or cease to be one, please enter an explanatory note in the commentary accompanying the business plan template. The yearly totals are populated automatically. Note: Large I&C CHP customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028 are not to be listed in this table but inTable 2.3b CHP I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028.

Table 2.3d CHP I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large I&C CHP customers and associated volumes in therms across the months of each year. This information is used for analysis and benchmarking purposes.

	The table is limited to large I&C CHP customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.3e CHP I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large I&C CHP customers and associated volumes in therms across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large I&C CHP contract customers for which at least one of the following is true: • Large I&C CHP costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large I&C CHP customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large I&C CHP customer or cease to be one.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.3f CHP I&C: Customer Number and Volume Summary

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It summarises across all large I&C CHP contract customers, for the two years prior to the start of the GD23 price control period and for the years of the GD23 price control period itself, customer numbers and associated volumes in kWh and therms across the months of each year. This information is used for analysis and benchmarking purposes.
Instructions for Completion	No input is required as this table is auto-populated. The cross checks in rows 300 and 301 verify that volumes in kWh and therms are calculated consistently within the worksheet and should all show “OK”; any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 2.4 Contract Firm <100kTh (P5)

Table 2.4a Form of Price Control

Purpose and Use	This table is used to automatically grey out the data entry tables on Worksheet: 2.4 Contract Firm <100kTh (P5)Table 2.4a Form of Price Control that do not need to be completed by the GDN because of the form of price control applicable to it.
Instructions for Completion	No data entry is required. The table pre-populates automatically based on the GDN Name provided in cell E15 of the Worksheet: Cover.

Table 2.4b Large Firm Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large firm I&C contract customers and associated volumes in kWh across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large firm I&C contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028.
Instructions for Completion	Enter in column A the name of all large firm I&C contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028. For each of the customers listed, enter, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, the monthly volumes in kWh. The yearly totals are populated automatically. <u>Note:</u> The following large firm I&C contract customers shall not be included in this table, but in Table 2.4c Large Firm Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028 instead: • Large firm I&C contract costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large firm I&C contract customers lost on or after 1 January 2021 and no later than 31 December 2028.

	• Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large firm I&C contract customer or cease to be one.

Table 2.4c Large Firm Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large firm I&C contract customers and associated volumes in kWh across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large firm I&C contract customers for which at least one of the following is true: • Large firm I&C contract costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large firm I&C contract customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large firm I&C contract customer or cease to be one.
Instructions for Completion	Enter in column A the name of all large firm I&C contract customers that were such customers described above as being relevant for this table. For each of the customers listed, enter, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, the monthly volumes in kWh for those months during which the customer is expected to be a large firm I&C contract customer of the GDN. In the case of customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large firm I&C contract customer or cease to be one, please enter an explanatory note in the commentary accompanying the business plan template. The yearly totals are populated automatically. Note: Large firm I&C contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028 are not to be listed in this

	table but in Table 2.4d Large Firm Contract I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028 instead.

Table 2.4d Large Firm Contract I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large firm I&C contract customers and associated volumes in therms across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large firm I&C contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.4e Large Firm Contract I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large firm I&C contract customers and associated volumes in therms across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large firm I&C contract customers for which at least one of the following is true: • Large firm I&C contract costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large firm I&C contract customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large firm I&C contract customer or cease to be one.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.4f Large Firm Contract I&C: Customer Number and Volume Summary

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It summarises across all large firm I&C contract customers, for the two years prior to the start of the GD23 price control period and for the years of the GD23 price control period itself, customer numbers and associated volumes in kWh and therms across the months of each year. This information is used for analysis and benchmarking purposes.
Instructions for Completion	No input is required as this table is auto-populated. The cross checks in rows 300 and 301 verify that volumes in kWh and therms are calculated consistently within the worksheet and should all show “OK”; any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 2.5x Interruptible < 100kTh

Table 2.5a Form of Price Control

Purpose and Use	This table is used to automatically grey out the data entry tables on Worksheet: 2.5x Interruptible < 100kTh that do not need to be completed by the GDN because of the form of price control applicable to it.
Instructions for Completion	No data entry is required. The table pre-populates automatically based on the GDN Name provided in cell E15 of the Worksheet: Cover

Table 2.5b Large Interruptible Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large interruptible I&C contract customers and associated volumes in kWh across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large interruptible I&C contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028.
Instructions for Completion	Enter in column A the name of all large interruptible I&C contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028.

	For each of the customers listed, enter, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, the monthly volumes in kWh. The yearly totals are populated automatically. Note: The following large interruptible I&C contract customers shall not be included in this table, but in Table 2.5c Large Interruptible Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028 instead: • Large interruptible I&C contract costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large interruptible I&C contract customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large interruptible I&C contract customer or cease to be one.

Table 2.5c Large Interruptible Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large interruptible I&C contract customers and associated volumes in kWh across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large interruptible I&C contract customers for which at least one of the following is true: • Large interruptible I&C contract costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large interruptible I&C contract customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large interruptible I&C contract customer or cease to be one.
Instructions for Completion	Enter in column A the name of all large interruptible I&C contract customers that were such customers described above as being relevant for this table.

	For each of the customers listed, enter, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, the monthly volumes in kWh for those months during which the customer is expected to be a large interruptible I&C contract customer of the GDN. In the case of customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large interruptible I&C contract customer or cease to be one, please enter an explanatory note in the commentary accompanying the business plan template. The yearly totals are populated automatically. Note: Large interruptible I&C contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028 are not to be listed in this table but in Table 2.5b Large Interruptible Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028 instead.

Table 2.5d Large Interruptible Contract I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large interruptible I&C contract customers and associated volumes in therms across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large interruptible I&C contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.5e Large Interruptible Contract I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself large interruptible I&C contract customers and associated volumes in therms across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to large interruptible I&C contract customers for which at least one of the following is true:

	• Large interruptible I&C contract costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Large interruptible I&C contract customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a large interruptible I&C contract customer or cease to be one.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.5f Large Interruptible Contract I&C: Customer Number and Volume Summary

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It summarises across all large interruptible I&C contract customers, for the two years prior to the start of the GD23 price control period and for the years of the GD23 price control period itself, customer numbers and associated volumes in kWh and therms across the months of each year. This information is used for analysis and benchmarking purposes.
Instructions for Completion	No input is required as this table is auto-populated. The cross checks in rows 300 and 301 verify that volumes in kWh and therms are calculated consistently within the worksheet and should all show “OK”; any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 2.5y Supercontract > 100kTh (P7)

Table 2.5a Form of Price Control

Purpose and Use	This table is used to automatically grey out the data entry tables on Worksheet: 2.5y Supercontract > 100kTh (P7) that do not need to be completed by the GDN because of the form of price control applicable to it.
Instructions for Completion	No data entry is required. The table pre-populates automatically based on the GDN Name provided in cell E15 of the Worksheet: Cover

Table 2.5b Super Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself Super Contract customers and associated volumes in kWh across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to Super contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028.
Instructions for Completion	Enter in column A the name of all Super Contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028. For each of the customers listed, enter, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, the monthly volumes in kWh. The yearly totals are populated automatically. Note: The following Super Contract customers shall not be included in this table, but in Table 2.5c Super Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021and 2028 instead: • Super contract costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Super contract customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a Super contract customer or cease to be one.

Table 2.5c Super Contract I&C: Volume Detail (kWh) for Customers Taken on or Lost between 2021and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself Super contract customers and associated volumes in kWh across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to Super contract customers for which at least one of the following is true:

	• Super contract costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Super contract customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a Super contract customer or cease to be one.
Instructions for Completion	Enter in column A the name of all Super contract customers that were such customers described above as being relevant for this table. For each of the customers listed, enter, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, the monthly volumes in kWh for those months during which the customer is expected to be a Super contract customer of the GDN. In the case of customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a Super contract customer or cease to be one, please enter an explanatory note in the commentary accompanying the business plan template. The yearly totals are populated automatically. Note: Super contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028 are not to be listed in this table but in Table 2.5b Super Contract I&C: Volume Detail (kWh) for Existing Customers between 2021 and 2028 instead.

Table 2.5d Super Contract I&C: Volume Detail (Therms) for Existing Customers between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself Super contract customers and associated volumes in therms across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to Super contract customers that were such customers of the GDN on 1 January 2021 and are expected to remain such customers until at least 31 December 2028.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.5e Super Contract I&C: Volume Detail (Therms) for Customers Taken on or Lost between 2021 and 2028

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It indicates, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself Super contract customers and associated volumes in therms across the months of each year. This information is used for analysis and benchmarking purposes. The table is limited to Super contract customers for which at least one of the following is true: • Super contract costumers taken on or expected to be take on after 1 January 2021 and no later than 31 December 2028. • Super contract customers lost on or after 1 January 2021 and no later than 31 December 2028. • Customers who have or are expected to have a change of contract with an effective date on after 1 January 2021 and no later than 31 December 2028, as a result of which they either become a Super contract customer or cease to be one.
Instructions for Completion	No input is required as this table is auto-populated.

Table 2.5f Super Contract I&C: Customer Number and Volume Summary

Purpose and Use	This table is only required for GDNs with a price cap form of price control. It summarises across all Super contract customers, for the two years prior to the start of the GD23 price control period and for the years of the GD23 price control period itself, customer numbers and associated volumes in kWh and therms across the months of each year. This information is used for analysis and benchmarking purposes.
Instructions for Completion	No input is required as this table is auto-populated. The cross checks in rows 300 and 301 verify that volumes in kWh and therms are calculated consistently within the worksheet and should all show “OK”; any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 2.6 Workload Summary

Table 2.6a Workload Summary

Purpose and Use	The purpose of this table is to provide an overview over workloads and key cost drivers, from the two years prior to the start of the GD23 price control period until the end of the revenue recovery period for the GDN. This information is required for analysis and benchmarking purposes.
Instructions for Completion	No data entry is required for the two years prior to the start of the GD23 price control period and the years of the GD23 price control. The related cells are populated automatically from other worksheets of the GD23 business plan data template. The checks in rows 14 and 36 verify consistency of the data in Table 2.6a Workload Summary and Table 2.7a Workload Summary 2015-2018. The checks should show "OK" in all instances; any anomalies should be explained in the commentary to this business plan submission. For the years following the GD23 price control period until the end of the revenue recovery period, best estimates for the relevant data shall be provided by the GDN. The totals in rows 10, 16, 20, 25 and 29 are populated automatically.

Worksheet: 2.7 Workload Summary 2015-2018

Table 2.7a Workload Summary 2015-2018

Purpose and Use	The purpose of this table is to provide an overview over the overall workloads and key cost drivers for the final two years of the GD17 price control period and the GD23 price control period. This information is used for analysis and benchmarking purposes.
Instructions for Completion	This worksheet is pre-populated automatically from Worksheet: 6.0 PREs Reports & Repairs for opex data and Worksheet: 4.4 Project List Summaries, Worksheet: 4.8 District Governors, Worksheet: 4.10 Connections Summary, Worksheet: 4.12 Meter Replacement and Worksheet: 4.13 Service Governor Renewal for capex data. Note reference to risers have been removed as risers are now rolled up in connections.

7 Instructions for Completing the Opex Tables

Chapter Summary

7.1 This section collects details on the operating expenditure, and associated workload, forecast by the GDNs within the main cost activities for the two years preceding the GD23 price control period, the price control period itself and the years thereafter until the end of the revenue recovery period for each GDN, as appropriate.

7.2 In certain tables, the level of detail required for the forecast data varies in the forecast horizon, with more detailed data breakdowns required for the years up the end of the GD23 price control period, and more aggregated data thereafter. This is to account for the fact that the robustness of forecast data naturally decreases as the forecast period extends.

7.3 The following information gives guidance for completing the opex tables within the business plan data template. The guidance on the technical terms and definition of the classifications used in the template is given in Appendix 2: Technical Definitions.

Overview of Tables

7.4 The worksheets and tables included within the Opex section of the template are:

- Worksheet: 3.0 Opex Summary
  - Table 3.0a Summary of Controllable Opex – Before Income Received
  - Table 3.0b Summary of Controllable Opex – After Income Received
  - Table 3.0c Summary of Non-Controllable Opex
  - Table 3.0d Overview over RPE and Efficiency Impact on Controllable Opex after Income Received
- Worksheet: 3.1 Opex Matrix
  - Table 3.1a Opex by Activity Type
- Worksheet: 3.2 Staff & Agency - Summary
  - Table 3.2a Summary of Staff and Agency Head Count
  - Table 3.2b Summary of Staff and Agency Costs
- Worksheet: 3.3 Staff & Agency – Head Count
  - Table 3.3a Staff and Agency Head Count
  - Table 3.3b Contractor Head Count
  - Table 3.3c Capitalised Staff and Agency Head Count Consistency
  - Table 3.3d Reallocated FTE’s Consistency

- Worksheet: 3.4 Staff & Agency – Costs
  - Table 3.4a Staff and Agency Costs
  - Table 3.4b Average Staff Salary
  - Table 3.4c Salary and Head Count Consistency
  - Table 3.4d Salary and Opex Consistency
  - Table 3.4e Capitalised Staff and Agency Cost Consistency
- Worksheet: 3.5 Staff & Agency – Cars
  - Table 3.5a Allocated Cars
  - Table 3.5b Car Allowances
  - Table 3.5c Cars and Car Allowances
  - Table 3.5d Allocated Cars/Car Allowances and Head Count Consistency
  - Table 3.5e Allocated Cars and Car Allowance Consistency
- Worksheet: 3.6 Staff & Agency – Recharges
  - Table 3.6a Recharges by Activity
  - Table 3.6b Staff & Agency Costs Plus Recharges
  - Table 3.6c Recharge and Capitalisation Percentages
- Worksheet: 3.7 Staff & Agency – SOC Codes
  - Table 3.7a Staff by SOC Code
  - Table 3.7b Agency Staff by SOC Code
  - Table 3.7c Staff & Agency Staff by SOC Code
- Worksheet: 3.8 Maintenance
  - Table 3.8a Maintenance Summary
  - Table 3.8b Maintenance Detailed
- Worksheet: 3.9 PRE Repairs
  - Table 3.9a PRE Repairs
- Worksheet: 3.10 Metering
  - Table 3.10a Metering Summary
  - Table 3.10b Metering Detailed
- Worksheet: 3.11 Business Support
  - Table 3.11a IT & Telecoms
  - Table 3.11b Property Management
  - Table 3.11c Insurance
  - Table 3.11d CEO & Group Management
  - Table 3.11e Professional and Legal Fees

- Worksheet: 3.12 Internal and External Contractors
  - Table 3.12a Transactions with Contractors and Related Parties
- Worksheet: 3.13 Group Transactions
  - Table 3.13a Group Transactions
- Worksheet: 3.14 Historic Opex
  - Table 3.14a Historic Opex by Activity
  - Table 3.14b Additional Historic Data
- Worksheet: 3.15 Maintenance
  - Table 3.15a Maintenance Summary
  - Tables 3.15b-h Maintenance Detailed
- Worksheet: 3.16 Metering
  - Tables 3.16a Metering Summary
  - Tables 3.16b-h Metering Detailed

Guidance on Table Completion

Worksheet: 3.0 Opex Summary

Table 3.0a Summary of Controllable Opex – Before Income Received

Purpose and Use	This table is based on Table 3.1a Opex by Activity Type. It shows, for the period beginning two years prior to the start of the GD23 price control period up to the end of the revenue recovery period, the controllable opex by activity type before consideration of income received. The cost is shown both before and after deduction of capitalised activity costs. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.
Instructions for Completion	No input is required as this table is auto-populated.

Table 3.0b Summary of Controllable Opex – After Income Received

Purpose and Use	This table is based on Table 3.1a Opex by Activity Type. It shows, for the period beginning two years prior to the start of the GD23 price control period up to the end of the revenue recovery period, the controllable opex by activity type after consideration of income

	received. The cost is shown both before and after deduction of capitalised activity costs. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.
Instructions for Completion	No input is required as this table is auto-populated.

Table 3.0c Summary of Non-Controllable Opex

Purpose and Use	This table is based on Table 3.1a Opex by Activity Type. It shows, for the period beginning two years prior to the start of the GD23 price control period up to the end of the revenue recovery period, the uncontrollable opex both before and after deduction of capitalised activity costs. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.
Instructions for Completion	No input is required as this table is auto-populated.

Table 3.0d Overview over RPE and Efficiency Impact on Controllable Opex after Income Received

Purpose and Use	This table provides an indication, for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period, of the forecast for controllable opex after income received, capitalisation, RPEs and efficiency challenges. This information is required for information and analysis purposes. We note that the GDN assumptions for input factor weighting will be used when populating this table where such assumptions have been provided and sum up to 100%; in all other cases the GD10 weights will be used instead.

	We also note that the information in this table is of indicative nature only as it is based (amongst other things) on a range of information subject to review and change during the price control process: • RPI forecast data contained in Table g RPI Forecast of the Worksheet: Universal Data; • Input factor cost categories, weightings as well as the GDN's input factor cost assumptions detailed in Table 1.5a Opex Input Factor Weighting and Cost Forecast; • The GDN's productivity assumptions detailed in Table 1.5c Opex Input Price Development and Real Frontier Shift; and • The GDN's efficiency assumptions detailed in Table 1.5e Opex Catch-up Efficiency Assumptions Year-on-Year.
Instructions for Completion	No input is required as this table is auto-populated.

Worksheet: 3.1 Opex Matrix

Table 3.1a Opex by Activity Type

Purpose and Use	This table details the forecast operating expenses expected to be incurred by the GDNs for the main activity types. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances. • Facilitate an understanding of any projected reallocation of costs.
Instructions for Completion	All opex is to be reported on by the following activity types: • Direct Activities o Work Management ♦ Asset Management (including Network Policy) ♦ Operations Management (including Contract Management) ♦ Customer Management (Emergency Call Centre)

	♦ Customer Management (including Non-Emergency Customer Call Centre) & Network Support (including System Mapping) ♦ System Control • Work Execution and Other Direct Activities o Emergency o Metering o PRE Repairs o Maintenance o Other Direct Activities (ODA) • Business Support Costs o IT & Telecoms o Property Management o HR & Non-operational Training o Audit, Finance & Regulation o Insurance o Procurement o CEO & Group Management o Stores & Logistics • Advertising & Market Development (OO Properties) • Advertising & Market Development (Non-OO Properties) • Training & Apprentices • Non-Controllable Costs • Non-Price Control Activities* To aid understanding and analysis, controllable costs and those costs relating to Non-Price Control Activities are further broken down by expenditure types. The following expenditure types are being differentiated: • Staff Costs** • Agency Costs** • Contractor Costs** • Materials • Vehicles & Wheeled Plant • Transport & Plant • TMA (Streetworks)****

	• Professional and Legal Fees • Rent & Rates • Network Rates • Stationery, Communications & Billing • Entertainment • MDR Allowance • Shrinkage (including Own Use) • Bad Debt • Other*** • Income Received (to be entered as a negative figure) Furthermore, for all controllable costs, the related amount of capitalised activity cost shall be recorded, broken down as follows: • Capitalised Staff and Agency Costs** • Other Capitalised Activity Opex Non-controllable costs shall be broken down by type and the related amount of capitalised activity cost shall be recorded in row 717 as a separate line. The following uncontrollable expenditure types are being differentiated: • Licence fees • Other*** *Note 1: Where non-price controlled activities are undertaken, it is necessary for us to have been notified of the activities and reasons for them prior to them being undertaken. Also, a description of such activities shall then be included in the commentary to this business plan submission. **Note 2: Data for the following expenditure types is pre-populated from the respective tables: • Staff Costs (Table 3.2b Summary of Staff and Agency Costs) • Agency Costs (Table 3.2b Summary of Staff and Agency Costs) • Contractor Costs (Table 3.12a Transactions with Contractors and Related Parties) • Capitalised Staff and Agency Costs (Table 3.4a Staff and Agency Costs) ***Note 3: The expenditure type Other can be used for recording any expenditure which cannot be attributed to any of the other expenditure categories. Where the expenditure type Other is used for controllable costs, a meaningful designation shall be provided in cell D740 (it will copy automatically through to any other rows referring to the Other expenditure types for controllable costs) and an explanatory note shall

	be included in the commentary to the business plan submission. Where the expenditure type Other is used for non-controllable costs, a meaningful designation shall be provided in cells D747 to D749(it will automatically copy through to cells D715 to D717) and an explanatory note shall be included in the commentary to the business plan submission. There are two cells i.e. D738 and D739 which allow the GDNs to total costs associated with reallocated shared corporate Overheads. These costs which should be split between those costs which are FTE related and those that are non FTE related. The costs associated with these reallocated shared corporate Overheads should be provided (input negative) into the applicable expenditure type (with the exception of 'training & apprentices' and 'advertising & market development (non-OO Properties). The total of these reallocated costs should equal the values input by the GDNs (input positive) under the Advertising & market Development (OO Properties) activity. An explanatory note shall be included in the commentary to the business plan submission detailing the basis on which reallocated shared corporate Overheads have been calculated. Cell D561 allows the GDN to input (if relevant) any reallocation of costs from the CEO and Group Management cost activity (input negative) to Advertising & Market Development (Non-OO Properties) cost activity (input positive). An explanatory note shall be included in the commentary to the business plan submission for any reallocation to costs to either the cost activity Advertising & market Development (OO Properties) or Advertising & Market development (non-OO Properties). ****Note 4: The expenditure type TMA (Streetworks) refers to opex-related TMA costs only; capex-related TMA costs are recorded separately in section 4 of the business plan template. Note 5: For some of the activity types, certain expenditure types are not applicable. This is reflected in the template by the dark grey shading of such cells. Note6: For the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, the costs are, for each activity type, to be broken down into the relevant expenditure types, as indicated in the spreadsheet. For the years between the end of the GD23 price control period and the end of the revenue recovery period for the GDN, the costs can be provided as an aggregate across the expenditure types, but Income Received and Capital Activity opex will still need to be separated out. Note 7: The consistency check in row 825 verifies for each year, beginning with the year which starts two years prior to the start of the GD23 price control period up until the end of the revenue recovery period for the GDN, if the total capitalised opex across all opex cost categories equals the total capitalised overheads recorded in Table 4.2b Capitalised Overheads Included in the Above Total. The result the

	consistency check needs to be "OK" for each year; any anomalies must be explained in the commentary to the business plan submission. Note 8: Please refer to Appendix 2: Technical Definitions for clarifications on the activity and expenditure types. Note that, in particular: • Costs for materials provided by a contractor where the costs have been separately identified should be recorded under Material; costs for materials provided by a contractor where the costs have not been separately identified should be recorded under Contractor Costs. • Non-operational training costs are to be recorded under HR & Non-operational training whilst operational training costs are to be recorded under Training & Apprentices; • Business gifts are to be recorded under Entertainment, not under Professional and Legal Fees; • Expenses for travel and subsistence should be recorded in Table 3.4a Staff and Agency Costs under Non-Salary Costs (and will automatically feed through into Table 3.1a Opex by Activity Type as part of the Staff Costs cost), with the exception of expenses for non-executive directors; those should be included in Professional and Legal Fees; • Costs for security equipment should be recorded under Property Management, Rent & Rates; • Costs for general heating and light should be recorded under Property Management, Rent & Rates.

Worksheet: 3.2 Staff & Agency - Summary

Table 3.2a Summary of Staff and Agency Head Count

Purpose and Use	This table is based on Table 3.3a Staff and Agency Head Count. It shows, for the period beginning two years prior to the start of the GD23 price control period up to the end of the revenue recovery period, the head count expressed in Full-time Equivalents (FTE) for staff and agency staff, broken down by activity type. This information will be used for benchmarking and analysis purposes.
Instructions for Completion	No input is required as this table is auto-populated.

Table 3.2b Summary of Staff and Agency Costs

Purpose and Use	This table is based on Table 3.4a Staff and Agency Costs Table 3.3a Staff and Agency Head Count. It shows, for the period beginning two years prior to the start of the GD23 price control period up to the end of

	the revenue recovery period, the staff salaries, other staff costs, non salary costs and agency costs, broken down by activity type. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.
Instructions for Completion	No input is required as this table is auto-populated.

Worksheet: 3.3 Staff & Agency – Head Count

Table 3.3a Staff and Agency Head Count

Purpose and Use	This table details the forecast staff and agency head count (expressed in FTE) expected to be required by the GDNs for the main activity types. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.
Instructions for Completion	All head count data in this table is to be reported on by activity type for the period starting two years prior to the start of the GD23 price control period until the end of the revenue recovery period. The activity types are the same as those in Table 3.1a Opex by Activity Type. To aid understanding and analysis, the head count data for each activity type is differentiated into head count data for own staff and for agency staff. In addition, for each activity type, the amount of capitalised head count (across all staff and agency staff assigned to that activity type) is to be indicated. All head count data in this table is to be recorded as average net FTE excluding overtime allocations. For example: • 1 employee working full time during the year = 1 FTE; • 1 employee working part time at 80% during the year = 0.8 FTE;

	• 1 employee working full time during the year and doing 20% overtime = 1 FTE; • 1 employee working full time, but only during 6 months of a year = 0.5 FTE. Staff working across multiple activities shall be allocated using appropriate, cost-reflective drivers, with head count data being rounded to 1 decimal point. The assumptions and rules used for the allocation shall be clearly documented in the commentary to the business plan submission.

Table 3.3b Contractor Head Count

Purpose and Use	This table details the forecast contractor head count (expressed in FTE) expected to be required by the GDNs for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.
Instructions for Completion	In cells A436 to D453 of this table, the related and non-related parties of the GDN are automatically populated from cells D10 to D27 of Table 3.12a Transactions with Contractors and Related Parties. Therefore, the related and non-related parties shall be completed in Table 3.12a Transactions with Contractors and Related Parties before Table 3.3b Contractor Head Count is completed. For each of the rows 437 to 444 and 446 to 453 against which a related or non-related party has been recorded, the FTE expected to be required from that party for each of the years shall be populated in the table. The same rules apply for the recording of FTE as those detailed above in the instructions and guidance for Table 3.3a Staff and Agency Head Count. The head count sums across all non-related parties in row 436 and across all related parties in row 445 are calculated automatically.

Table 3.3c Capitalised Staff and Agency Head Count Consistency

Purpose and Use	The purpose of this table is to ensure, for each activity type, consistent recording of staff and agency capitalisation details in Table 3.3a Staff and Agency Head Count. “OK” is displayed when the capitalised staff

	and agency FTE do not exceed the total staff and agency FTE before capitalisation, “Error” is displayed where this is not the case.
Instructions for Completion	No input is required as this table is auto-populated. However, each GDN needs to ensure that Table 3.3a Staff and Agency Head Count is completed in such a way that no “Error” entries are contained in this table. Any anomalies must be explained in the commentary to the business plan submission.

Table 3.3d Reallocated FTE’s Consistency

Purpose and Use	The purpose of this table is to allow each of the GDNs to input the No of FTE’s reallocated to the Advertising & Market Development Activity (OO properties). If relevant it also allows the GDN to input the No of FTE’s reallocated to the Advertising & Market Development Activity (NON – OO properties)
Instructions for Completion	Input for each applicable activity the amount of FTE’s reallocated to either the ‘Advertising and Market Development (OO properties’) category or if relevant the ‘Advertising and Market Development (NON OO properties)’. The value of the FTE’s entered (whole or in part) must be before any capitalisation. Each GDN needs to ensure that Table 3.3d Reallocated FTE’s consistency is completed in such a way that no “Error” entries at row 519 are contained in this table. Any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 3.4 Staff & Agency – Costs

Table 3.4a Staff and Agency Costs

Purpose and Use	This table details the forecast staff and agency costs expected to be incurred by the GDNs for the main activity types. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.

Instructions for Completion	All staff and agency cost in this table is to be reported on by activity type for the period starting two years prior to the start of the GD23 price control period until the end of the revenue recovery period. The activity types are the same as those in Table 3.1a Opex by Activity Type.
	
	To aid understanding and analysis, the data for each activity type is differentiated into:
	• Staff Salaries
	• Other Staff Costs
	• Non Salary Costs and
	• Agency Costs
	
	In addition, for each activity type, the amount of capitalised staff and agency cost (across all staff and agency staff assigned to that activity type) is to be indicated.
	
	For the period starting two years prior to the start of the GD23 price control period until the end of the GD23 price control period, staff salaries, other staff costs and non salary costs shall be further broken down as detailed below:
	• Staff salaries.
	• Other staff costs which should be the sum of:
	  ○ Overtime
	  ○ Bonus Payment
	  ○ Benefits
	  ○ Pension
	  ○ Employer's NIC
	  ○ PAYE Settlement
	  ○ Employer's Class 1a NIC
	• Non salary costs which should be the sum of:
	  ○ Staff Entertainment
	  ○ Allowances (including stand-by allowances)
	  ○ Travel & Subsistence
	  ○ Car Allowance & Fleet Cost (with this cost also shown separately).
	
	Note 1: Please note that the lines for Car Allowance and Fleet Cost are inclusive of allowances for company cars and of cash equivalents for same.

Table 3.4b Average Staff Salary

Purpose and Use	This table calculates for each activity type the average overall staff salary for each year in the period beginning with year two years prior to the start of the GD23 price control period until the end of the revenue recovery period. The calculations are based on the head count numbers recorded in Table 3.3a Staff and Agency Head Count and the staff salaries recorded in Table 3.4a Staff and Agency Costs. The table is used as a basis for consistency checks against incorrect data entry.
Instructions for Completion	No input is required as this table is auto-populated.

Table 3.4c Salary and Head Count Consistency

Purpose and Use	The purpose of this table is to ensure, for each activity type, consistency between the staff headcount details recorded in Table 3.3a Staff and Agency Head Count and the staff salary details recorded in Table 3.4a Staff and Agency Costs. “Error” is displayed when any of the following inconsistencies occurs: • Head Count data is completed with a value different from 0 and no related salary cost has been recorded; • Salary cost data has been completed with a value different from 0 and no related head count data has been recorded; • For checks on salary band level: the average staff salary (calculated in Table 3.4b Average Staff Salary) is outside the ranges of the salary band it relates to. In all other cases, “OK” is displayed.
Instructions for Completion	No input is required as this table is auto-populated. However, each GDN needs to ensure that Table 3.3a Staff and Agency Head Count and Table 3.4a Staff and Agency Costs are completed in such a way that no ”Error” entries are contained in this table. Any anomalies must be explained in the commentary to the business plan submission.

Table 3.4d Salary and Opex Consistency

Purpose and Use	The purpose of this table is to ensure, for each activity type, consistency between the total staff and agency costs recorded in Table 3.4a Staff and Agency Costs and the controllable activity costs

	recorded in Table 3.1a Opex by Activity Type. “OK” is displayed when the data is consistent, that is the total staff and agency costs are not higher than the corresponding controllable activity costs; “Error” is displayed where this is not the case. The checks are only performed for the years following the end of the GD23 price control period until the end of the revenue recovery period, as for any other years for which staff and agency cost and opex details are collected, staff costs (comprising of staff salaries, other staff costs and non salary costs) and agency costs are populated automatically from Table 3.4a Staff and Agency Costs into Table 3.1a Opex by Activity Type.
Instructions for Completion	No input is required as this table is auto-populated. However, each GDN needs to ensure that Table 3.4a Staff and Agency Costs and Table 3.1a Opex by Activity Type are completed in such a way that no “Error” entries are contained in this table. Any anomalies must be explained in the commentary to the business plan submission.

Table 3.4e Capitalised Staff and Agency Cost Consistency

Purpose and Use	The purpose of this table is to ensure, for each activity type, consistent recording of staff and agency capitalisation details in Table 3.4a Staff and Agency Costs. “OK” is displayed when the amount of capitalised staff and agency cost does not exceed the total staff and agency cost before capitalisation, Error is displayed where this is not the case.
Instructions for Completion	No input is required as this table is auto-populated. However, each GDN needs to ensure that Table 3.4a Staff and Agency Costs is completed in such a way that no “Error” entries are contained in this table. Any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 3.5 Staff & Agency – Cars

Table 3.5a Allocated Cars

Purpose and Use	This table details the forecast numbers of company cars expected to be required by the GDNs for the main activity types. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.

Instructions for Completion	All company cars in this table are to be reported on by activity type for the period beginning two years prior to the start of the GD23 price control period until the end of the revenue recovery period. The activity types are the same as those in Table 3.1a Opex by Activity Type. Note: Please note that the figures listed in this table shall relate to the number (not value) of the company cars. Also, in this table only company cars shall be accounted for, not cash equivalents for company cars.

Table 3.5b Car Allowances

Purpose and Use	This table details the forecast numbers of car allowances expected to be required by the GDNs for the main activity types. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.
Instructions for Completion	All car allowances in this table are to be reported on by activity type for the period beginning two years prior to the start of the GD23 price control period until the end of the revenue recovery period. The activity types are the same as those in Table 3.1a Opex by Activity Type. Note 1: Please note that the figures listed in this table shall relate to the number (not value) of the car allowances. Also, in this table only cash equivalents for company cars shall be accounted for, and not company cars.

Table 3.5c Cars and Car Allowances

Purpose and Use	This table summarises the number of cars and car allowances detailed in Table 3.5a Allocated Cars and Table 3.5b Car Allowances. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and

	• Inform the setting of allowances.
Instructions for Completion	No input is required as this table is auto-populated.

Table 3.5d Allocated Cars/Car Allowances and Head Count Consistency

Purpose and Use	The purpose of this table is to ensure, for each activity type, consistency between the staff headcount details recorded in Table 3.3a Staff and Agency Head Count and the car and car allowance details in Table 3.5c Cars and Car Allowances. “Error” is displayed when any of the following inconsistencies occurs: • Company cars and/or car allowances have been completed with a value different from 0 and no related head count data has been recorded; • Both, company car and/or car allowance data and head count data have been recorded, with the head counts being smaller than the sum of company cars and car allocations. In all other cases, “OK” is displayed.
Instructions for Completion	No input is required as this table is auto-populated. However, each GDN needs to ensure that Table 3.3a Staff and Agency Head Count, Table 3.5a Allocated Cars and Table 3.5b Car Allowances are completed in such a way that no “Error” entries are contained in this table. Any anomalies must be explained in the commentary to the business plan submission.

Table 3.5e Allocated Cars and Car Allowance Consistency

Purpose and Use	The purpose of this table is to ensure, for each activity type, consistency between the car allowance and fleet costs recorded in Table 3.4a Staff and Agency Costs and the car and car allowance details in Table 3.5c Cars and Car Allowances. “Error” is displayed when any of the following inconsistencies occurs: • Company cars and/or car allocations have been completed with a value different from 0 and no related car allowance and fleet costs have been recorded; • Car allowance and fleet costs have been completed with a value different from 0 and no related Company cars and/or car allocations have been recorded. In all other cases, “OK” is displayed.

Instructions for Completion	No input is required as this table is auto-populated. However, each GDN needs to ensure that Table 3.4a Staff and Agency Costs, Table 3.5a Allocated Cars and Table 3.5b Car Allowances are completed in such a way that no “Error” entries are contained in this table. Any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 3.6 Staff & Agency – Recharges

Table 3.6a Recharges by Activity

Purpose and Use	This table collates the recharges for staff and agency costs the GDN expects to make. This information is required for analysis purposes.
Instructions for Completion	The staff and agency cost recharges in this table are to be reported on by activity type for the period beginning two years prior to the start of the GD23 price control period until the end of the revenue recovery period. The activity types are the same as those in Table 3.1a Opex by Activity Type. The recharges to be recorded in this table will typically be recharges to other companies within the same group the GDN belongs to, but may, where relevant, also comprise recharges to companies outside the group, e.g. in the case of employee secondments to such companies.

Table 3.6b Staff & Agency Costs Plus Recharges

Purpose and Use	This table summarises the staff and agency costs inclusive of recharges, based on the details recorded in Table 3.6a Recharges by Activity and Table 3.2b Summary of Staff and Agency Costs. This information is provided for each year in the period beginning two years prior to the start of the GD23 price control and ending with the end of the revenue recovery period; it is required for analysis purposes.
Instructions for Completion	No input is required as this table is auto-populated

Table 3.6c Recharge and Capitalisation Percentages

Purpose and Use	This table provides a per centage breakdown of the total controllable staff and agency operating cost inclusive of recharges into the following components: • Recharges; • Capitalised costs after recharges; and

	• Staff and agency costs after capitalisation excluding recharges. This information is provided for each year in the period beginning two years prior to the start of the GD23 price control period and ending with the end of the revenue recovery period; it is required for analysis purposes.
Instructions for Completion	No input is required as this table is auto-populated. Row 86 contains consistency checks which verify if the percentages in rows 83 to 85 sum up to 100%. The checks should show "OK" for each year; any anomalies must be explained in the commentary to the business plan submission.

Worksheet: 3.7 Staff & Agency – SOC Codes

Table 3.7a Staff by SOC Code

Purpose and Use	The purpose of this table is to record, for 2017, the forecast staff numbers broken down by SOC (Standard Occupational Classification) Codes. This information is required for analysis and benchmarking purposes.
Instructions for Completion	Populate, for each of the relevant SOC Codes (on the two-digit level) the relevant number of staff FTEs in column C. The same rules apply for the recording of FTEs than those detailed above for Table 3.3a Staff and Agency Head Count. The totals for the one-digit SOC Code levels are populated automatically, as are the percentages in column D. The consistency check in row 45 verifies if the total of staff FTEs recorded in Table 3.3a Staff and Agency Head Count and Table 3.7a Staff by SOC Code is consistent. The check should show "OK"; any anomalies must be explained in the commentary to the business plan submission. Note 1: It will be assumed that the relative distribution of staff across the SOC codes for 2017 as indicated in column D will equally apply for any other years for which data will be considered during the GD23 price control process. If this assumption is not appropriate, and explanation shall be provided in the commentary to the business plan submission, together with additional data on what assumptions and data should be used instead. Note 2: In order to categorise staff correctly, it may be helpful to look at the more granular 3 digit SOC codes to establish where to place certain staff within the 2 digit SOC code. These can be provided upon request. For example Information Technology Technicians (code 313) sit within the Science, Engineering and Technology Associate Professionals category (code 31).

Table 3.7b Agency Staff by SOC Code

Purpose and Use	The purpose of this table is to record, for 2017, the agency staff numbers broken down by SOC (Standard Occupational Classification) Codes. This information is required for analysis and benchmarking purposes.
Instructions for Completion	Populate, for each of the relevant SOC Codes (on the two-digit level) the relevant number of agency staff FTEs in column C. The same rules apply for the recording of FTEs than those detailed above for Table 3.3a Staff and Agency Head Count. The totals for the one-digit SOC Code levels are populated automatically, as are the percentages in column D. The consistency check in row 87 verifies if the total of agency staff FTEs recorded in Table 3.3a Staff and Agency Head Count and Table 3.7a Staff by SOC Code is consistent. The check should show "OK"; any anomalies must be explained in the commentary to the business plan submission. Note 1: It will be assumed that the relative distribution of agency staff across the SOC codes for 2017 as indicated in column D will equally apply for any other years for which data will be considered during the GD23 price control process. If the GDN is of the view that this assumption is not appropriate, an explanation shall be provided in the commentary to the business plan submission, together with additional data on what assumptions and data should be used instead. Note 2: In order to categorise staff correctly, it may be helpful to look at the more granular 3 digit SOC codes to establish where to place certain staff within the 2 digit SOC code. These can be provided upon request. For example Information Technology Technicians (code 313) sit within the Science, Engineering and Technology Associate Professionals category (code 31).

Table 3.7c Staff & Agency Staff by SOC Code

Purpose and Use	This table is based on Table 3.7a Staff by SOC Code and Table 3.7b Agency Staff by SOC Code. It indicates, for 2017, the total of own and agency staff numbers broken down by SOC (Standard Occupational Classification) Codes. This information is required for analysis and benchmarking purposes.
Instructions for Completion	No input is required as this table is auto-populated.

Worksheet: 3.8 Maintenance

Table 3.8a Maintenance Summary

Purpose and Use	This table is used to capture the costs of all activities classified as asset maintenance in a consistent manner. The intention of this table is to: • monitor and report this data to meet the requirements of the price control; • facilitate comparative analysis of expenditure between networks; and • automatically summarise the data for reporting of opex on asset maintenance activities. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances. The table provides, for each year in the period beginning two years prior to the start of the GD23 price control period until its end, a summary of maintenance opex in the following high level categories: • IP Mains • PRSs (>7barg) • Miscellaneous • Governors • Distribution mains (LP & MP) • Services, Risers & Laterals • Customer Requested Work • Other maintenance costs For each opex activity category the Gross Expenditure is disaggregated to provide information for the following types of maintenance driver: • Routine maintenance (columns B to I) • Non-routine maintenance (columns K to R) • Exceptional maintenance items (columns T to AA) This table provides the high level summary of Contributions forecast to be received for the for each opex activity category (columns AC to AJ). The information will be used to calculate the Net Expenditure (columns AL to AS).
Instructions for Completion	No data input is required. This table is automatically populated from the data entered in Table 3.8b Maintenance Detailed.

Table 3.8b Maintenance Detailed

Purpose and Use	This table is used to capture details of the opex for each of the high level maintenance activity categories, disaggregated to sub activity level, in a consistent manner. The intention of this table is to: • monitor and report this data to meet the requirements of the price control; • facilitate comparative analysis of expenditure between networks; • automatically summarise the data for reporting of opex on maintenance. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.

Instructions for Completion	For each year in the period beginning two years prior to the start of the GD23 price control period until its end, provide details on the routine maintenance (columns B to I), non-routine maintenance (columns K to R) and exceptional maintenance (columns T to AA) costs and contributions (columns AC to AJ) broken down into the following sub-categories:
	• IP Mains:
	  ○ Valves
	  ○ Sleeves (Nitrogen & other)
	  ○ Main Inspections
	  ○ Cathodic Protection
	  ○ Special Crossings
	  ○ Other
	• PRSs (>7barg) – No entries required
	• Miscellaneous:
	  ○ Telemetry
	  ○ Buildings
	  ○ Fences (Inc. Security
	  ○ Electrical System
	  ○ Instrumentation System
	  ○ Pressure Logging
	  ○ Daily Metering (Network Monitoring Locations)
	  ○ Other
	• Governors:

	○ District Governors (IP Inlet) ○ District Governors (MP Inlet) ○ District Governors (BINS) ○ I&C Service Governors ○ Domestic Service Governors ○ Other • Distribution Mains (LP & MP): ○ Distribution Mains (PE) ○ Distribution Mains (Steel) ○ Other • Services, Risers & Laterals: ○ Services ○ Risers & Laterals ○ Other • Customer Requested Work: ○ Quotation Service ○ Move Meter Position (Including Service Alteration) ○ Abortive Visit Costs ○ Disconnection ○ Reconnection ○ Purge & Relight • Other Maintenance Costs: GDN to Specify For each main category of work listed above, if costs exist which are relevant to that category but not relevant to any of the specific named activities, please enter the costs in “Other”. A supporting commentary should then provide an explanation of the activities which have been included in these categories. All figures should be after any transfer of Capitalised Overheads to Capex. It is essential that the total figures entered for each year 2021-2028 balance with the totals submitted in Table 3.1a Opex by Activity Type. Checks are provided in row 85 that this balance has been achieved. The check should show “OK” for each year; any anomalies must be explained in the commentary to this business plan submission.

Worksheet: 3.9 PRE Repairs

Table 3.9a PRE Repairs

Purpose and Use	This table is used to capture the costs of all repair activities associated with PREs in a consistent manner. The intention of this table is to: • monitor and report this data to meet the requirements of the price control; • facilitate comparative analysis of expenditure between networks; and • automatically summarise the data for reporting of opex on PRE Repairs activities. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.
Instructions for Completion	No data input is required regarding the numbers of repair jobs (columns C to J) as this information will be automatically transferred from Worksheet: 6.0 PREs Reports & Repairs. For each year in the period beginning two years prior to the start of the GD23 price control period until its end, provide details of the Gross Expenditure (columns L to S) and contributions (columns U to AB) for each of the following PRE repair activity categories: • Third Party Damage (Mains) • Third Party Damage (Service) • Repair Escape (Mains) • Repair Escape (Service) Information regarding Contributions will be used to calculate the Net Expenditure (columns AD to AK). All figures should be after any transfer of Capitalised Overheads to Capex. It is essential that the total figures entered for each year 2015-2022 balance with the totals submitted in Table 3.1a Opex by Activity Type. Checks are provided in row 18 that this balance has been achieved. The check should show “OK” for each year; any anomalies must be explained in the commentary to this business plan submission.

Worksheet: 3.10 Metering

Table 3.10a Metering Summary

Purpose and Use	This table is used to capture the costs of all activities classified as meterwork in a consistent manner. The intention of the table is to: • monitor and report this data to meet the requirements of the price control;

	• facilitate comparative analysis of expenditure between networks; and • automatically summarise the data for reporting of opex on meterwork activities. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances. The table provides, for each year in the period beginning two years prior to the start of the GD23 price control period until its end, a summary of metering opex in the following high level categories: • Meters & Meter Governors • Customer Requested Work • Other Meterwork Costs For each opex activity category, the Gross Expenditure is disaggregated to provide information for the following types of maintenance driver: • Routine maintenance (columns B to I) • Non-routine maintenance (columns K to R) • Exceptional maintenance items (columns T to AA) This table provides the high level summary of Contributions forecast to be received for the for each opex activity category (columns AC to AJ). The information will be used to calculate the Net Expenditure (AL to AS). All figures should be after any transfer of Capitalised Overheads to Capex. It is essential that the total figures entered for each year 2021-2028 balance with the totals submitted in Table 3.1a Opex by Activity Type. Checks are provided in row 54 that this balance has been achieved. The check should show “OK” for each year; any anomalies must be explained in the commentary to this business plan submission.
Instructions for Completion	No data input is required. This table is automatically populated from the data entered in Table 3.10b Metering Detailed.

Table 3.10b Metering Detailed

Purpose and Use	This table is used to capture details of the opex for each of the high level meterwork activity categories, disaggregated to sub-activity level. The intention of this table is to: • monitor and report this data to meet the requirements of the price control;

	• facilitate comparative analysis of expenditure between networks; • automatically summarise the data for reporting of opex on meterwork. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.

Instructions for Completion	For each year in the period beginning two years prior to the start of the GD23 price control period until its end, provide details on the routine (columns B to I), non-routine (columns K to R) and exceptional (columns T to AA) meterwork costs and contributions (columns AC to AJ) broken down into the following sub-categories:
	• Meters & Meter Governors:
	  ○ Domestic
	  ♦ Credit U6
	  ♦ Credit U16
	  ♦ Prepayment
	  ♦ Smart Meter
	  ○ I&C
	  ♦ <=U160
	  ♦ >U160
	  ○ Battery Replacement
	  ○ Other
	• Customer Requested Work:
	  ○ Provide Meter & Meterbox (LP)
	  ○ Provide Meter & Meterbox (MP)
	  ○ Reposition Meter (Vulnerable Customers)
	  ○ Meter Exchange
	  ♦ Credit to Prepayment
	  ♦ Credit to Smart Meter
	  ♦ Prepayment to Smart Meter
	  ♦ Meter Exchange (Other)
	  ○ Stolen Meter *(Note: Stolen meters: Capital costs should be recorded against replacement meters (Worksheet: 4.12 Meter Replacement) and the costs of the attendance under this Opex activity)*
	  ○ Revenue Protection Charge

	○ Customer Energy Management System ○ Lateral Clamp Disconnection ○ Ducting ○ Meterbox Repair ○ Meterbox Door Repair ○ Meter test ○ Data Logging Connection *(Note: Includes customer requests for a chatterbox to relay information to their energy management system)* • Other Meterwork Costs: GDN to specify Note 1: • Any meter removal or cut-off within the property/meterbox would be recorded in Other Meterwork Costs. • Any disconnection of the service at the main would be recorded in Worksheet: 3.8 Maintenance. • If a meter is removed associated with emergency (e.g. house fire) that would be recorded under emergency. Note 2: If data has been recorded against any of the Other categories, an explanatory commentary of what this data relates to shall be provided.

Worksheet: 3.11 Business Support

Table 3.11a IT & Telecoms

Purpose and Use	The purpose of this table is to provide, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, supplementary details on IT & Telecoms business support services required to run the business. This data informs the analysis of the opex cost base and may be used for benchmarking purposes.
Instructions for Completion	For each year, provide details on the IT & Telecoms costs, broken down into the following subcategories: • Application Development (including GIS related development costs) • Application Maintenance & Support (including GIS related licence fees) • Desktop Services • Application Server Support • Storage

	• Network (LAN & WLAN) • Business Telecoms • Management Services • Data Centres • Other Costs Where the subcategory Other Costs is used, an explanatory note shall be included in the commentary to business plan submission. The total across all subcategories in row 19 is populated automatically. The consistency check in row 20 verifies for each year if the total of IT & Telecoms costs in Table 3.11a IT & Telecoms equals the total controllable IT & Telecoms cost before Income received and capitalisation recorded in Table 3.1a Opex by Activity Type. The check shall be "OK" for each year; any anomalies shall be explained in the commentary to the business plan submission.

Table 3.11b Property Management

Purpose and Use	The purpose of this table is to provide, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, supplementary details on Property Management business support services required to run the business. This data informs the analysis of the opex cost base and may be used for benchmarking purposes.
Instructions for Completion	For each year, provide details on the Buildings and Property Management costs, broken down into the following subcategories: • Number of buildings, broken down by offices, depots and training centres • Net internal area of owned and leased offices, owned and leased depots and owned and leased training centres • Costs for rental of premises • Depreciation of own premises and Fixtures and Fittings • Building Rates • Water Rates • Fees for Property Agents/Service Charges • Building Maintenance • Security • Cleaning • Heating and Light

	• Network Rates (automatically populated from Table 3.1a Opex by Activity Type) • Other Costs Where the subcategory Other Costs is used, an explanatory note shall be included in the commentary to business plan submission. Where leased premises are recorded and rent is paid to a related party, an explanatory note shall be included in the commentary to the business plan submission explaining the ownership of the asset and the leasing arrangements. The total across all subcategories in row 46 is populated automatically. The consistency check in row 47 verifies for each year if the total of Property Management costs in Table 3.11b Property Management equals the total controllable Property Management cost before Income received and capitalisation recorded in Table 3.1a Opex by Activity Type. The check shall be "OK" for each year; any anomalies shall be explained in the commentary to the business plan submission.

Table 3.11c Insurance

Purpose and Use	The purpose of this table is to provide, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, supplementary details on Insurance business support services required to run the business. This data informs the analysis of the opex cost base and may be used for benchmarking purposes.

Instructions for Completion	For each year, provide details on the Insurance costs, broken down into the following subcategories:
	• Insurance Premiums
	  ○ Loss or Damage due to Adverse Events
	  ♦ Property – Building and Contents
	  ♦ Engineering Failure
	  ♦ Crime and Theft
	  ♦ Goods in Transit
	  ♦ Business Interruption
	  ♦ Trade Credit Insurance
	  ♦ Motor Vehicles
	  ♦ Legal Expenses
	  ♦ Network Assets
	  ♦ Terrorism and Sabotage
	  ♦ Aviation

	♦ Other Costs ○ Third Party Legal Liability ♦ Employer's Liability ♦ Public and Product Liability and Professional Indemnity ♦ Motor Vehicle Liability ♦ Environmental Impairment Liability ♦ Other Costs ○ Employee ♦ Personal Accident and Sickness Insurance ♦ Income Protection Insurance ♦ Private Medical Insurance ♦ Life Assurance ♦ Travel ♦ Directors & Officers ♦ Employment Practice Liability ♦ Pension Trustees Indemnity (recharged to pensions) ♦ Other Costs ○ Self Retained Claimed Costs (below deductable) ○ Broker Fees • Other Insurance Costs Where the subcategory Other Costs or Other Insurance Costs is used, an explanatory note shall be included in the commentary to business plan submission. The totals in rows 81 and 83 are populated automatically. The consistency check in row 84 verifies for each year if the total of Insurance costs in Table 3.11c Insurance equals the total controllable Insurance cost before Income received and capitalisation recorded in Table 3.1a Opex by Activity Type. The check shall be "OK" for each year; any anomalies shall be explained in the commentary to the business plan submission.

Table 3.11d CEO & Group Management

Purpose and Use	The purpose of this table is to provide, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, supplementary details on CEO & Group Management required to run the business. This data informs the analysis of the opex cost base and may be used for benchmarking purposes.

Instructions for Completion	For each year, provide details on the CEO & Group Management costs, broken down into the following subcategories: • Communications • Group Strategy and Group Corporate Affairs • Legal/Risk and Compliance/Company Secretariat • Corporate Responsibility and Investor Relations • Board Members and Other • Incremental Ring-Fence Compliance Costs • Credit Agencies • Other Costs Where the subcategory Other Costs is used, an explanatory note shall be included in the commentary to business plan submission. The total across all subcategories in row 98 is populated automatically. The consistency check in row 99 verifies for each year if the total of CEO and Group Management costs in Table 3.11d CEO & Group Management equals the total controllable CEO and Group Management cost before Income received and capitalisation recorded in Table 3.1a Opex by Activity Type. The check shall be "OK" for each year; any anomalies shall be explained in the commentary to the business plan submission.

Table 3.11e Professional and Legal Fees

Purpose and Use	The purpose of this table is to provide, for the two years prior to the start of the GD23 price control period and for the GD23 price control period itself, supplementary details on Professional and Legal Fees required to run the business. This data informs the analysis of the opex cost base and may be used for benchmarking purposes.
Instructions for Completion	For each year, provide details on the Professional and Legal Fees, broken down into the following subcategories: • Consultancy • Legal • Audit and Accountancy • Rating Agencies • Non-executive Directors • Other Costs Where the subcategory Other Costs is used, an explanatory note shall be included in the commentary to business plan submission.

	The total across all subcategories in row 111 is populated automatically. The consistency check in row 112 verifies for each year if the total of Professional and Legal Fees in Table 3.11e Professional and Legal Fees equals the total controllable Professional and Legal Fees before Income received and capitalisation recorded in Table 3.1a Opex by Activity Type. The check shall be “OK” for each year; any anomalies shall be explained in the commentary to the business plan submission.

Worksheet: 3.12 Internal and External Contractors

Table 3.12a Transactions with Contractors and Related Parties

Purpose and Use	The purpose of this table is to fully understand how costs are allocated within a group and between the GDN and external contractors. This information is required for benchmarking purposes, to improve comparability of data between the GDNs independent of their business models and to build an information basis to inform real price analysis. The data provided needs to tie in with the licensee’s apportionment policy.
Instructions for Completion	In this table all costs shall be recorded that you expect: • to be charged from contractors for goods and services they deliver to your business (Charges In); • to charge to contractors for the goods and services you deliver to them (Charges Out). All cost in this table is to be reported on by activity type for the period starting two years prior to the start of the GD23 price control period until the end of the revenue recovery period. The activity types are the same as those in Table 3.1a Opex by Activity Type. For the period starting two years prior to the start of the GD23 price control period until the end of the GD23 price control period, the cost shall be further broken down by contractor; for the time thereafter it can be reported on as sums across all contractors. The different contractors only need to be recorded once in column D of the Asset Management section of the table (rows 9 to 48) and will then automatically copy through to the other activities. Note: The term contractor covers all of the following: • Non-related contractors; • Each part of the parental group with which contractual arrangements (including service level agreements) are in place for the provision of goods and services to the GDN or by the GDN;

	• Each related party (including, but not limited to, any associated supply business).

Worksheet: 3.13 Group Transactions

Table 3.13a Group Transactions

Purpose and Use	The purpose of this table is to fully understand how costs are allocated within a group. This information is required to improve comparability of data between the GDNs, independently of their business models and will be used to inform the setting of allowances.
Instructions for Completion	All information in this table is to be reported on by activity type for the period starting two years prior to the start of the GD23 price control period until the end of the GD23 price control period. The activity types are the same as those in Table 3.1a Opex by Activity Type. For each activity type, the following details are to be recorded: • Costs allocated to the GDN (populated automatically from the details recorded in Table 3.1a Opex by Activity Type) • Costs allocated to the rest of the group the GDN belongs to • Revenues realised by the GDN • Revenues realised by the rest of the group the GDN belongs to. Total group cost, total group revenue, GDN percentage cost of total group cost and other group profit margin are calculated automatically. Both, costs and revenues shall be entered as positive values. Where applicable, the data provided needs to tie in with the GDN's apportionment policy. Note: The costs referred to in this table are operating costs before income received and capitalisation.

Worksheet: 3.14 Historic Opex

Table 3.14a Historic Opex by Activity

Purpose and Use	This table collates historic opex for the years 2017 to 2020. This data is required to ensure a sufficiently large historic data set is available to allow for meaningful benchmarking.
Instructions for Completion	For each of the years, record the opex data, broken down by activity type. The activity types are the same as those in Table 3.1a Opex by Activity Type.

Table 3.14b Additional Historic Data

Purpose and Use	This table collates historic cost and cost driver data for the years 2017 to 2020. This data is required to ensure a sufficiently large historic data set is available to allow for meaningful benchmarking.
Instructions for Completion	For each of the year, record the following details: • Network Rates (included in the Property Management Costs recorded in Table 3.14a Historic Opex by Activity above) • Bad debt (any amount included in opex lines in Table 3.14a Historic Opex by Activity above) • Shrinkage (any amount included in opex lines in Table 3.14a Historic Opex by Activity above) • Staff and Agency FTE (the same rules apply for the recording of FTE as those detailed above in the instructions and guidance for Table 3.3a Staff and Agency Head Count) • Number of Customers (as per year end) • New Connections • Volume in kWh (the volume in therms in row 52 will be populated automatically) • Number of uncontrolled and controlled gas escapes and the number responded to within 1 hour and 2 hours respectively • Total km of network main

Worksheet: 3.15 Maintenance

8.1 These tables will supplement the tables contained in Worksheet: 3.8 Maintenance. GDNs should complete these tables with the best information available for reporting years 2021-2028.

Table 3.15a Maintenance Summary

Purpose and Use	This table is used to capture the costs of all activities classified as asset maintenance in a consistent manner across the GD23 period. The intention of this table is to: • monitor and report this data to meet the requirements of the price control; • facilitate comparative analysis of expenditure between GDNs; and • automatically summarise the data for reporting of opex on asset maintenance activities.

	The data will be used to support benchmarking, trend analysis, and for monitoring of performance against the allowances.
Instructions for Completion	The table provides a summary of maintenance opex in the following high level categories: • Mains • PRS Installations • Valve Maintenance • Telemetry • Riser / Building Entry Inspections • Customer Requested Work • Other Maintenance cost For each opex activity category the Gross Expenditure is disaggregated to provide information for the following types of maintenance driver: • Columns B-K are not populated • Planned maintenance by cycle interval (columns L-S) • Reactive maintenance (column T) • Exceptional maintenance items (column U) The total Gross expenditure is shown in column V. The summary information is automatically populated from the data entered in Tables 3.15b-h Maintenance Detailed for the years 2023-28. The contributions for each category (cells X10-X16) are calculated from the detailed maintenance costs and the total Contributions received are summed for all maintenance activities. The total net expenditure for each high level category is calculated and shown in column Y. Checks are provided to Worksheet: 3.8 Maintenance at a headline level.

Tables 3.15b-h Maintenance Detailed

Purpose and Use	These tables are used to capture details of the opex for each of the high level maintenance activity categories, disaggregated to sub-activity level, in a consistent manner. The intention of each table is to: • monitor and report this data to meet the requirements of the price control; and • facilitate comparative analysis of expenditure between GDNs.

	The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.

Instructions for Completion	Provide details on the total number of individual assets in service for each activity (column B), number of individual assets in each planned maintenance interval (columns C-J), number of individual assets in reactive maintenance (column K), the expenditure for each activity by interval (columns L-S), expenditure in reactive maintenance (column T), exceptional maintenance (column U), and contributions from customers or other third parties for asset investments (column X) broken down into the following sub-categories:
	• Mains:
	  ○ Steel
	  ○ Bridge Crossings Inspections
	  ○ Bridge Crossings Remedial
	  ○ Steel Mains Inspections / Cathodic Protection Checks
	  ○ Steel Mains Remedial
	  ○ Flexible Joints in areas of Subsidence
	  ○ PE
	  ○ Bridge Crossings Inspections
	  ○ Bridge Crossings Remedial
	  ○ PE Mains Inspections
	  ○ PE Mains Remedial
	  ○ General
	  ○ Rhinology / Gas Samples
	  ○ Marker posts / Bollards
	  ○ Vent Points Clearance and Remedial
	  ○ Towns gas service removal
	  ○ Structures
	  ○ Archways / Other
	• PRS Installations:
	  ○ IPRS District
	  ○ MPRS District
	  ○ MPRS <= 160scmh
	• Valve Maintenance:
	  ○ Valve Clearance and Remedial
	  ○ IP Strategic / Sector / SPED / Bridge Valves, Checks and Remedial

	○ MP Strategic / Sector / SPED / Bridge Valves, Checks and Remedial ○ LP Strategic / Sector / SPED / Bridge Valves Checks and Remedial ○ Building Entry Valves Checks and Remedial ○ Valve Cathodic Protection Checks and Remedial ○ Sample Valve Condition Checks and Remedial ○ Other • Telemetry: ○ District Telemetry ○ Calibration/ Functional Check ○ Remedial ○ Customer Telemetry ○ Calibration/ Functional Check ○ Remedial • Riser / Build Entry Inspection and Maintenance: ○ Riser / Large Multi-occ / high rise Checks and Remedial ○ Riser expansion bellows Checks and Remedial ○ Other Building Entry Checks and Remedial • Customer Requested Work: ○ Quotation Service / Customer Service visit ○ Move Meter Position (Including Service Alteration) ○ Abortive Visit Cost ○ Purge & Relight Cost ○ Disconnection / Reconnection ○ Valve Faults • Other Maintenance Cost: GDN to Specify For each category above the number of units refers to the number of individual assets contained in the category. If more than one activity is undertaken on an individual asset (e.g. inspection and remedial work) the asset should be counted only once. If more than one activity is undertaken on an individual asset (e.g. inspection followed by remedial work) the total expenditure for all of the activities undertaken should be summed. The planned maintenance cycle intervals refers to how often an activity or group of activities is undertaken on an asset. The commentary should expand on the above headings where necessary to explain the activities completed under each heading.

	For each main category of work listed above, if costs exist which are relevant to that category but not relevant to any of the specific named activities, please enter the costs in Other. A supporting commentary should then provide an explanation of the activities which have been included in these categories. All figures should be after any transfer of Capitalised Overheads to Capex.

Worksheet: 3.16 Metering

8.2 These tables will supplement the tables contained in Worksheet: 3.10 Metering. GDNs should complete these tables with the best information available for reporting years 2021-28.

Tables 3.16a Metering Summary

Purpose and Use	These tables are used to capture the costs of all activities classified as meterwork in a consistent manner across the GD23 period. The intention of this table is to: • monitor and report this data to meet the requirements of the price control; • facilitate comparative analysis of expenditure between GDNs; and • automatically summarise the data for reporting of opex on asset maintenance activities. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.
Instructions for Completion	These tables provides a summary of metering opex in the following high level categories: • Meters & Meter Governors • Customer Requested Work • Other Meterwork Cost For each opex activity category the Gross Expenditure is disaggregated to provide information for the following types of maintenance driver: • Columns B-K are not populated • Planned maintenance (columns L-S) • Reactive maintenance (column T) • Exceptional maintenance items (column U) The total Gross expenditure is shown in column V.

	The summary information is automatically populated from the data entered in Tables 3.16b-h Metering Detailed. The contributions for each category (cells X10-X12) are calculated from the detailed metering costs and the total Contributions received are summed for all metering activities. The total net expenditure for each high level activity is calculated and shown in column Y.

Tables 3.16b-h Metering Detailed

Purpose and Use	These tables are used to capture details of the opex for each of the high level meterwork activity categories, disaggregated to sub-activity level, in a consistent manner. The intention of each table is to: • monitor and report this data to meet the requirements of the price control; and • facilitate comparative analysis of expenditure between GDNs. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.
Instructions for Completion	Provide details on the total number of individual assets in service for each asset/activity (column B), the number of individual assets in each planned maintenance interval (columns C-J), the number of individual assets in reactive maintenance (column K), the expenditure for each activity by interval (columns L-S), expenditure in reactive maintenance (column T), exceptional maintenance (column U), and contributions from customers or other third parties for asset investments (column U) broken down into the following sub-categories: • Meters & Meter Governors: o U6 Meter - Battery Replacement o U6 Meter - Maintenance / Replacement o U16 Meter - Maintenance / Replacement o U25 Meter - Maintenance / Replacement o U40 Meter - Maintenance / Replacement o U65 Meter - Maintenance / Replacement o U100 Meter - Maintenance / Replacement o U250 Meter - Maintenance / Replacement o U400 Meter - Maintenance / Replacement o U650 Meter - Maintenance / Replacement o U1000 Meter - Maintenance / Replacement o U2500 Meter - Maintenance / Replacement o Other • Customer Requested Work

	○ Provide Meter & Meterbox (LP) ○ Provide Meter & Meterbox (MP) ○ Reposition Meter (Vulnerable Customers) ○ Meter Exchange Credit to Prepayment / Smart Meter ○ Meter Exchange Prepayment / Smart Meter to Credit ○ Meter Exchange Prepayment to Smart Meter ○ Meter Exchange (Other) ○ Stolen Meter *(Note: Stolen meters: Capital cost should be recorded against replacement meters (Worksheet: 4.10 Connections Summary) and the cost of the attendance under this Opex activity)* ○ Revenue Protection Charge ○ Customer Energy Management System ○ Lateral Clamp Disconnection ○ Ducting ○ Meterbox/Meterbox Door Repair ○ Meter Test / Inspection ○ Data Logging Connection *(Note: Includes customer requests for a chatterbox to relay information to their energy management system)* • Other Meterwork Cost: GDN to specify ○ Staff Costs Equipment and Training The commentary should expand on the above headings where necessary to explain the activities completed under each heading. For each main category of work listed above, if costs exist which are relevant to that category but not relevant to any of the specific named activities, please enter the costs in Other. A supporting commentary should then provide an explanation of the activities which have been included in these categories. All figures reported should be after any transfer of Capitalised Overheads to Capex. Note: • Any meter removal or cut-off within the property/meterbox shall be recorded in Other Meterwork Cost. • Any disconnection of the service at the main shall be recorded in Worksheet: 3.8 Maintenance and Worksheet: 3.15 Maintenance. • If a meter is removed associated with emergency (e.g. house fire) that shall be recorded under emergency.

8 Instructions for Completing the Capex Tables

Chapter Summary

8.3 This section collects details on capex and associated workload, forecast by the GDNs within the main cost activities for the two years preceding the GD23 price control period, the price control period itself and the years thereafter until the end of the revenue recovery period for each GDN, as appropriate.

8.4 In certain tables, the level of detail required for the forecast data varies on the forecast horizon, with more detailed data breakdowns required for the years up the end of the GD17 price control period, and more aggregated data thereafter. This is to account for the fact that the robustness of forecast data naturally decreases as the forecast period extends.

8.5 The following information gives guidance for completing the capex tables within the business plan data template. The guidance on the technical terms and definition of the classifications used in the template is given in Appendix 2: Technical Definitions.

Overview of Tables

8.6 The worksheets and tables included within the capex section of the template are:

- Worksheet: 4.0 Capex Summary
  - Table 4.0a Capital Expenditure Summary (Gross)
  - Table 4.0b Capital Expenditure Summary (Contributions)
  - Table 4.0c Capital Expenditure Summary (Net)
  - Table 4.0d Overview over RPE and Efficiency Impact on Net Capex
- Worksheet: 4.1 Capex Summary 2021-2028
  - Table 4.1a Capital Expenditure Summary (2021-2028)
- Worksheet: 4.2 Capex Analysis
  - Table 4.2a Capital Gross Expenditure
  - Table 4.2b Capitalised Overheads Included in the Above Total
  - Table 4.2c Capitalised Overheads Percentage Split
  - Table 4.2d Gross Costs Excluding Capitalised Overheads
  - Table 4.2e Gross Costs Excluding Capitalised Overheads Percentage Split
  - Table 4.2f Capital Expenditure Analysis
- Worksheet: 4.3 TMA Costs
  - Table 4.3a TMA Costs Associated with Capex Work
  - Table 4.3b TMA Costs Associated with Opex Work

- Worksheet: 4.4 Project List Summaries
  - Table 4.4a Mains Projects Summary
  - Table 4.4b Individually Funded Projects – Carry Over
- Table 4.4b Individually Funded Projects – Carry Over

Purpose and Use	This table summarises, for each year in the period beginning two year prior to the start of the GD23 price control period until its end, the information for Individually Funded Projects which may carry over into GD23. These projects will have been identified to GDN's as allowances were set. The purpose of the table is to collect summary information for the years 2021-2028. The Table collects Gross Expenditure (columns C to K), Contributions (columns L to S), Net Expenditure (columns U to AB), mains laid details (columns AD to AK) and properties passed details (columns AM to CD).

Instructions for Completion	For each project driver enter the following forecast information for years 2021-2028:
	• Gross Expenditure (Columns G-J)
	• Contributions (Columns P-S)
	• Mains Laid (Columns AH-AK)
	• Properties Passed
	  ○ OO (Columns AQ-AT)
	  ○ NB (Columns AZ-BC)
	  ○ NIHE (Columns BI-BL)
	  ○ I&C (Columns BR-BU)

- ***Worksheet: 4.5 Project List Costs***
  - Table 4.5a Project Name and Cost
- Worksheet: 4.6 Project List Workloads
  - Table 4.6a Sub-Projects with Pipe Details
- Worksheet: 4.7 Planned Mains
  - Table 4.7a Mains Summary by Pressure Tier/Material
  - **Error! Reference source not found.**
- Worksheet: 4.8 District Governors
  - Table 4.8a District Governor Summary by Cost Driver

- Worksheet: 4.9 District Gov. 2021-2024
  - Table 4.9a Detailed District Governor Installation
- Worksheet: 4.10 Connections Summary
  - Table 4.10a Detailed New Connections
  - Table 4.10b New Connections Summary Table by Connection Type
  - Table 4.10c Breakdown of Domestic Credit/Prepayment/Smart Meters by Service Type
  - Table 4.10d Summary Domestic Supply Points Table
- Worksheet: 4.11 Risers & Laterals
  - Table 4.11a Detailed Domestic Risers & Laterals
- Worksheet: 4.12 Meter Replacement
  - Table 4.12a Meter Replacement
  - Table 4.12b Meter Regulator & Meter Installation Replacement
- Worksheet: 4.13 Service Governor Renewal
  - Table 4.13a Service Governor Replacement
- Worksheet: 4.14 Other Capex
  - Table 4.14a Total Other Capital Expenditure Table
  - Table 4.14b Other Aggregated Capital Expenditure (Projects <= £10k)
  - Table 4.14c Summary Project Expenditure
- Worksheet: 4.15 Other Capex Projects
  - Table 4.15a Projects >£10k Capital Expenditure (excluding vehicles and wheeled plant)
- Worksheet: 4.16 Other Capex Transport
  - Table 4.16a Vehicles & Wheeled Plant - Owned Vehicles Numbers, Capital Expenditure and Opex Costs
  - Table 4.16b Vehicles & Wheeled Plant - Leased Vehicles Numbers and Opex Costs
  - Table 4.16c Vehicles & Wheeled Plant - Summary of Numbers and Opex Costs
- Worksheet: 4.17 BoW Workload
  - Table: 4.17a Basket of Works
- Worksheet: 4.18 Connections Profile
  - Table: 4.18a Connections and Properties Passed Profile - New Build
  - Table: 4.18b Connections and Properties Passed Profile – Owner Occupied
  - Table: 4.18c Connections and Properties Passed Profile - NIHE
  - Table: 4.18d Connections and Properties Passed Profile – I&C

Guidance on Table Completion

Worksheet: 4.0 Capex Summary

Table 4.0a Capital Expenditure Summary (Gross)

Purpose and Use	This table provides, for the period beginning two years prior to the start of the GD23 price control period until the end of the revenue recovery period, a high level summary of the forecast capex for ten high level activity areas: • 7 Bar Mains • LP, 2Bar or 4Bar Mains • Individually Funded • Pressure Reduction • Domestic Services • Domestic Meters • I&C Services • I&C Meters • Other Capex • TMA The expenditure in this table is a forecast of Gross Expenditure costs incurred by the network in delivering the assets involved. These costs will form the basis of assessment of efficient performance using benchmarking or other assessment techniques. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.
Instructions for Completion	For the years 2021-2028 the table is auto-populated from information gathered in other tables. No input is required in this table for these years. A check in row 22 verifies consistency of this data with Table 4.1a Capital Expenditure Summary (2021-2028) and Table 4.3a TMA Costs Associated with Capex Work. It should show “OK” in all instances; any anomalies should be explained in the commentary to this business plan submission. Summary level forecasts are required to be entered for the years after 2028 to the end of the end of the revenue recovery period.

Table 4.0b Capital Expenditure Summary (Contributions)

Purpose and Use	This table provides, for the period beginning two years prior to the start of the GD17 price control period until the end of the revenue recovery period, a high level summary of Contributions forecast to be received for the following ten high level activity areas: • 7 Bar Mains • LP, 2Bar or 4Bar Mains • Individually Funded • Pressure Reduction • Domestic Services • Domestic Meters • I&C Services • I&C Meters • Other Capex • TMA The information will be used to calculate the Net Expenditure.
Instructions for Completion	For the years 2021-2028 the table is auto-populated from information gathered in other tables. No input is required in this table for these years. A check in row 41 verifies consistency of this data with Table 4.1a Capital Expenditure Summary (2021-2028). It should show "OK" in all instances; any anomalies should be explained in the commentary to this business plan submission. Summary level forecasts are required to be entered for the years after 2028 to the end of the end of the revenue recovery period.

Table 4.0c Capital Expenditure Summary (Net)

Purpose and Use	This table provides, for the period beginning two years prior to the start of the GD17 price control period until the end of the revenue recovery period, a high level summary of Net Expenditure forecast for the following nine high level activity areas: • 7 Bar Mains • LP, 2Bar or 4Bar Mains • Individually Funded • Pressure Reduction • Domestic Services • Domestic Meters

	• I&C Services • I&C Meters • Other Capex • TMA The information will be used to calculate the appropriate Capex allowances.
Instructions for Completion	No input is required as this table is auto-populated based on the content of Table 4.0a Capital Expenditure Summary (Gross) and Table 4.0b Capital Expenditure Summary (Contributions).

Table 4.0d Overview over RPE and Efficiency Impact on Net Capex

Purpose and Use	This table provides an indication, for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period, of the forecast of: • Total Net Capex Excluding Overheads after RPEs and Efficiencies; • Total Capex Overheads after RPEs and Efficiencies; and • Total Capex Overheads after RPEs and Efficiencies. This information is required for information and analysis purposes. We note that the GDN assumptions for input factor weighting will be used when populating this table where such assumptions have been provided and sum up to 100%; in all other cases the GD17 weights will be used instead. We also note that the information in this table is of indicative nature only as it is based (amongst other things) on a range of information subject to review and change during the price control process: • RPI forecast data contained in Table g RPI Forecast of the Worksheet: Universal Data; • Input factor cost categories, weightings as well as the GDN's input factor cost assumptions detailed in Table 1.5b Capex Input Factor Weighting and Cost Forecast; • The GDN's productivity assumptions detailed in Table 1.5d Capex Input Price Development and Real Frontier Shift; and • The GDN's efficiency assumptions detailed in Table 1.5f Capex Catch-up Efficiency Assumptions Year-on-Year.
Instructions for Completion	No input is required as this table is auto-populated.

Worksheet: 4.1 Capex Summary 2021-2028

Table 4.1a Capital Expenditure Summary (2021-2028)

Purpose and Use	This table provides a summary of the forecast capex for the following activity areas for the years 2021-2028:
	• Growth
	  ○ Mains
	  ♦ New Build Mains
	  ♦ OO Housing Mains
	  ♦ NIHE Housing Mains
	  ♦ I&C Mains
	  ♦ Diversions (DRD) (LP/MP)
	  ♦ Diversions (DRD) (IP)
	  ♦ Feeder (LP/MP)
	  ♦ Reinforcement (LP/MP)
	  ♦ Supply Security (LP/MP)
	  ♦ Feeder (IP)
	  ♦ Reinforcement (IP)
	  ♦ Supply Security (IP)
	  ○ Individually Funded
	  ○ Governor
	  ♦ New (Growth)
	  ♦ Replacement (Growth)
	  ○ Connections
	  ♦ New Domestic Credit Meters (U6 and U16)
	  ♦ New Domestic Prepayment Meters
	  ♦ New Domestic Smart Meters
	  ♦ New I&C Meters (<=U40)
	  ♦ New I&C Meters (>U40)
	  ♦ Domestic Services (New Build)
	  ♦ Domestic Services (OO)
	  ♦ Domestic Services (NIHE)
	  ♦ I&C Services (<=U40)
	  ♦ I&C Services (>U40)
	  ♦ New Domestic Service Governors

	♦ New I&C Service Governors ♦ New Domestic Risers/Laterals ♦ New I&C Risers/Laterals • Replacement o Meter ♦ Domestic Life Expired Meter Replacement ♦ Domestic Other Meter Replacement ♦ I&C Life Expired Meter Replacement ♦ I&C Other Meter Replacement o Meter Governor ♦ Domestic Life Expired Meter Gov. Replacement ♦ Domestic Other Meter Gov. Replacement ♦ I&C Life Expired Meter Gov. Replacement ♦ I&C Other Meter Gov. Replacement o Service Governor ♦ Domestic Life Expired Serv. Gov. Replacement ♦ Domestic Other Ser. Gov. Replacement ♦ I&C Life Expired Serv. Gov. Replacement ♦ I&C Other Ser. Gov. Replacement o Governor ♦ Replacement (End of Live) • Other Capex The expenditure in this table is a forecast of Capex costs incurred by the network in delivering the assets involved. These costs will form the basis of assessment of efficient performance using benchmarking or other assessment techniques. The table records separately the cost for Gross Expenditure (columns E to L), Contributions (columns N to U) and Net Expenditure (columns W to AD). Column AF has been added to sum across the GD23 years, this allows for a cross check of totals with worksheet Worksheet: 4.17 BoW Workload. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and

	• Inform the setting of allowances.
Instructions for Completion	No input is required as this table is auto-populated.

Worksheet: 4.2 Capex Analysis

Table 4.2a Capital Gross Expenditure

Purpose and Use	This table summarises, for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the revenue recovery period, the total Gross Expenditure in order to capture further breakdown of these costs between Contractor Costs and Capitalised Overheads for the following nine high level activity areas: • 7 Bar Mains • LP, 2Bar or 4Bar Mains • Individually Funded • Pressure Reduction • Domestic Services • Domestic Meters • I&C Services • I&C Meters • Other Capex
Instructions for Completion	No input is required as this table is auto-populated from Table 4.0a Capital Expenditure Summary (Gross).

Table 4.2b Capitalised Overheads Included in the Above Total

Purpose and Use	This table captures the forecast amount of Capitalised Overheads for each of the high level activity areas. This will be used to reconcile the Opex forecasts and to calculate the breakdown of expenditure for price effect purposes.
Instructions for Completion	For each year, starting two years prior to the start of the GD23 price control period until the end of the revenue recovery period, forecasts shall be entered for the following activities: • 7 Bar Mains • LP, 2Bar or 4Bar Mains • Individually Funded

	• Pressure Reduction • Domestic Services • Domestic Meters • I&C Services • I&C Meters • Other Capex The total in row 34 is calculated automatically.

Table 4.2c Capitalised Overheads Percentage Split

Purpose and Use	The purpose of this table is to calculate the breakdown of the Capitalised Overheads between cost categories for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the revenue recovery period. The percentage breakdown is calculated using the data recorded in Table 4.2b Capitalised Overheads Included in the Above Total and the cost categories shown in Table 1.5a Opex Input Factor Weighting and Cost Forecast: • Labour (direct and contracted) • Materials • Equipment/Plant • Other • -Other Subcategory 1 (As specified by GDN) • -Other Subcategory 2 (As specified by GDN) • -Other Subcategory 3 (As specified by GDN) • -Other Subcategory 4 (As specified by GDN) • -Other Subcategory 5 (As specified by GDN) In the calculation, the cost category weights shown in column D of that Table 1.5a Opex Input Factor Weighting and Cost Forecast will be used.
Instructions for Completion	No input is required as this table is auto-populated.

Table 4.2d Gross Costs Excluding Capitalised Overheads

Purpose and Use	The purpose of this table is to calculate, for each year in the period starting two years prior to the start of the GD23 price control period until the end of the revenue recovery period, the amount of Capex less the Capitalised Overheads.

	The figures are calculated by subtracting the figures in Table 4.2b Capitalised Overheads Included in the Above Total from Table 4.2a Capital Gross Expenditure. The figures are shown broken down in the following high level activities: • 7 Bar Mains • LP, 2Bar or 4Bar Mains • Individually Funded • Pressure Reduction • Domestic Services • Domestic Meters • I&C Services • I&C Meters • Other Capex
Instructions for Completion	No input is required as this table is auto-populated.

Table 4.2e Gross Costs Excluding Capitalised Overheads Percentage Split

Purpose and Use	The purpose of this table is to calculate, for each year in the period starting two years prior to the start of the GD23 price control period until the end of the revenue recovery period, the breakdown of the gross capex excluding capitalised overheads between cost categories. The percentage breakdown is calculated using the data shown in Table 4.2d Gross Costs Excluding Capitalised Overheads and the cost categories shown in Table 1.5b Capex Input Factor Weighting and Cost Forecast: • Labour (direct and contracted) • Materials • Equipment/Plant • Other • -Other Subcategory 1 (As specified by GDN) • -Other Subcategory 2 (As specified by GDN) • -Other Subcategory 3 (As specified by GDN) • -Other Subcategory 4 (As specified by GDN) • -Other Subcategory 5 (As specified by GDN) In the calculation, the cost category weights shown in column Q of that Table 1.5b Capex Input Factor Weighting and Cost Forecast will be used.

Instructions for Completion	No input is required as this table is auto-populated.

Table 4.2f Capital Expenditure Analysis

Purpose and Use	The purpose of this table is to calculate, for each year in the period starting two years prior to the start of the GD23 price control period until the end of the revenue recovery period, the breakdown of the total Capex costs by cost categories. The figures are calculated by summing the figures from Table 4.2c Capitalised Overheads Percentage Split and Table 4.2e Gross Costs Excluding Capitalised Overheads Percentage Split. They are broken down using the cost categories shown in Table 1.5b Capex Input Factor Weighting and Cost Forecast: • Labour (direct and contracted) • Materials • Equipment/Plant • Other • -Other Subcategory 1 (As specified by GDN) • -Other Subcategory 2 (As specified by GDN) • -Other Subcategory 3 (As specified by GDN) • -Other Subcategory 4 (As specified by GDN) • -Other Subcategory 5 (As specified by GDN) The calculation uses the cost category weights shown in column Q of that Table 1.5b Capex Input Factor Weighting and Cost Forecast.
Instructions for Completion	No input is required as this table is auto-populated.

Worksheet: 4.3 TMA Costs

Table 4.3a TMA Costs Associated with Capex Work

Purpose and Use	The purpose of this table is to capture forecasts for TMA costs against appropriate areas of Capex for the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period. The areas of expenditure for which these costs may be valid are:
	• Mains
	  ○ New Build
	  ○ OO

	○ NIHE ○ I&C ○ Diversions (DRD) (LP/MP) ○ Diversions (DRD) (IP) ○ Feeder (LP/MP) ○ Reinforcement (LP/MP) ○ Supply Security (LP/MP) ○ Feeder (IP) ○ Reinforcement (IP) ○ Supply Security (IP) • Individually Funded • Governor ○ IP Inlet New (Growth) ○ MP Inlet New (Growth) ○ BINS New (Growth) ○ IP Inlet Replacement (Growth) ○ MP Inlet Replacement (Growth) ○ BINS Replacement (Growth) ○ IP Inlet Replacement (End of Life) ○ MP Inlet Replacement (End of Life) ○ BINS Replacement (End of Life) • Connections ○ New Domestic Services (New Build) ○ New Domestic Services (OO) ○ New Domestic Services (NIHE) ○ New I&C Services (<=U40) ○ New I&C Services (>U40) ○ New Risers/Laterals Domestic ○ New Risers/Laterals I&C This information will be used to assess appropriate allowances for TMA if a scheme is introduced. The table calculates the total TMA costs as a percentage of the Gross Expenditure based on the details recorded in Worksheet: 4.4 Project List Summaries, Worksheet: 4.8 District Governors and Worksheet: 4.10 Connections Summary.

Instructions for Completion	For each area of activity enter the forecast amount of TMA for the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period. Furthermore, an explanatory note should be included in the guidance detailing your view on the implementation of the TMA legislation in Northern Ireland, including expected timelines and expected impact on the GDN cost base during the GD23 price control period.

Table 4.3b TMA Costs Associated with Opex Work

Purpose and Use	The purpose of this table is to capture forecasts for TMA costs against appropriate areas of Opex for the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period. The areas of expenditure for which these costs may be valid are:
	• Repair
	  ○ Third Party Damage (Mains)
	  ○ Third Party Damage (Service)
	  ○ Repair Escape (Mains)
	  ○ Repair Escape (Service)
	• Maintenance
	  ○ IP Mains
	  ○ PRSs (>7barg)
	  ○ Miscellaneous
	  ○ Governors
	  ○ Distribution mains (LP & MP)
	  ○ Services, Risers & Laterals
	  ○ Customer Requested Work
	  ○ Other maintenance costs
	
	This information will be used to assess appropriate allowances for TMA if a scheme is introduced. The table calculates the total TMA costs as a percentage of the Gross Expenditure, based on the cost details recorded in Worksheet: 3.8 Maintenance and Worksheet: 3.9 PRE Repairs.

Instructions for Completion	For each area of activity enter the forecast amount of TMA for the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period. An explanatory note should be included in the guidance detailing your view on the implementation of the TMA legislation in Northern Ireland, including expected timelines, expected impact on the GDN cost base

	during the GD23 price control period and proposed methodology for determination of TMA allowances.

Worksheet: 4.4 Project List Summaries

Table 4.4a Mains Projects Summary

Purpose and Use	This table summarises, for each year in the period beginning two year prior to the start of the GD23 price control period until its end, the information entered in tables Table 4.5a Project Name and Cost and Table 4.6a Sub-Projects with Pipe Details against each Project Driver: • New Build • OO • NIHE • I&C • Diversions (DRD) (LP/MP) • Feeder (LP/MP) • Reinforcement (LP/MP) • Supply Security (LP/MP) • Diversions (DRD) (IP) • Feeder (IP) • Reinforcement (IP) • Supply Security (IP) The purpose of the table is to collect summary forecast information for the years 2025-2028 of GD23. The Table collects Gross Expenditure (columns C to K), Contributions (columns L to S), Net Expenditure (columns U to AB), mains laid details (columns AD to AK) and properties passed details (columns AM to CD).

Instructions for Completion	For each project driver enter the following forecast information for years 2025-2028:
	• Gross Expenditure (Columns G-J)
	• Contributions (Columns P-S)
	• Mains Laid (Columns AH-AK)
	• Properties Passed
	  ○ OO (Columns AQ-AT)
	  ○ NB (Columns AZ-BC)

	○ NIHE (Columns BI-BL) ○ I&C (Columns BR-BU) All information for years 2021-2024 and the total Properties Passed for 2021-2024 is automatically populated from Table 4.5a Project Name and Cost. A check in row 24 verifies consistency of the totals. It should show "OK" in all instances; any anomalies must be explained in the commentary to this business plan submission.

Table 4.4b Individually Funded Projects – Carry Over

Purpose and Use	This table summarises, for each year in the period beginning two year prior to the start of the GD23 price control period until its end, the information for Individually Funded Projects which may carry over into GD23. These projects will have been identified to GDN's as allowances were set. The purpose of the table is to collect summary information for the years 2021-2028. The Table collects Gross Expenditure (columns C to K), Contributions (columns L to S), Net Expenditure (columns U to AB), mains laid details (columns AD to AK) and properties passed details (columns AM to CD).
Instructions for Completion	For each project driver enter the following forecast information for years 2021-2028: • Gross Expenditure (Columns G-J) • Contributions (Columns P-S) • Mains Laid (Columns AH-AK) • Properties Passed ○ OO (Columns AQ-AT) ○ NB (Columns AZ-BC) ○ NIHE (Columns BI-BL) ○ I&C (Columns BR-BU)

Worksheet: 4.5 Project List Costs

Table 4.5a Project Name and Cost

Purpose and Use	This table is used to capture the costs of individual projects and their associated workload in a consistent manner. The intention of the table is to:

	• monitor and report this data to meet the requirements of the price control; • facilitate comparative analysis of expenditure between networks; and • automatically summarise the data for reporting of capex on mains. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances. This table was removed from the RIGs but has been retained for the business plan submission. Individually funded projects should not be reported here but in Table 4.4b Individually Funded Projects – Carry Over.
Instructions for Completion	This table captures information at individual project level for all distribution mains projects ongoing and/or completed during the reporting period (i.e. the years 2021-2024). • Project Reference (column A) – Enter the unique project reference code. • Project Name (column B) – Enter the project name and/or location. • Project Driver (column C) – Select the principal driver for the project from the dropdown list. The driver categories include: o New Build o OO o NIHE o I & C o Diversions DRD (LP/MP) o Feeder (LP/MP) o Reinforcement (LP/MP) o Supply Security (LP/MP) o Diversions DRD (IP) o Feeder (IP) o Reinforcement (IP) o Supply Security (IP) • Start Year (column D) – Select the first year costs are expected to be posted to or accrued for the project account. • End Year (column E) – Select the last year costs are expected to be posted to or accrued for the project account (project completion).

	• Gross Expenditure (Columns G-J) – Enter the forecast costs for project in the appropriate years. • Net Expenditure (Columns Q to T) – This is calculated automatically • Contributions (Columns L-O) – Enter the forecast income for project in the appropriate years. • Properties Passed (columns AA-AS) – Enter the number of properties passed for each category of property. • Properties Passed Total (Columns AU-AX) – This is calculated automatically. Forecasts should be made on the same basis as for Cost Reporting purposes. Only details for the period 2021-2024 shall be entered into this sheet even if the project extends outside this period. That part of the costs and workload for projects listed which will occur after 2024 shall be included within the figures entered into Table 4.4a Mains Projects Summary. A check in cell A3011 verifies that all Projects References are unique. It should show "OK"; any anomalies must be explained in the commentary to this business plan submission. The checks in cells V3011 to Y3011 verifies consistency between the totals recorded in Table 4.5a Project Name and Cost and Table 4.6a Sub-Projects with Pipe Details. It should show "OK" in all instances; any anomalies should be explained in the commentary to this business plan submission. Note: Justification needs to be provided for different types of mains projects: • Mains diversion projects: The justification of such projects shall be provided as part of the commentary to this business plan submission. • Feeder mains projects: The justification of such projects shall be provided as part of the commentary to this business plan submission and must be considered against the benefits delivered by the subsequent infill projects. • Reinforcement and Supply Security projects: For these projects a business case should be provided as part of the commentary to this business plan submission which provides the justification for undertaking the project.

Worksheet: 4.6 Project List Workloads

Table 4.6a Sub-Projects with Pipe Details

Purpose and Use	This table is used to capture the detailed workload associated with individual projects in a consistent manner. The intention of the table is to: • monitor and report this data to meet the requirements of the price control; • facilitate comparative analysis of expenditure between networks; and • compile workload information to feed in to the reporting of capex on mains. The data will be use d to support benchmarking, trend analysis and for monitoring of performance against the allowances. This table was removed from the RIGs but has been retained for the business plan submission. Individually funded projects should not be reported here.
Instructions for Completion	This table captures workload information by pressure range and material for all distribution mains projects ongoing and/or completed during the reporting period (i.e. the years 2021-2024). • Project Reference (column A) – Enter the unique project reference code. If the project involves the installation of different material/pressure combinations, please enter a row for each combination, using the same project reference for both. Project reference entries are automatically checked for consistency with those used in Table 4.5a Project Name and Cost and any reference which does not correspond will be indicated by white text on a red background. • Project Name (column B) – The project name will be automatically populated from the project reference based on the names entered in Table 4.5a Project Name and Cost • Pressure (column C) – Select the pressure category from the drop down list; the categories include: LP, MP, IP. • Material (column D) – Select PE or Steel from the drop down list. • Total Mains Laid (columns E-H) – For each year, enter the total mains of all sizes for the project for each pressure/material combination. • Combination (column I) – This column shows the combination of pressure/material and is used to summarise the inputs. This is determined automatically from the entries made in columns C and D.

	The totals in row 4011 are calculated automatically.

Worksheet: 4.7 Planned Mains

Table 4.7a Mains Summary by Pressure Tier/Material

Purpose and Use	This table is used to capture the detailed workload breakdown into material, pressure and pipe sizes at a summary level for all projects in a consistent manner. The intention of this table is to: • monitor and report this data to meet the requirements of the price control; • facilitate comparative analysis of expenditure between networks; and • compile workload information to feed in to the reporting of capex on mains. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances. Individually funded projects should not be reported here.
Instructions for Completion	This table captures workload information by the following types of Material: • PE • Steel This table captures workload information by the following types of Pressure Tier: • LP • MP • IP This table captures workload information by the following diameters of pipe: • 32mm • 50mm • 63mm • 75mm • 90mm • 125mm • 180mm • 200mm • 250mm • 315mm • 355mm • 400mm • 450mm • 600mm

	For each combination of the above for each year (2021-2028) enter the amount of pipe (km) which is forecast to be laid of that combination. A summary of the lengths entered is shown in columns AX-BE. Checks are made within the template in cells AX28:BE28 that for each year the total length forecast is consistent with the total amount forecast for all projects in Table 4.4a Mains Projects Summary. The checks shall show "OK" for each year; any anomalies shall be explained in the commentary to this business plan submission.

Worksheet: 4.8 District Governors

Table 4.8a District Governor Summary by Cost Driver

Purpose and Use	This table is used to capture the number and cost of District Governors in a consistent manner. The intention of the table is to: • monitor and report this data to meet the requirements of the price control; • facilitate comparative analysis of expenditure between networks; and • compile workload information to feed in to the reporting of capex on district governors. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.
Instructions for Completion	This table is used to capture the detailed workload and cost for three types of District Governor: • IP Inlet • MP Inlet • BINS For each type of governor the table captures three reasons for the installations: • New (Growth) • Replacement (Growth) • Replacement (End of Life) For the years 2021-2024 all of the required information is captured via Table 4.9a Detailed District Governor Installation; no further entry for these years is required here. A check in row 25 verifies consistency between Table 4.8a District Governor Summary by Cost Driver and Table 4.9a Detailed District Governor Installation with this respect. It should show "OK" for all instances; any anomalies must be explained in the commentary to this business plan submission.

	For years 2025-2028 each combination of governor type and installation reason requires the following information to be added to this table: • Number Installed (columns F to I) • Gross Expenditure (columns O to R) • Contributions (columns X to AA) The Net Expenditure is automatically calculated in columns AC-AJ Note: For end of life replacements, details of the economic test used to establish the need for such replacements shall be provided as part of the commentary to this business plan submission.

Worksheet: 4.9 District Gov. 2021-2024

Table 4.9a Detailed District Governor Installation

Purpose and Use	This table is used to capture the name of each District Governor forecast to be installed in the years 2021-2024 and associated costs. The intention of the table is to: • understand project plans • monitor and report this data to meet the requirements of the price control; • facilitate comparative analysis of expenditure between networks; and • compile workload information to feed in to the reporting of capex on district governors. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.
Instructions for Completion	This table is used to capture the details of each governor expected to be installed within the forecast period 2021-2024. The table requires the following information: • Project Reference (column B) • Governor Name (column C) • Installation Reason (column D) – Select the Installation Reason from the drop-down list. The categories are New (Growth), Replacement (End of Life), Replacement (Growth) • Governor Type (column E) – Select the Governor Type from the drop-down list. The categories are In-Ground Module, IP Governor, MP Governor • Planned Installation Year (column F) – Select the Planned Installation Year from the drop-down list. The entries are 2021, 2022, 2023 and 2024.

	• Gross Expenditure (column H) • Contributions (column I) The table automatically calculates the Net Expenditure in column J. The summary information is reported in Table 4.8a District Governor Summary by Cost Driver. Provision has been made to provide a forecast of total of 250 governors. Note: There is no requirement for the project references here to relate to those used in Table 4.5a Project Name and Cost.

Worksheet: 4.10 Connections Summary

Table 4.10a Detailed New Connections

Purpose and Use	This table is used to capture the number and cost of Connections in a consistent manner. The intention of this table is to: • monitor and report this data to meet the requirements of the price control; • facilitate comparative analysis of expenditure between networks; • compile workload information to feed in to the reporting of capex on connections. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.

Instructions for Completion	This table captures the following asset types which are associated with providing new gas supply connections. The Assets involved are:
	• Meters
	  ○ Domestic
	  ♦ Credit Meter (U6)
	  ♦ Credit Meter (U16)
	  ♦ Prepayment Meter
	  ♦ Smart Meter
	  ○ I&C
	  ♦ U6
	  ♦ U16
	  ♦ U25
	  ♦ U40
	  ♦ U65
	  ♦ U250
	  ♦ U400
	  ♦ U650
	  ♦ U1000
	  ♦ U1600

	♦ U100 ♦ U160 ♦ U2500 • Services (Including Risers) ○ Domestic ♦ New Build ♦ OO ♦ NIHE ○ I&C ♦ Very Small (U6) ♦ Small (U16-U40) ♦ Medium (U65-U160) ♦ Large (U250-U650) ♦ Very Large (>U650) • MP Service Governors ○ Domestic ♦ U6 (All Types) ♦ U16 ○ I&C ♦ Very Small (U6) ♦ Small (U16-U40) ♦ Medium (U65-U160) ♦ Large (U250-U650) ♦ Very Large (>U650) • IP Service Governors ○ Domestic ♦ U6 (All Types) ♦ U16 ○ I&C ♦ Very Small (U6) ♦ Small (U16-U40) ♦ Medium (U65-U160) ♦ Large (U250-U650) ♦ Very Large (>U650)

	For each year between 2021 and 2028 the following information shall be entered: • Number Installed (columns D-K) – Note that the number of domestic meters is automatically populated from Table 4.10c Breakdown of Domestic Credit/Prepayment/Smart Meters by Service Type. • Gross Expenditure (columns M-T) • Contributions (columns(V-AC) The Net Expenditure is calculated automatically (columns AE-AL). Note: The costs for meters in this table should include the costs for the meter installation. If they cannot be provided as per the definition, an explanation should be given in the commentary and a best estimate given along with justification for the estimate. Adjustments should be made to other tables as appropriate to reconcile the costs.

Table 4.10b New Connections Summary Table by Connection Type

Purpose and Use	This table summarises for each year between 2021 and 2028 the number and cost of Connections entered in Table 4.10a Detailed New Connections against the following 14 categories:
	• Meter
	  ○ Domestic
	  ♦ Credit Meter (U6 and U16)
	  ♦ Prepayment Meter
	  ♦ Smart Meter
	  ○ I&C
	  ♦ I&C Meter (<=U40)
	  ♦ I&C Meter (>U40)
	• Services
	  ○ Domestic
	  ♦ New Build
	  ♦ OO
	  ♦ NIHE
	  ○ I&C
	  ♦ <=U40
	  ♦ >U40
	• Service Governors
	  ○ Domestic

	○ I&C This information is used to: • monitor and report this data to meet the requirements of the price control; and • facilitate comparative analysis of expenditure between GDNs. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances. Note: If the number of services installed is different from the number of meters, e.g. meter banks or risers the difference in numbers and associated costs should be described in the commentary.
Instructions for Completion	No input is required as this table is auto-populated.

Table 4.10c Breakdown of Domestic Credit/Prepayment/Smart Meters by Service Type

Purpose and Use	The purpose of this table is to capture the number and type of domestic meters installed in the different domestic service categories.
Instructions for Completion	Enter the number of domestic meters of each of the following types forecast to be installed in each year 2021-2028 (columns D-K): • Credit (U6) • Prepayment (U6) • Smart Meter • Credit U16 The data entered shall for each type and each year be broken down in the following connection categories: • New Build • OO • NIHE The total across all domestic meters in row 92 as well as the percentage of prepayment meters in row 93 are calculated automatically for each year.

Table 4.10d Summary Domestic Supply Points Table

Purpose and Use	This table summarises the total number of domestic connection forecast for each year (2021-2028) and each of the following categories based on the details recorded in Table 4.10a Detailed New Connections:

	• New Build • OO • NIHE The table also calculates the number of domestic meters forecast as a percentage of the number of domestic connections.
Instructions for Completion	No input is required as this table is auto-populated.

Worksheet: 4.11 Risers & Laterals

Table 4.11a Detailed Domestic Risers & Laterals

Purpose and Use	This table is not in use. Riser information should be rolled up into the relevant service type.
Instructions for Completion	This table is not in use. Riser information should be rolled up into the relevant service type.

Worksheet: 4.12 Meter Replacement

Table 4.12a Meter Replacement

Purpose and Use	The purpose of this table is to capture the workloads and costs associated with meter replacement. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances. This information will also be used to assess the forecast rate at which meters are planned to be replaced and the reasons for the replacement.

Instructions for Completion	Forecasts for each year (2021-2028) are required. The forecasts shall be split between different types and size of meters:
	• Domestic
	  ○ Credit (U6)
	  ○ Credit (U16)

	○ Prepayment ○ Smart Meter • I&C ○ U6 ○ U16 ○ U25 ○ U40 ○ U65 ○ U100 ○ U160 ○ U250 ○ U400 ○ U650 ○ U1000 ○ U1600 ○ U2500 The replacement of meters installations is split between: • End of life replacement (rows 10 to 26) • Other replacement (rows 27 to 43) Replacement is defined by the installation being no long suitable for measuring the flow of gas from the network. It does not relate to equipment which is removed from one location and reused at a new location. The following information shall be provided for each meter size/type: • Number replaced (columns D-K) • Gross Expenditure (columns M-T) • Contributions (columns V-AC) Columns AE-AL calculate the Net Expenditure automatically; no input is required. A summary of the totals for each year for Domestic, I&C and reasons for replacement are calculated automatically (rows 45-48). Note: For end of life replacements, details of the economic test used to establish the need for such replacements shall be provided as part of the commentary to this business plan submission. For other replacements, a supporting business case should be provided as part of the commentary to this business plan submission which documents the cause of such replacements, the steps taken to minimise the need for them and justifies the related cost.

Table 4.12b Meter Regulator & Meter Installation Replacement

Purpose and Use	The purpose of this table is to capture the workloads and costs associated with meter installation replacement. This information will be used to:

	• Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances. This information will also be used to assess the forecast rate at which meter installations are planned to be replaced the reasons for the replacement.

Instructions for Completion	Forecasts for each year (2021-2028) are required. The forecasts shall be split between different types and size of meter installations:
	• Domestic
	  ○ Credit (U6)
	  ○ Credit (U16)
	  ○ Prepayment
	  ○ Smart Meter
	• I&C
	  ○ U6
	  ○ U16
	  ○ U25
	  ○ U40
	  ○ U65
	  ○ U100
	  ○ U160
	  ○ U250
	  ○ U400
	  ○ U650
	  ○ U1000
	  ○ U1600
	  ○ U2500
	The replacement of meters installations is split between:
	• End of life replacement (rows 55 to 69)
	• Other replacement (rows 70 to 84)
	The following information shall be provided for each meter size/type:
	• Number replaced (columns D-K)
	• Gross Expenditure (columns M-T)
	• Contributions (columns V-AC)
	Columns AE-AL calculate the Net Expenditure automatically; no input is required.

	A summary of the totals for each year for Domestic, I&C and reasons for replacement are calculated automatically (rows 86-89). Note: For end of life replacements, details of the economic test used to establish the need for such replacements shall be provided as part of the commentary to this business plan submission. For other replacements, a supporting business case should be provided as part of the commentary to this business plan submission which documents the cause of such replacements, the steps taken to minimise the need for them and justifies the related cost.

Worksheet: 4.13 Service Governor Renewal

Table 4.13a Service Governor Replacement

Purpose and Use	The purpose of this table is to capture the workloads and costs associated with service governor replacement. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances. This information will also be used to assess the forecast rate at which service governors are planned to be replaced and the reasons for the replacement.

Instructions for Completion	Forecasts for each year (2021-2028) are required. The forecasts shall be split between different types and size of Service Governor:
	• MP Inlet
	  ○ Domestic
	  ♦ U6 (All types)
	  ♦ U16
	  ○ I&C
	  ♦ U6
	  ♦ U16-U40
	  ♦ U65-U160
	  ♦ U250-U650
	  ♦ >U650
	• IP Inlet

	○ Domestic ♦ U6 (All types) ♦ U16 ○ I&C ♦ U6 ♦ U16-U40 ♦ U65-U160 ♦ U250-U650 ♦ >U650 The replacement of service governors is split between: • End of life replacement (rows 10 to 23) • Other replacement (rows 24 to 37) The following information shall be provided for each meter size/type: • Number replaced (columns E-L) • Gross Expenditure (columns N-U) • Contributions (columns W-AD) Columns AF-AM calculate the Net Expenditure automatically; no input is required. A summary of the totals for each year for Domestic, I&C and reasons for replacement are calculated automatically (rows 39-42). Note: For end of life replacements, details of the economic test used to establish the need for such replacements shall be provided as part of the commentary to this business plan submission. For other replacements, a supporting business case should be provided as part of the commentary to this business plan submission which documents the cause of such replacements, the steps taken to minimise the need for them and justifies the related cost.

Worksheet: 4.14 Other Capex

Table 4.14a Total Other Capital Expenditure Table

Purpose and Use	This table summarises the forecast total Other Capital Expenditure for the years 2021-2028. The total is split into the following categories: • System operations • IT (infrastructure and systems) and Telecoms • Commercial Gas Trading IT • Plant, tools and equipment

	• Land, buildings, furniture and fittings • Security • Other • Vehicles & Wheeled Plant The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.
Instructions for Completion	No input is required as this table is auto-populated from Table 4.14b Other Aggregated Capital Expenditure (Projects <= £10k) and Table 4.14c Summary Project Expenditure.

Table 4.14b Other Aggregated Capital Expenditure (Projects <= £10k)

Purpose and Use	The purpose of this table is to summarise capital expenditure in projects which have a total planned expenditure of up to £10k.
Instructions for Completion	Forecasts for each year (2021-2028) are required. The forecasts shall be split between the following categories of expenditure: • System operations • IT (infrastructure and systems) and Telecoms • Commercial Gas Trading IT • Plant, tools and equipment • Land, buildings, furniture and fittings • Security • Other • Vehicles & Wheeled Plant The following information shall be provided for each category: • Total Gross Cost (columns D-K) • Contributions (columns M-T) Columns V-AC calculate the Net Expenditure automatically; no input is required. Note : The expense category Other may be selected for capex not covered by any other classification category. Within the commentary of the business plan areas of expenditure >£5k should be identified and justifications for the level of expenditure given.

Table 4.14c Summary Project Expenditure

Purpose and Use	The purpose of this table is to summarise capital expenditure in projects from Table 4.15a Projects >£10k Capital Expenditure (excluding vehicles and wheeled plant). The summary is split into the following categories: • System operations • IT (infrastructure and systems) and Telecoms • Commercial Gas Trading IT • Plant, tools and equipment • Land, buildings, furniture and fittings • Security • Other • Vehicles & Wheeled Plant The consistency check in row 47 verifies if the total project gross expenditure and contributions shown in Table 4.14c Summary Project Expenditure are consistent with those from Table 4.15a Projects >£10k Capital Expenditure (excluding vehicles and wheeled plant). It shall show "OK" for each year; any anomalies must be explained in the commentary to the business plan submission.
Instructions for Completion	No input is required as this table is auto-populated.

Worksheet: 4.15 Other Capex Projects

Table 4.15a Projects >£10k Capital Expenditure (excluding vehicles and wheeled plant)

Purpose and Use	The purpose of this table is to capture individual Other Capex projects which have a total forecast expenditure of >£10k.
Instructions for Completion	Input is required for all projects >£10k over the course of their lifetime with any expenditure forecast in the period 2021-2028. The following details shall be entered: • Project Name (column B) • Category of Expenditure (column C) – select from dropdown list • Gross Expenditure ○ Expenditure prior to 2021 (column E)

	○ Expenditure 2021-2028 (columns F-M) ○ Expenditure in Subsequent Years (column N) • Contributions ○ Expenditure prior to 2021 (column P) ○ Expenditure 2021-2028 (columns Q-X) ○ Expenditure in Subsequent Years (column Y) • Project Justification (columns AP-AS) The table also calculates the Net Expenditure (columns AA-AJ) and Total Project Expenditure for all years (columns AL-AN). For each project a check is made that the total justification amounts which have been entered equal the total project Gross Expenditure (column AV). This check should show "OK"; any anomalies should be explained in the commentary to the business plan submission. Note 1: The expense category Other may be selected for capex not covered by any other classification category. Within the commentary of the business plan areas of expenditure >£5k should be identified and justifications for the level of expenditure given. Note 2: For renewals, details of the economic test used to establish the need for such renewals shall be provided as part of the commentary to this business plan submission.

Worksheet: 4.16 Other Capex Transport

Table 4.16a Vehicles & Wheeled Plant - Owned Vehicles Numbers, Capital Expenditure and Opex Costs

Purpose and Use	The purpose of this table is to gather information on expenditure on vehicles and wheeled plant that are purchased and added to the fixed asset register. This table together with information on leased vehicles will be used to make comparable assessments for companies operating different procurement models for these asset categories. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.

Instructions for Completion	Information is required against each of the following five categories of vehicle:
	• Cars
	• Commercial vehicles which includes:
	  ○ Car derived vans
	  ○ LGVs – vehicles up to 3.5 tonnes GVW excluding car derived vans
	  ○ HGVs – vehicles >3.5 tonnes GVW
	• Wheeled Plant
	For each year between 2021 and 2028 the following shall be input for each year:
	• Number of Vehicles Owned (columns E-L)
	• Number of Vehicles to be Purchased (columns N-U)
	• Capital purchase cost (columns W-AD)
	• Opex (Running Costs) (columns AF-AM) – The total operating costs includes vehicle maintenance and servicing, vehicle tax, insurance
	• Planned Life (in Years) Column AO
	The average life of the vehicles is calculated automatically (column AQ).

Table 4.16b Vehicles & Wheeled Plant - Leased Vehicles Numbers and Opex Costs

Purpose and Use	The purpose of this table is to gather information on expenditure on vehicles and wheeled plant that is leased.

	This table together with information on vehicles purchased and added to the fixed asset register will be used to make comparable assessments for companies operating different procurement models for these asset categories. The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.

Instructions for Completion	Information is required against each of the following five categories of vehicle:
	• Cars
	• Commercial vehicles which includes:
	  ○ Car derived vans
	  ○ LGVs – vehicles up to 3.5 tonnes GVW excluding car derived vans
	  ○ HGVs – vehicles >3.5 tonnes GVW
	• Wheeled Plant
	
	For each year between 2021 and 2028 the following shall be input for each year:
	• Number of Vehicles Leased (columns E-L)
	• Opex leasing cost (columns W-AD)
	• Opex (Running Costs) (columns AF-AM) – The total operating costs includes vehicle maintenance and servicing, vehicle tax, insurance excluding leasing costs.
	
	The percentage of vehicles which are leased each year is calculated automatically (columns N-U).

Table 4.16c Vehicles & Wheeled Plant - Summary of Numbers and Opex Costs

Purpose and Use	This table summarises for each year between 2021 and 2028 the total number of vehicles which are purchased and leased (columns E-L). The table also totals the total Opex (Running Costs) for both vehicles which are purchased and leased (Columns AF-AM) – The total operating costs includes vehicle maintenance and servicing, vehicle tax, insurance and where appropriate leasing costs.
Instructions for Completion	No input is required as this table is auto-populated based on the details recorded in Table 4.16a Vehicles & Wheeled Plant - Owned Vehicles Numbers, Capital Expenditure and Opex Costs and Table 4.16b Vehicles & Wheeled Plant - Leased Vehicles Numbers and Opex Costs.

Worksheet: 4.17 BoW Workload

Table: 4.17a Basket of Works

Purpose and Use	This table summarises the quantity and cost information for the work items in the basket of works that is used to aid benchmarking and set appropriate allowances for the major work items over the GD23 period. The quantities and costs are summarised into the following Items: o Mains ♦ New Build Mains by size ♦ Other Mains by size o Connections ♦ Domestic Services by type ♦ I&C Services by type o Domestic Meters ♦ Credit New and Replacement ♦ Pay As You Go (PAYG) New and Replacement o I&C Meters ♦ By size, New and Replacement The data will be used to support benchmarking, trend analysis and for monitoring of performance against the allowances.
Instructions for Completion	The following information shall be provided for each activity in the GD23 period: • Number of units for each work item 'Activity' (column E) • Contractor Cost (column F) • Capitalised Opex (column G) • TMA Cost (column H) • Total Gross Cost (column I) No data entry is required as the column is calculated automatically • Contributions (column K) • Total Gross Cost (column I) No data entry is required as the column is calculated automatically Checks are provided back to Table 4.1a Capital Expenditure Summary (2021-2028) to aid consistency (column Q). The Summary Categories (column N) of both tables should align costs for example: 'New Domestic Service Governors' in Table 4.1a Capital Expenditure Summary (2021-2028) has 'summary category' of 'Domestic Services' so these costs should be included as appropriate in Table 4.13a

	Service Governor Replacement 'summary category' under 'Domestic Services' as appropriate. The 'Number of Units' in Table 4.13a Service Governor Replacement should reflect the 'Activity' in question. This is intended to capture all costs for a given number of units for each 'Activity', that is 'Riser' costs are included in connection costs. End of life means those meters which are being replaced based on an economic test which confirms that replacement of the meter is a lower long term cost to the network than the cost of increased maintenance and/or the consequence of failure. For these replacements, details of the economic test shall be retained by the GDN and may be requested on a sample basis. Other meters means meter replacements other than end of life.

Worksheet: 4.18 Connections Profile

Table: 4.18a Connections and Properties Passed Profile - New Build

Purpose and Use	This table summarises the number of properties passed and the number of connections taken by the year the main was commissioned. The information will enable the UR to build up connection profile information by tenure to inform future price controls.
Instructions for Completion	The following information shall be provided for New Build properties: • Number of new build properties passed in each year (row 10, Columns D-AD) • Report the number of new build connections in each year grouped by the year in which the property was passed (rows 13-39, columns D-AD), i.e. the year the main was commissioned The number of connections entered in the table field should equal the total number of connections in that year by tenure type. Only connections up to and including 2020 are required.

Table: 4.18b Connections and Properties Passed Profile – Owner Occupied

Purpose and Use	This table summarises the number of properties passed and the number of connections taken by the year the main was commissioned. The information will enable the UR to build up connection profile information by tenure to inform future price controls.

Instructions for Completion	The following information shall be provided for Owner Occupied properties: • Number of Owner Occupied properties passed in each year (row 45, Columns D-AD) • Report the number of Owner Occupied connections in each year grouped by the year in which the property was passed (rows 48-74, columns D-AD), i.e. the year the main was commissioned The number of connections entered in the table field should equal the total number of connections in that year by tenure type. Only connections up to and including 2020 are required.

Table: 4.18c Connections and Properties Passed Profile - NIHE

Purpose and Use	This table summarises the number of properties passed and the number of connections taken by the year the main was commissioned. The information will enable the UR to build up connection profile information by tenure to inform future price controls.
Instructions for Completion	The following information shall be provided for NIHE properties: • Number of NIHE properties passed in each year (row 80, Columns D-AD) • Report the number of NIHE connections in each year grouped by the year in which the property was passed (rows 83-109, columns D-AD), i.e. the year the main was commissioned The number of connections entered in the table field should equal the total number of connections in that year by tenure type. Only connections up to and including 2020 are required.

Table: 4.18d Connections and Properties Passed Profile – I&C

Purpose and Use	This table summarises the number of properties passed and the number of connections taken by the year the main was commissioned. The information will enable the UR to build up connection profile information by tenure to inform future price controls.

Instructions for Completion	The following information shall be provided for I&C properties: • Number of I&C properties passed in each year (row 115, Columns D-AD) • Report the number of I&C connections in each year grouped by the year in which the property was passed (rows 118-104, columns D-AD), i.e. the year the main was commissioned The number of connections entered in the table field should equal the total number of connections in that year by tenure type. Only connections up to and including 2020 are required.

9 Instructions for Completing the Network Assets Tables

Chapter Summary

9.1 This section collects details of the asset inventory count at the start of 2021 for each asset type and uses the workloads forecast by the GDNs to determine the start of GD23 and Close of GD23 assets counts.

9.2 The following information gives guidance for completing the network asset tables within the business plan data template. The guidance on the technical terms and definition of the classifications used in the template is given in Appendix 2: Technical Definitions.

Overview of Tables

9.3 The worksheets and tables include within the Network Assets section of the template are:

- Worksheet: 5.0 Network Assets
  - Table 5.0a Distribution Mains Population
  - Table 5.0b Governors
  - Table 5.0c Services Domestic
  - Table 5.0d Services I&C
  - Table 5.0e Risers & Laterals
- Worksheet: 5.1 Metering Assets
  - Table 5.1a Meter Population
  - Table 5.1b Meter Governors
- Worksheet: 5.2 MEAV
  - Table 5.2a Distribution Mains MEAV
  - Table 5.2b Governors MEAV
  - Table 5.2c Number of Services (excl. Risers) MEAV
  - Table 5.2d Number of Risers/Laterals MEAV
  - Table 5.2e Meters MEAV

Guidance on Table Completion

Worksheet: 5.0 Network Assets

Table 5.0a Distribution Mains Population

Purpose and Use	The purpose of this table is to capture the opening asset count for distribution mains which can be used to add the forecast length laid

	during the years 2023-2028 to establish an opening GD23 asset population and a closing GD23 asset population. The data will be used to support benchmarking, trend analysis, and the monitoring of performance against the allowances. In particular, the asset population will be used to calculate MEAV value for the network.

Instructions for Completion	For each permutation of pressure, material and pipe size an opening asset count for 2021 is to be entered.
	
	The following breakdown are provided:
	• PE Mains
	  ○ LP (column C)
	  ○ MP (column H)
	  ○ IP (column M)
	• Steel
	  ○ LP (column R)
	  ○ MP (column W)
	  ○ IP (column AB)
	
	Provision has been made for capturing any forecast abandonment (decommissioning or removal) of pipe either in the period 2021-2022 or subsequently in the period 2023-2028. In the event that any assets fare forecast for abandonment, these forecast shall be entered in the following columns:
	• PE Mains
	  ○ LP (column D & F)
	  ○ MP (column I & K)
	  ○ IP (column N & P)
	• Steel
	  ○ LP (column S & U)
	  ○ MP (column X & Z)
	  ○ IP (column AC & AE)
	
	For each of these combinations the length of mains at the following sizes shall be entered (rows 11-24):
	• 32mm
	• 50mm
	• 63mm
	• 75mm
	• 200mm
	• 250mm
	• 315mm
	• 355mm

	• 90mm • 125mm • 180mm • 400mm • 450mm • 600mm The opening asset count for GD23 (Start GD23) and the closing asset count for GD23 (End GD23) are calculated automatically based on the details entered in Table 4.7a Mains Summary by Pressure Tier/Material and Table 5.0a Distribution Mains Population. Totals for all mains are calculated automatically (columns AG-AK).

Table 5.0b Governors

Purpose and Use	The purpose of this table is to capture the opening asset count for district and service governors which can be used to add the forecast numbers installed during the years 2021-2022 to establish an opening GD23 asset population and a closing GD23 asset population. The data will be used to support benchmarking, trend analysis, and the monitoring of performance against the allowances. In particular, the asset population will be used to calculate MEAV value for the network.

Instructions for Completion	An opening asset count for 2021 is to be entered (column C) for the following types of governor:
	• District
	  ○ IP Inlet (Row 32)
	  ○ MP Inlet (Row 33)
	  ○ BINS (Row 34)
	• Service
	  ○ Domestic (Row 36)
	  ○ Non - Domestic/I&C <= U160 (Row 37)
	  ○ Non - Domestic/I&C > U160 (Row 38)
	
	Provision has been made for capturing any forecast abandonment (decommissioning or removal) of governors either in the period 2021-2022 or subsequently in the period 2023-2028. In the event that any assets fare forecast for abandonment, these forecast shall be entered in columns D and F.
	
	The opening asset count for GD23 (Start GD23) and the closing asset count for GD23 (End GD23) are calculated automatically based on the details entered in Table 4.8a District Governor Summary by Cost Driver, Table 4.10a Detailed New Connections and Table 5.0b Governors.

Table 5.0c Services Domestic

Purpose and Use	The purpose of this table is to capture the opening asset count for domestic services which can be used to add the forecast numbers installed during the years 2015-2022 to establish an opening GD23 asset population and a closing GD23 asset population. The data will be used to support benchmarking, trend analysis, and the monitoring of performance against the allowances. In particular the asset population will be used to calculate MEAV value for the network.
Instructions for Completion	An opening asset count for 2021is to be entered (column C) for the following types of service: • PE (row 43) • Steel (row 43) • Mixed PE/Steel (row 45) • Other (row 46) An opening asset count for 2023 (Start GD23) is to be entered (column E) for the following types of service: • PE (row 43) • Steel (row 44) • Mixed PE/Steel (row 45) • Other (row 46) A closing asset count for 2028 (End GD23) is to be entered (Column G) for the following types of service: • PE (Row 44) • Steel (Row 45) • Mixed PE/Steel (Row 46) • Other (Row 47) Provision has been made for capturing any forecast abandonment (decommissioning or removal) of services either in the period 2021-2022 or subsequently in the period 2023-2028. In the event that any assets fare forecast for abandonment, these forecast shall be entered in columns D and F. A check is made that the total of the opening GD23 number of services and the total number of closing services is consistent with the forecast number of domestic services to be installed (cells E50 and G50).

Table 5.0d Services I&C

Purpose and Use	The purpose of this table is to capture the opening asset count for I&C services which can be used to add the forecast numbers installed during the years 2021-2022 to establish an opening GD23 asset population and a closing GD23 asset population. The data will be used to support benchmarking, trend analysis, and the monitoring of performance against the allowances. In particular, the asset population will be used to calculate MEAV value for the network.
Instructions for Completion	An opening asset count for 2021 is to be entered (column C) for the following types of service: • PE (row 55) • Steel (row 56) • Mixed PE/Steel (row 57) • Other (row 58) An opening asset count for 2023 (Start GD23) is to be entered (column E) for the following types of service: • PE (row 55) • Steel (row 55) • Mixed PE/Steel (row 56) • Other (row 58) A closing asset count for 2028 (End GD23) is to be entered (column G) for the following types of service: • PE (row 55) • Steel (row 55) • Mixed PE/Steel (row 56) • Other (row 58) Provision has been made for capturing any forecast abandonment (decommissioning or removal) of services either in the period 2021-2022 or subsequently in the period 2023-2028. In the event that any assets fare forecast for abandonment, these forecast shall be entered in columns D and F. A check is made that the total of the opening GD23 number of services and the total number of closing services is consistent with the forecast number of I&C services to be installed (cells E62 and G62)

Table 5.0e Risers & Laterals

Purpose and Use	The purpose of this table is to capture the opening asset count for risers & laterals which can be used to add the forecast numbers installed during the years 2021-2022 to establish an opening GD23 asset population and a closing GD23 asset population. The data will be used to support benchmarking, trend analysis, and the monitoring of performance against the allowances. In particular, the asset population will be used to calculate MEAV value for the network.

Instructions for Completion	An opening asset count for 2021 is to be entered (column C) for the following types of riser:
	• Domestic
	  ○ <20m (row 67)
	  ○ 20-40m (row 68)
	  ○ >40m (row 69)
	• I&C
	  ○ <20m (row 70)
	  ○ 20-40m (row 71)
	  ○ >40m (row 72)
	• Unknown (row 73)
	
	If records are not yet able to provide the full details of the riser type or height the number shall be recorded as unknown.
	
	Provision has been made for entering (Column D) any forecast abandonment (decommissioning or removal) of risers either in the period 2021-2022 or subsequently in the period 2023-20282. In the event that any assets are forecast for abandonment, these forecast shall be entered in columns D and F.

Worksheet: 5.1 Metering Assets

Table 5.1a Meter Population

Purpose and Use	The purpose of this table is to capture the opening asset count for meters which can be used to add the forecast numbers installed during the years 2015-2022 to establish an opening GD23 asset population and a closing GD23 asset population. The data will be used to support benchmarking, trend analysis, and the monitoring of performance against the allowances. In particular, the asset population will be used to calculate MEAV value for the network.

Instructions for Completion	An opening asset count for 2021 is to be entered (column C) for the following types of meter:
	• Domestic (Rows 9-12)
	  ○ Credit Meter (U6)
	  ○ Credit Meter (U16)
	  ○ Prepayment Meter
	  ○ Smart Meter
	
	  ○ U6
	  ○ U16
	  ○ U25
	  ○ U40
	  ○ U65
	  ○ U100
	  ○ U160
	  ○ U250
	  ○ U400
	  ○ U650
	  ○ U1000
	  ○ U1600
	  ○ U2500
	• I&C (Rows 13-25)
	
	Provision has been made for capturing any forecast abandonment (decommissioning or removal) of services either in the period 2021-2022 or subsequently in the period 2023-2028. In the event that any assets fare forecast for abandonment, these forecast shall be entered in columns D and F.

Table 5.1b Meter Governors

Purpose and Use	This table records the number of meter governors on the basis that each meter installed will have an appropriate meter governor also installed. The data will be used to support benchmarking, trend analysis, and the monitoring of performance against the allowances. In particular the asset population will be used to calculate MEAV value for the network
Instructions for Completion	No input is required as this table is auto-populated based on the data from Table 5.1a Meter Population.

Worksheet: 5.2 MEAV

Table 5.2a Distribution Mains MEAV

Purpose and Use	The purpose of this table is to summarise the distribution mains asset information which will be used to calculate MEAV values for the

	components of the network in order to potentially provide scaling options for benchmarking purposes.
Instructions for Completion	No input is required as this table auto-populates from Table 5.0a Distribution Mains Population.

Table 5.2b Governors MEAV

Purpose and Use	The purpose of this table is to summarise the governor asset information which will be used to calculate MEAV values for the components of the network in order to potentially provide scaling options for benchmarking purposes.
Instructions for Completion	No input is required as this table auto-populates from Table 5.0b Governors.

Table 5.2c Number of Services (excl. Risers) MEAV

Purpose and Use	The purpose of this table is to summarise the services asset information which will be used to calculate MEAV values for the components of the network in order to potentially provide scaling options for benchmarking purposes.
Instructions for Completion	No input is required as this table auto-populates from Table 5.0c Services Domestic.

Table 5.2d Number of Risers/Laterals MEAV

Purpose and Use	The purpose of this table is to summarise the riser/lateral asset information which will be used to calculate MEAV values for the components of the network in order to potentially provide scaling options for benchmarking purposes.
Instructions for Completion	No input is required as this table auto-populates from Table 5.0d Services I&C.

Table 5.2e Meters MEAV

Purpose and Use	The purpose of this table is to summarise the meter asset information which will be used to calculate MEAV values for the components of the network in order to potentially provide scaling options for benchmarking purposes.
Instructions for Completion	No input is required as this table auto-populates from Table 5.1a Meter Population.

10 Instructions for Completing the Outputs & Environment Tables

Chapter Summary

10.1 This section collects details on outputs, with a particular focus on PREs and on environmental impact information.

10.2 The period for which forecasts of this information are required spans from two years prior to the start of the GD23 price control period until the end of the GD23 price control period.

Overview of Tables

10.3 The worksheets and tables included within the Outputs & Environment section of the template are:

- Worksheet: 6.0 PREs Reports & Repairs
  - Table 6.0a Call Analysis – Emergency Number
  - Table 6.0b Call Analysis – Other
  - Table 6.0c Call Analysis – Total
  - Table 6.0d Job Analysis as Passed from Emergency Call Centre
- Worksheet: 6.1 Environmental Impact
  - Table 6.1a Form of Price Control
  - Table 6.1b Alternative Fuel-Assumptions (Long-Term Average)
  - Table 6.1c Emission Conversion Factors
  - Table 6.1d Shrinkage
- Worksheet: 6.2 Business Carbon Footprint
  - Table 6.2a Business Carbon Footprint

Guidance on Table Completion

Worksheet: 6.0 PREs Reports & Repairs

Table 6.0a Call Analysis – Emergency Number

Purpose and Use	The purpose of this table is to capture the forecast number of calls which will be received on the NI Gas Emergency telephone number, as classified at the call centre. This information will be used to: • Facilitate an understanding of the future performance of the GDN;

	• Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.

Instructions for Completion	Forecasts of the expected number of calls received are required for each year (2021-2028). The forecasts shall be split between different assessments made by the call agent:
	• Not deemed to be an emergency
	• Gas Escape
	  ○ LPG Supply
	  ○ Priority Job
	  ○ External Job
	  ○ Internal Job - Uncontrolled
	  ○ Internal Job - Controlled
	• No Gas
	• Pressure Problems
	• Fumes
	• CO Reports
	• Quantum/Libra Emergency
	• Safety Check

Table 6.0b Call Analysis – Other

Purpose and Use	The purpose of this table is to capture the forecast number of calls which are **not** received on the NI Gas Emergency telephone number, as classified at the time of the call. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.
Instructions for Completion	Forecasts of the expected number of calls received are required for each year (2021-2028). The forecasts shall be split between different assessments made by the call taker:

	• Not deemed to be an emergency
	• Gas Escape
	  ○ LPG Supply
	  ○ Priority Job
	  ○ External Job
	  ○ Internal Job - Uncontrolled
	  ○ Internal Job - Controlled
	• No Gas
	• Pressure Problems
	• Fumes
	• CO Reports
	• Quantum/Libra Emergency
	• Safety Check

Table 6.0c Call Analysis – Total

Purpose and Use	This table is used to summarise the total numbers of the numbers of all emergency calls received expected in Table 6.0a Call Analysis – Emergency Number and Table 6.0b Call Analysis – Other.
Instructions for Completion	No input is required as this table is auto-populated.

Table 6.0d Job Analysis as Passed from Emergency Call Centre

Purpose and Use	The purpose of this table is to capture the forecast number of jobs which will be raised as a result of emergency calls received by the GDN which will be dealt with by the network's First Call Operative. The classification of these jobs shall be assumed to be at the completion of the work. This information will be used to: • Facilitate an understanding of the future performance of the GDN; • Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and • Inform the setting of allowances.

Instructions for Completion	Forecasts of the expected number of jobs dealt with are required for each year (2021-2022). The forecasts shall be split between different job outcomes:
	• Job closed by telephone without visit
	• Gas Escapes
	  ○ Third Party Damage (Mains)
	  ○ Third Party Damage (Services)
	  ○ External Escape (Mains)
	  ○ External Escape (Services)
	  ○ Internal Escape (before ECV (Emergency Control Valve))
	  ○ Internal Escape (Meter/Meter Installation)
	  ○ Internal Escape (Downstream of Meter)
	  ○ No Trace
	• Fumes
	• CO Reports (Confirmed)
	• CO Reports (No Trace)
	• Safety Check (Other than CO)
	• Meter/Meter Installation Fault
	• Meter/Meter Installation Customer/Credit Issue
	• Network Problems
	• Potentially Avoidable (e.g. Appliance Faults)
	For each year the total forecast number of jobs (row 96) should reconcile with the total number of actioned calls (row 70) in Table 6.0c Call Analysis – Total. This check is made in row 97. The check shall show "OK" for each year; any anomalies must be explained in the commentary to this business plan submission.

Worksheet: 6.1 Environmental Impact

Table 6.1a Form of Price Control

Purpose and Use	This table is required to help populate Table 6.1d Shrinkage with the Shrinkage factor, using volume information recorded in Worksheet: 2.0 Volumes & Customers Summary.
Instructions for Completion	No data entry is required. The table pre-populates automatically based on the GDN Name provided in cell E15 of the Worksheet: Cover.

Table 6.1b Alternative Fuel-Assumptions (Long-Term Average)

Purpose and Use	The purpose of Table 6.1b Alternative Fuel-Assumptions (Long-Term Average) and Table 6.1c Emission Conversion Factors is to provide information required when establishing the environmental impact of the introduction of natural gas in the GDN's licensed area, by comparing greenhouse gas emissions resulting from the natural gas expected to be consumed during a given period with the greenhouse gas emissions expected to occur if the same amount of energy was used without natural gas being available. In this context, Table 6.1b Alternative Fuel-Assumptions (Long-Term Average) sets out the underlying assumptions on alternative fuels, i.e.: • For existing premises, that have switched to natural gas from another fuel-source, the fuel that was used before the conversion to natural gas; • For new build premises, the fuel that would likely have been chosen by the customer had natural gas not been available.

Instructions for Completion	Enter, for the expected customer base at the end of the GD23 price control period, the percentage of customers that would have used the different types of alternative fuels had natural gas not been available. The table differentiates between the following alternative fuels:
	• Oil
	• Coal
	• LPG
	• Electricity/Economy 7
	• Tallow
	• Other
	
	If one of the other columns is used, an indication must be provided in the column header in row 12 of what fuel type is referred to.
	
	All alternative fuel information must be broken down into the following customer categories:
	• Domestic
	  ○ Owner Occupied
	  ○ New Build
	  ○ NIHE
	• I&C
	  ○ Tariff
	  ○ Contract

	For each customer category, the total (as displayed in the Total column K) of the alternative fuel percentages across all fuel types is calculated automatically and must equal 100%. This is verified through the consistency check in cell K18 which shall show "OK"; any anomalies must be explained in the commentary to the business plan submission. Note: The fuel-assumptions are not requested to be provided on a year-by-year basis. It will be assumed that the long-term average fuel breakdown data will be applicable for each year in the period beginning two years prior to the start of the GD23 price control period until its end. If the GDN is of the view that this assumption is not appropriate, an explanation shall be provided in the commentary to thee business plan submission, together with additional data on what assumptions and data should be used instead.

Table 6.1c Emission Conversion Factors

Purpose and Use	The purpose of Table 6.1b Alternative Fuel-Assumptions (Long-Term Average) and Table 6.1c Emission Conversion Factors is to provide information required when establishing the environmental impact of the introduction of natural gas in the GDN's licensed area, by comparing greenhouse gas emissions resulting from the natural gas expected to be consumed during a given period with the greenhouse gas emissions expected to occur if the same amount of energy was used without natural gas being available. In this context, Table 6.1c Emission Conversion Factors sets out the emission conversion factors for any fuels listed as other fuels in Table 6.1b Alternative Fuel-Assumptions (Long-Term Average).
Instructions for Completion	Population of this table is only required if the other fuel columns (i.e. columns I to J) of Table 6.1b Alternative Fuel-Assumptions (Long-Term Average) have been populated. In this case, the other fuels specified in cells I12 to J12 of Table 6.1b Alternative Fuel-Assumptions (Long-Term Average) will automatically populate cells A25 to A26 of Table 6.1c Emission Conversion Factors. For each of the relevant other fuels, the following information is to be recorded: • tCO2e/kWh (in row B) • tCO2/kWh (in row C) • Source(s) from which the emission conversion factors listed in rows B and C have been obtained (in row D)

	Note: Where possible, the environmental emission conversion factors listed in Table 6.1c Emission Conversion Factors shall be established in line with official government guidance[5] in its latest version.

Table 6.1d Shrinkage

Purpose and Use	The purpose of this table is to record the GDN forecast of shrinkage volume and cost. This information will be used: • As input for the calculation of the total Business Carbon Footprint in Table 6.2a Business Carbon Footprint; • To Review and analyse the forecasting trend to inform about future costs; • Allow benchmarking of costs with other GDNs; and to • Inform the setting of allowances.
Instructions for Completion	**Shrinkage** Enter the shrinkage for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period in kWh in row 33. The monetary value of the shrinkage in row 34 is automatically populated from the details recorded in Table 3.1a Opex by Activity Type. **Shrinkage Factor** The shrinkage factor for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period in row 35 is populated automatically, based on the shrinkage volume and the total gas volume from Worksheet: 2.0 Volumes & Customers Summary. **Breakdown of Shrinkage into its Components** Enter, for the two years prior to the start of the GD23 price control period until the end of the GD23 price control period, the percentage of shrinkage that is due to theft, leaks/emergencies and own use in rows 37, 38 and 39 respectively. The total shrinkage percentage is calculated automatically based on these figures and must equal 100%. This is verified by the consistency check in row 41 which show "OK" for each year; any anomalies shall be explained in the commentary to the business plan submission. Rows 43 to 46 are calculated from inputs provided from the GDNs in rows 33, 37, 38 and 39. Rows 43 to 46 are in kWh and are used for the calculation of the total Business Carbon Footprint in Table 6.2a

[5] See e.g. Green Book supplementary guidance: valuation of energy use and greenhouse gas emissions for appraisal (https://www.gov.uk/government/publications/valuation-of-energy-use-and-greenhouse-gas-emissions-for-appraisal and Department for Business, Energy & Industrial Strategy Greenhouse gas reporting: conversion factors 2020 (https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020)

	Business Carbon Footprint and to support benchmarking and, trend analysis

Worksheet: 6.2 Business Carbon Footprint

Table 6.2a Business Carbon Footprint

Purpose and Use	This table provides a quantification forecast of all aspects of a GDN's non-shrinkage business carbon footprint (BCF) in tonnes of CO2e for each year in the period beginning two years prior to the start of the GD23 price control period until the end of the GD23 price control period itself. This will allow the footprint of each licensee to be individually assessed. The data will be used to support benchmarking and to assess the expected environmental impact of the natural gas business.
Instructions for Completion	**Guidance on methodology** GDNs must report BCF forecasts to align with each calendar year. The reporting methodology must be compliant with the principles of the Greenhouse Gas Protocol (GHG Protocol)[6]. In summary, the BCF reporting must be: • Relevant: the inventory must reflect the substance and economic reality of the company's business relationships, not merely its legal form; • Complete: all relevant emission sources must be included (where in practice lack of data or cost of gathering could be a limiting factor, justification must be provided in the commentary to the business plan submission); • Consistent: accounting approaches, inventory boundary and calculation methodology must be applied consistently over time; • Transparent: information on the processes, procedures, assumptions and limitations of the BCF reporting must be disclosed in a clear, factual, neutral and understandable manner, enabling internal and external verifiers to attest to its credibility; • Accurate: GHG measurements, estimates, or calculations must be systemically neither over nor under the emissions value, as far as can be judged, and uncertainties be reduced as far as practicable. GDNs must report on all Scope 1 and Scope 2 emissions on an "operational control" basis, i.e. report all emissions from operations on

[6] See World Business Council for Sustainable Development/World Resource Institute: The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf for further details.

	which the GDN has full authority to introduce and implement its operating policy. GDNs must also report Scope 3 emissions. The boundary of Scope 3 emissions is to be defined and to be in accordance with the GHG protocol. GDNs that form part of a larger corporate group must provide in the commentary to the business plan submission a brief introduction outlining the structure of the group. The commentary must detail which organisations are considered to be within the reporting boundary for the purpose of the BCF calculations. Apportionment of emissions across a corporate group to the GDN business units must be undertaken through an existing finance allocation model, with an explanation of same to be included in the commentary to the business plan submission. **Guidance on completing the tables** **Scope 1** Energy consumption Enter the tCO_2e for energy consumption. Note that natural gas, diesel and other fuels are all categorised as fuel combustion and must be converted to tCO_2e on a Gross Calorific Value (Gross CV) basis. Transport Enter the tCO_2e for direct commercial vehicles and business mileage. Direct commercial vehicles is the transportation (often a fleet of vehicles) used in the day to day operation of the business. Business mileage is that undertaken by staff travelling in their own vehicles to locations other than their normal place of work or moving between sites for business-related purposes. Direct commercial vehicle emissions calculations should be based on fuel consumption, which includes fuel used, for example, in compressors, pumps, generators, steel saws and strimmers bought on vehicle fuel cards. The appropriate conversion factors shall be applied. In cases where emission factors for specific transport means are not available (we are aware of this issue for helicopters, but there may be some other instances), the equivalent tonnes of carbon dioxide (tCO_2e) must be estimated and summed to the closest means of transport (e.g. “air” for helicopters). The methodology and assumptions used for estimating/measuring these emissions must be included in the commentary to the business plan submission. Official government guidance5 provides for a range of emission conversion factors for transport means, with the aim to provide the best possible estimate of emissions from the vehicle portfolio owned and/or operated by the company. The reporting must, as far as reasonably

	practicable, use the full range of emission conversion factors available (as applicable to the range of means of transport actually used by the company) unless there is a compelling case for using another conversion factor. Other Row 14 is a spare line for recording any tCO_2e emissions that form part of scope 1 in line with the Greenhouse Gas Protocol (GHG Protocol), but are not included in rows 10, 11 and 12. If row 14 is completed, an explanatory note must be included in the commentary to the business plan submission. Total Scope 1 The total of scope 1 emissions is calculated automatically based on the energy consumption, transport and other scope 1 emissions provided. **Scope 2** Electricity consumption Enter the emissions for electricity use which must be converted using the grid average conversion factor, unless there is a compelling case for using another conversion factor. Any such compelling case, where relevant, must be stated in the commentary to business plan submission. Other Row 17 is a spare line for recording any tCO_2e emissions that form part of scope 2 in line with the Greenhouse Gas Protocol (GHG Protocol), but are not included in row 16. If row 17 is completed, an explanatory note must be included in the commentary to business plan submission. Total Scope 2 The total of scope 2 emissions is calculated automatically based on the electricity consumption and other scope 2 emissions provided. **Scope 3** PE pipe Enter the PE pipe emissions which relate to the procurement of PE pipe used in network activities. Contractor vehicles Enter the emissions for contractor vehicle which arise from work undertaken on the network by contractors not directly employed by the GDN. It should be noted that – in difference to the definition for the term Contractor provided in Appendix 1: Glossary and Appendix 2: Technical Definitions, Opex – Expenditure Types – the term contractor as used for the purpose of this Table 6.2a Business Carbon Footprint does not include related parties. Rail/Air/Ferry

	Enter the emissions from third party transport services. Other Row 24 is a spare line for recording any tCO_2e emissions that form part of scope 3 in line with the Greenhouse Gas Protocol (GHG Protocol)[6], but are not included in rows 19-23. If row 24 is completed, an explanatory note must be included in the commentary to the business plan submission. Total Scope 3 The total of scope 3 emissions is calculated automatically based on the PE pipe, contractor vehicle, rail, air ferry and other scope 3 emissions provided. **Total** Total BCF (excluding shrinkage) The total business carbon footprint (excluding shrinkage) is populated automatically as the sum of scope 1, scope 2 and scope 3 emissions. Total employees The total number of employees is populated automatically from Worksheet: 3.3 Staff & Agency – Head Count. This figure comprises FTEs from own staff, agencies and contractors, including non-related contractors as well as related parties. Carbon Intensity The carbon intensity is populated automatically by dividing the business carbon footprint by the total employee FTE. There are two carbon intensity calculations, one including scope 3 and one excluding scope 3. Shrinkage This field will be populated automatically using the Leakage, Theft of Gas and Own-Use Gas reporting fields in Table 6.1d Shrinkage. This data is then used in conjunction with the following assumptions, which are provided by Ofgem and applied across all GDNs: □ Assumed CV MJ/m3 □ Assumed proportion of methane in natural gas □ Assumed density of Methane kg/m3 □ Assumed Global Warming Potential of Methane (tCO2e) □ Assumed proportion of Carbon Dioxide in natural gas □ *Assumed density of Carbon Dioxide kg/m3* □ *Relevant DEFRA emission potential for natural gas kg/kWh*

	Total BCF (including shrinkage) The total business carbon footprint (including shrinkage) is populated automatically as the sum of business carbon footprint (excluding shrinkage) and the emissions linked to shrinkage. **Commentary** The commentary to the business plan submission must include details of any auditing/certification completed to verify emissions data. As pointed out above, the commentary must also include details on the reporting boundaries and on any allocation model used to apportion emissions across a corporate group to the GDN. Furthermore, the commentary must include data tables for each area of emissions (ideally at the same level of granularity as the Defra conversion factors) containing the following information: • the GDN in question; • the level of emissions (in tCO2e); • the data source and collection process; • the relevant physical units e.g. miles; • the emission conversion factor used; • the source of the emission conversion factor (this shall be Defra unless there is a compelling case for using another conversion factor; the case being, substantiation for such a compelling reason must be provided); • the Scope of the emissions i.e. scope 1, 2 or 3; • whether the emissions have been measured or estimated; • any tools used in the calculation.

Appendix 1: Glossary

A1.1 The purpose of this appendix is to provide definition of the terms included in these instructions and in the associated tables.

A1.2 This appendix provides definitions of key terms included in these Instruction and Guidance and in the templates. Where no definition is given for specific gas-related items, those in the Gas (Northern Ireland) Order 1996 and subsequent legislation applicable to the GDNs should be applied, similarly for standard accounting terms, IFRS/IAS and/or UK GAAP and Companies Act 2006 (or 1985 where still relevant) ("CA85") definitions should be applied.

A1.3 This appendix is complemented by Appendix 2: Technical Definitions which provides technical definitions and differentiation of technical terms and concepts of similar or related nature.

A1.4 In the circumstance where no definition is given, the licensee should include in explanatory notes details of the treatment it has applied and inform us of the omission. Where a definition set out in this appendix is not the same as that applied by a licensee for other purposes, the definition set out herein must be used in the preparation of the business plan data template for the business plan submission.

(-ve)	Value to be entered as negative figure.
(+ve)	Value to be entered as positive figure.
£	Pound sterling.
Actioned repairs	The number of reports which result in a physical permanent repair to a mains or service pipe or fitting taking place. See Appendix 2: Technical Definitions, Opex – Direct Activities, PRE Repairs for more details.
Advertising & Market Development	The costs for advertising & market development. See Appendix 2: Technical Definitions, Opex – Other Activities, Advertising & Market Development for more details.
Agency Costs	Costs associated with agency manpower. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Agency Costs for more details.
Agency Manpower	Persons who are not under a direct contract of employment with the licensee or an affiliate of the licensee but are hired through a third party or employment agency. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Agency Costs for more details.

Asset Management (incl. Network Policy)	This covers the activity of managing the network's assets. See Appendix 2: Technical Definitions, Opex – Direct Activities, Asset Management for more details.
Atypical Expenditure	Costs (or reductions) which are not repeatable and are exceptional in nature.
Audit, Finance & Regulation (Business Support Activity)	Performing the statutory, regulatory and internal management cost and (business support activity) performance reporting requirements and customary financial and regulatory compliance activities for the network. See Appendix 2: Technical Definitions, Opex – Business Support Activities, Audit, Finance & Regulation for more details.
b/f	Brought forward.
Bad Debt	Amount owed by a third party that is unlikely to be paid due. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Bad Debt for more details.
BCF	Business Carbon Footprint.
BINs	MP to LP In-ground District Governor Modules.
Board Members and Other	Staff and other costs of Board members and other corporate costs not fitting into other categories.
BPT	Business Plan Template.
BSI	British Standards Institution.
Business Mileage	Mileage undertaken by staff travelling in their own vehicles to locations other than their normal place of work or moving between sites for business-related purposes.
Business Support Costs	Costs relating to all indirect activities, with the exception of the following: • Training & apprentices; • Advertising & Market Development (OO Properties); and • Advertising & Market Development (Non OO Properties). Note: These three indirect activities are considered separately, outside the business support costs, for benchmarking reasons. See Appendix 2: Technical Definitions, Opex – Business Support Activities for more details.

c/f	Carried forward.
Calorific Value	The amount of heat released during the combustion of a specified amount of a substance. The gross Calorific Value is determined by bringing all the products of combustion back to the original pre-combustion temperature, and in particular condensing any vapour produced.
Capital expenditure	Any expenditure which, for the purpose of the regulatory accounts, has been included in the value of the fixed assets of the gas distribution business provided that: (a) the expenditure conforms with at least one of the following: • the expenditure relates to the purchase, development or construction of a new asset; • the expenditure will increase the capacity or functionality of the distribution assets; • the expenditure will significantly reduce the ongoing maintenance of the assets; and/or • the expenditure will extend the service life of distribution assets beyond that expected when the assets were originally installed; and (b) the expenditure is determined in accordance with applicable accounting standards. Excludes: • Replacement expenditure; • Capitalised interest; and • Revaluation amounts.
Capex	Capital expenditure.
Capitalised Labour	Labour costs included within capex rather than opex.
Capitalised Overheads	GDN opex costs which have been specifically identified and charged to capital projects.
CEME	Centre for Engineering and Manufacturing Excellence.
CEO	Chief Executive Officer.
CEO and Group Management	Costs for communications, group strategy, legal/risk and compliance/company secretary, corporate responsibility and investor

(Business Support Activity)	relations, board members and other, incremental ring-fence compliance and credit reference agencies. See Appendix 2: Technical Definitions, Opex – Business Support Activities, CEO & Group Management for more details.
CO	Carbon Monoxide.
CO_2	Carbon Dioxide.
CO_2e	Carbon Dioxide equivalent, i.e. the equivalent amount of CO_2 that would have the same global warming potential as a given greenhouse gas emission.
Commercial Gas Trading System (capex)	System used for managing the volumes of gas transported.
Connection	A property passed is considered to be a connection when the service and meter for this property have been put in place, a supplier has been assigned and the downstream installation has been completed. See Appendix 2: Technical Definitions, Properties Passed, Connections and Customers for more details.
Contractor	A third party that has entered into contractual relations (including service level agreements with the parental group) with the GDN to supply goods and/or services or a related party of the GDN that supplies goods and/or services to it. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Contractor Costs for more details.
Contractor Costs	The charges invoiced by (external or related party) Contractors. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Contractor Costs for more details.
Contributions	Payments to the GDN or a related party for works undertaken that are not covered by Use of System Charges. Includes both Capex contributions from customers or other third parties for asset investments (i.e. new connections, meters) and also Opex Contributions (e.g. relating to third party damages, see also See Appendix 2: Technical Definitions, Opex – Expenditure Types, Income Received for more details).
Controllable Activity Costs	Those operating activity costs that are deemed as part of the price control allowances as being within the control of the licence holder.
Controlled Gas Escape or Other	A gas escape or other gas emergency where the person reporting the escape or other emergency, after carrying out (or causing to be carried

Controlled Gas Emergency	out) the actions advised by the telephone service (such as turning off the gas emergency control valve), advises the operator that the escape of gas or other emergency appears to have ceased. All other gas escapes are considered uncontrolled.
CP	Cathodic Protection.
Customer	Any person to whose premises or pipe-line system gas has been conveyed by a GDN. See Appendix 2: Technical Definitions, Properties Passed, Connections and Customers for more details.
Customer management	The Work Management activities associated with dealing with customers or members of the public. Appendix 2: Technical Definitions, Opex – Direct Activities, Customer Management & Network Support for more details.
Customers Requiring Special Arrangements	The occupier of any premises to which gas is conveyed by the Licensee who • is a domestic consumer; • is chronically sick, disabled or of pensionable age; • does not share the occupancy of the premises with any person who is not chronically sick, disabled or of pensionable age or a minor; and • is included in the list of domestic consumers which has been provided to the Licensee by any gas supplier under the conditions of that party's licence or exemption. See also Appendix 2: Technical Definitions, Properties Passed, Connections and Customers.
CV	Calorific Value.
DECC	Department for Energy & Climate Change
Decommissioned Asset	A network asset which was previously recorded on the Asset Database which: • Is physically removed; • has been disconnected from the network; or • is no longer capable of fulfilling its intended purpose.
Defra	Department for Environment Food & Rural Affairs.

Depot	A building other than an office (see definition below) used for operational purposes.
Desktop Services	The costs involved in supporting desktop hardware and software. See also Appendix 2: Technical Definitions, Opex – Business Support Activities, IT & Telecoms.
DETI	Department of Enterprise, Trade and Industry.
Direct Activity	Includes the following activities: • Work Management (i.e. Asset Management, Operations Management, Customer Management & Network Support and System Control); • Work Execution (i.e. Emergency, Metering, PRE Repairs and Maintenance); and • Other Direct Activities.
Direct Commercial Vehicles	The transportation (often a fleet of vehicles) used in the day to day operation of the business.
Direct Costs	Costs that can be completely attributed to the production of specific goods or services.
District Governor	Pressure reduction equipment having an inlet pressure of up to 7 barg installed in the distribution mains network to reduce the operating pressure of gas to a lower operating pressure. See Appendix 2: Technical Definitions, Governors, PRS and Meter Installation, District Governor for more details.
Domestic Credit Meter	Any credit meter installed at premises (primarily) used for domestic purposes. Typically, domestic meters will be U6 meters, but some larger domestic premises require a larger U16 meter installed. See also Appendix 2: Technical Definitions, Meters and for further details on domestic meter installations and for details on how to account for meter boxes Appendix 2: Technical Definitions, Governors, PRS and Meter Installation, Meter Installation.
Domestic New Build	Domestic Premises which have never previously been owned or occupied by any person (that is they are, or are to be, newly built premises) and in respect of which the connection to the Network shall be made prior to the premises first being occupied, including any such premises which are being constructed for the Northern Ireland Housing Executive or a Housing Association in Northern Ireland. See also

	Appendix 2: Technical Definitions, Properties Passed, Connections and Customers.
Domestic Premises	Any premises at which the supply of gas is, or is to be, taken wholly or mainly for domestic purposes. See Appendix 2: Technical Definitions, Properties Passed, Connections and Customers for more details.
Domestic Prepayment Meter	Any prepayment meter installed at premises (primarily) used for domestic purposes. This includes Libra meters as well as Quantum meters. See also Appendix 2: Technical Definitions, Meters and for further details on domestic meter installations and for details on how to account for meter boxes Appendix 2: Technical Definitions, Governors, PRS and Meter Installation, Meter Installation.
Domestic Service Governor	Governors installed as part of service pipe infrastructure serving up to two domestic connections. See Appendix 2: Technical Definitions, Governors, PRS and Meter Installation, Domestic Service Governors for more details.
DRD	Department of Regional Development. This department in NI is responsible for transport and associated street works.
DSEAR	Dangerous Substances and Explosives Atmospheres Regulations.
ECV	Emergency Control Valve.
e.g.	For example.
E&I	Electrical & Instrumentation
Emergency	Relates to providing a service do respond to a report from a customer or a member of the public relating to a gas emergency. See Appendix 2: Technical Definitions, Emergency Call & Job Classifications and Opex – Direct Activities, Emergency for more details.
ENA	Energy Networks Association.
Entertainment	Entertainment costs as defined by the HMRC guidelines. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Entertainment for more details.
ERDC	Early retirement deficiency costs.
etc.	Et cetera (and so forth).

Exceptional Items Maintenance	Any maintenance activities that are neither routine maintenance nor non-routine maintenance. See Appendix 2: Technical Definitions, Opex – Direct Activities, Maintenance for more details.
FCO	First call operative.
Feeder mains	This driver shall only be selected for projects which offer no potential for gas connections directly to the main installed by the project. Thus the project facilitates an extension to the network by an extended length of main through typically areas of low density population. See Appendix 2: Technical Definitions, Drivers for Mains Projects, Feeder for more details.
firmus	firmus energy (Distribution) Ltd.
FTE	Full-time equivalent.
Full-time equivalent	The number of normal hours worked by an employee divided by the normal hours of a full-time member of staff in an equivalent role according to his or her contract of employment.
GB	Great Britain
GD17	The price control for both PNGL and firmus, covering calendar years 2017 - 2022, For SGN it covers the years 2018 - 2022
GD23	This is the name given to the next price control for the NI GDNs. It is proposed to cover the period 2023 – 2028 (calendar years).
GDN	Gas distribution network operators.
GHG	Greenhouse Gas.
Governor	See the definition of the different types of governor as set out in this list below: • District Governor • Domestic Service Governor • I&C Service Governor • Meter Governor See Appendix 2: Technical Definitions, Governors, PRS and Meter Installation for more details.

Gross Expenditure	Total expenditure before any Contributions have been subtracted (Net Expenditure + Contributions).
Group	A group consists of a parent company and its participating interests (participating interest as used in the licences).
GS(M)R	Gas Safety (Management) Regulations.
HGV	Heavy goods vehicle.
HMRC	Her Majesty's Revenue and Customs.
HR	Human Resources.
HR & Non-operational Training	This includes provisions of the HR function i.e. the full range of professional activity for an individual's career path from recruitment to retirement and post retirement where applicable. Non-operational training covers facilitating and operating training courses of a non-technical nature for office-based staff. See Appendix 2: Technical Definitions, Opex – Business Support Activities, HR & Non-operational Training for more details.
HSE	Health and Safety Executive.
I&C	Industrial and commercial.
I&C premises	Any premises at which the supply of gas is, or is to be, taken wholly or mainly for non-domestic purposes. See Appendix 2: Technical Definitions, Properties Passed, Connections and Customers for more details.
I&C Contract Customers	Customers at I&C premises with a natural gas consumption over 732,000 Kwh (25,000 Th) per annum. See Appendix 2: Technical Definitions, Properties Passed, Connections and Customers for more details.
I&C Meter	Any meter that is not classified as a domestic credit or domestic prepayment meter. See also Appendix 2: Technical Definitions, Meters and for further details on I&C meter installations Appendix 2: Technical Definitions, Governors, PRS and Meter Installation, Meter Installation.

I&C Service Governor	A governor installed as part of the distribution network supplying one I&C connection. See Appendix 2: Technical Definitions, Governors, PRS and Meter Installation, I&C Service Governors for more details.
I&C Tariff Customers	Customers at I&C premises with a natural gas consumption of up to 732,000 Kwh (25,000 Th) (inclusive) per annum. I&C Tariff customers can be further differentiated as follows: • I&C1 Customers: I&C Customers with a natural gas consumption of up to 73,2000Kwh (2,500 Th) (inclusive) • I&C2 Customers: I&C Customers with a natural gas consumption of more than 73,2000Kwh (2,500 Th) See Appendix 2: Technical Definitions, Properties Passed, Connections and Customers for details.
IBA	Industrial Buildings Allowance.
i.e.	Id est (that is).
IFRS	International Financial Reporting Standards.
IAS	International Accounting Standards (IAS).
Income Received	Income collected from third parties in relation to pipe-line damage, service alterations, disconnections etc. See also Appendix 2: Technical Definitions, Opex – Expenditure Types, Income Received.
Indirect Activities	The separately defined activities of: • Stores & Logistics; • IT & Telecoms; • Property Management; • Human Resources and Non-operational Training; • Audit, Finance and Regulation; • Insurance; • Procurement; • CEO and Group Management; • Training & Apprentices; • Advertising & Market Development (OO Properties); and • Advertising & Market Development (Non-OO Properties).

	See also Appendix 2: Technical Definitions, Opex – Business Support Activities and Opex – Other Activities for more details.
Insurance (Business Support Activity)	Support and expertise to develop the business risk profile, managing the claims process and provision of information and understanding to the business in relation to insurable and uninsurable risks. See also Appendix 2: Technical Definitions, Opex – Business Support Activities, Insurance for more details.
Insurance Premiums	Cost of insurance premiums including insurance premium tax and brokers fees. See also Appendix 2: Technical Definitions, Opex – Business Support Activities, Insurance for more details.
IP	Gas pressure operation in the range from above 4 barg (2 barg in GB) to 7 barg. See also Appendix 2: Technical Definitions, Gas Distribution Mains Pressure Tiers for more details.
ISDN	Integrated services digital network.
IT	Information technology.
IT & Telecoms (Business Support Activity)	Provision of IT services for the day to day service delivery. See Appendix 2: Technical Definitions, Opex – Business Support Activities, IT & Telecoms for more details.
IT & Telecoms Capital Expenditure	Costs associated with purchasing, replacing and upgrading IT Infrastructure IT Systems, and any directly impacted telecoms assets. See Appendix 2: Technical Definitions, Other Capital Expenditure (Other Capex), IT (Infrastructure and Systems) and Telecoms for more details.
kWh	Kilowatt hour.
Labour/Manpower	Costs including any form of payment, consideration or other benefit, paid or due to or in respect of employees. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Staff Costs for more details.
LAN	Local Area Network.
Land, Building, Furniture and Fittings (incl. Telecoms driven by office moves)	Capital expenditure related to the purchase, upgrading and fitting out of all buildings, including depots and offices. This includes any telecoms investment directly driven by the above. See Appendix 2: Technical Definitions, Other Capital Expenditure (Other Capex), Land, buildings, furniture and fittings for more details.

Lateral	A horizontal pipe, connected to a riser that conveys gas along one floor level within a building and includes any branches supplying individual or groups of premises. See also Appendix 2: Technical Definitions, Definition of Pipes Conveying Gas, Lateral and Risers & Laterals for further details.
Leased	Any asset (e.g. property) on which the regulated businesses pay rent. Where rent is paid to a related party then ownership of the asset and the leasing arrangements should be explained in the commentary to the business plan submission. See Appendix 2: Technical Definitions, Opex – Business Support Activities, Property Management.
Legal/Company Secretariat	Legal department, the management corporate governance for all companies to ensure they comply with legislation, regulations and best practice. See Appendix 2: Technical Definitions, Opex – Business Support Activities, CEO & Group Management.
LGV	Large goods vehicle.
Licence fees	Payments by the licensee to us as defined in the licence.
Licensee	Holder of a licence for the conveyance of gas through distribution pipe-lines in Northern Ireland.
LP	Low pressure is the gas pressure operating in the range of 0-75 mbarg. See also Appendix 2: Technical Definitions, Gas Distribution Mains Pressure Tiers for more details.
LPG	Liquefied Petroleum Gas.
Mains/Infill (distribution)	Pipes used to distribute gas at a pressure <=4 barg to more than two supply points (or with the potential to supply more than two supply points) but not including risers. See Appendix 2: Technical Definitions, Definition of Pipes Conveying Gas, Mains Pipe and Drivers for Mains Projects, Network Extension (Infill) for more details.
Maintenance	The examination and repair of plant and equipment within the Network. This includes costs associated with operational property and IT. These activities are split into three types (see separate definitions): • Routine Maintenance; • Non-routine maintenance; • Exceptional items maintenance. See Appendix 2: Technical Definitions, Opex – Direct Activities, Maintenance for more details.

Manpower	See labour.
Materials	The physical components that go into the make-up of a tangible asset or are used for maintenance or other duties for the activities undertaken by the licensee and related parties. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Materials for more details.
MDR	Market Development Review: Covers costs relating to: • Advertising, marketing and PR; and • Incentives. See Appendix 2: Technical Definitions, Opex – Other Activities, Advertising & Market Development.
MEAV	The Modern Equivalent Asset Value is the cost of creating an equivalent new network and essentially captures a weighted average of the licensees asset volume. The MEAV for the licensees is calculated from reported assets in the data templates and the new build unit cost for the following assets: • Distribution network embedded gas entry points; • PRSs; • Distribution mains; • Governors; • Number of services; • Multiple occupancy buildings (MOBs) supply infrastructure; and • Meters.
Meter Governor	A pressure regulation and protection device which is installed as part of the meter installation (i.e. not part of the distribution network). See Appendix 2: Technical Definitions, Governors, PRS and Meter Installation, Meter Installation for more details.
Metering	Activities associated with the maintenance of a meter to record the quantity of as consumed at a domestic or I&C premise. See Appendix 2: Technical Definitions, Opex – Direct Activities, Metering for details.
MP	Medium Pressure is the gas pressure operating in the range from above 75 mbarg to 4 barg (75 mbarg to 2 barg in GB networks). See also Appendix 2: Technical Definitions, Gas Distribution Mains Pressure Tiers for more details.

Multi-occupancy Buildings	Buildings containing multiple individual dwellings, i.e. more than one dwelling within a single building. This excludes detached, semi-detached and terraced houses or bungalows predominantly occupied by a single family. For the purposes of the business plan submission, the connection of new, and the replacement of existing supplies to multi-occupancy buildings relate only to those buildings utilising an internal or external riser pipe supplying three or more supply points in a building.
Net Debt	Net debt is the net borrowing of a business at a given date. Includes: • Cash at bank; • Bank overdrafts; • Short term investments; • External borrowings (adjusted to reflect the ultimate liability in sterling resulting from any cross currency swaps relating to that debt instrument and excluding the impact of fair value adjustments and accrued interest); • Inter-company borrowings; • Short term loans to related parties (except where they have demonstrated the characteristics of being long term in nature, for example by repeated renewal); and • Long term loans to related parties only where they can be justified as for the benefit of the regulated business and are not in the nature of a distribution. • Inter-company debtors/creditors/working capital: where these can clearly be identified as such, they are excluded. However, if they cannot, because the licensee does not clear these balances on a regular basis, they will be treated as effective inter-company loans and included in net debt. Excludes: • Year end balances of fair value adjustments on derivatives in regulatory accounts (except cross currency swaps); • Unamortised issue costs; • Fixed asset investments where not readily converted to cash; • Preference shares; • Long term loans to related parties except where they can be demonstrated as for the benefit of the regulated business and are not in the nature of a distribution; and • Short term loans to related parties except where they have characteristics of long term loans.

Net Expenditure	The Gross Expenditure less all Contributions received.
Net Emergency Costs	The cost of the emergency activity following the allocation FCOs' time and costs to other activities e.g. repairs, maintenance, other price controlled activities and non-price controlled activities.
Net Interest	Net interest includes actual net interest (payable less receivable) for the price controlled business extracted from regulatory accounts, used on an accruals basis and total interest on index-linked debt based on the charge to the income statement in regulatory accounts. Includes: • Actual net interest (payable less receivable) for the price controlled business extracted from regulatory accounts, used on an accruals basis; and • Interest on index-linked debt based on the charge to the income statement in regulatory accounts (i.e. on an accruals basis). Excludes: • Fair value adjustments (e.g. losses on derivatives); • Dividends on preference shares; • The cost of retiring long term debt early (including exceptional debt redemption costs); • Debt issuance expenses (including amortisation charges relating to discounts on debt issuance that had previously benefitted from a deduction against taxable profits); and • The cost of maintaining committed undrawn liquidity backup lines (i.e. commitment fees).
Network (LAN & WAN)	The costs involved in implementing and supporting the computer networks, Local Area Network (LAN) and Wide Area Network (WAN). See also Appendix 2: Technical Definitions, Opex – Business Support Activities, IT & Telecoms.
Network Rates	Prescribed rates levied on distribution network assets. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Network Rates.
New Build (Domestic)	Domestic Premises which have never previously been owned or occupied by any person (that is they are, or are to be, newly built premises) and in respect of which the connection to the Network shall be made prior to the premises first being occupied, including any such premises which are being constructed for the Northern Ireland Housing Executive or a Housing Association in Northern Ireland. See Appendix 2: Technical Definitions, Properties Passed, Connections and Customers for more details.

New Connections	The costs incurred to connect new supply points to the gas distribution network.
NI	Northern Ireland.
NICs	National Insurance Contributions.
NIHE	Northern Ireland Housing Executive. Domestic premises which are (or will be when built) owned by the Northern Ireland Housing Executive or a housing association in Northern Ireland. See Appendix 2: Technical Definitions, Properties Passed, Connections and Customers for more details.
No Trace	The attendance at a public reported gas escape which fails to discover any escape of gas. See also Appendix 2: Technical Definitions, Emergency Call & Job Classifications, Classification at the Time of Job Closure.
Non Controllable Activity Costs	Those operating activity costs that are deemed as part of the price control allowances as not being within the direct control of the licence holder. See also Appendix 2: Technical Definitions, Opex – Other Activities, Non-Controllable Costs.
Non Price Controlled Activities	Activities which the regulated company undertakes which are not directly associated with the gas transportation licensed activities. Where such activities are undertaken, it is necessary for us to have been notified of the activities and reasons for them prior to them being undertaken. Also, a description if such activities shall then be included in the commentary to this business plan submission. See also Appendix 2: Technical Definitions, Opex – Other Activities, Non-Price Control Activities.
Non-operational premises	Premises used by people (e.g. stores, depots and offices) and which are not operational premises.
Non-routine maintenance (NRM)	Non Routine Maintenance activities are those which are irregular in both timing and costs, and have a material effect on cost from year to year. See Appendix 2: Technical Definitions, Opex – Direct Activities, Maintenance for more details.
NRM	Non-routine maintenance.
NRSWA	New Road and Streetworks Act.

ODA	Other direct activities. See also Appendix 2: Technical Definitions, Opex – Direct Activities, Other Direct Activities (ODA) for more details.
Office	A property is defined as an office if its primary function is to accommodate office based staff during their business hours. See Appendix 2: Technical Definitions, Opex – Business Support Activities, Property Management.
Ofgem	Office of Gas and Electricity Markets. Regulates the electricity and gas markets in Great Britain.
OLI	On-line inspection.
OO	Owner occupied is a classification of domestic property ownership. See Appendix 2: Technical Definitions, Properties Passed, Connections and Customers for more details.
Opex (Operating expenditure)	The operating costs of the GDN excluding capital expenditure (capex), depreciation, amortisation, profit on sale of assets, release of deferred contributions and charges/releases of provisions.
Operational IT & Telecoms	IT equipment which is used exclusively in the real time management of network assets, but which does not form part of those network assets.
Operational premises	Premises used for the operation of the GDN's business. Excludes: • Stores; • Depots; and • Offices.
Operations Management (including Operations Support)	The Work Management activities associated with planning and supervising delivery of the work activities of the network. See Appendix 2: Technical Definitions, Opex – Direct Activities, Operations Management for more details.
Opex	Operating expenditure.
Opex activities	Opex activities are: • Asset Management • Operations Management • Customer Management & Network Support

- System Control
- Work Management
- Emergency
- Metering
- PRE Repairs
- Maintenance
- Other Direct Activities
- IT & Telecoms
- Property Management
- HR & Non-operational Training
- Audit, Finance & Regulation
- Insurance
- Procurement
- CEO & Group Management
- Stores & Logistics
- Advertising & Marketing Development (OO Properties)
- Advertising & Marketing Development (Non-OO Properties)
- Training & Apprentices

See Appendix 2: Technical Definitions, Opex – Direct Activities, Opex – Business Support Activities and Opex – Other Activities for more details.

Other Direct Activities (ODA)	Other operational activities not covered elsewhere. See Appendix 2: Technical Definitions, Opex – Direct Activities, for more details
PAS55	The British Standards Institution's (BSI) "Publicly Available Specification" for the optimised management of physical assets.
PAYE	Pay-as-you-earn. This is a withholding tax on income payments to employees.
PC	Personal computer.
PE	Polyethylene (PE) is a form of plastic used for manufacturing gas distribution mains and services.
Plant, Tools & Equipment (capex)	Includes fixed plant and machinery forming part of the gas transportation network, part of a gas installation, or used to process gas, as well as

	tools and other equipment used for the day to day management of the gas network. See also Appendix 2: Technical Definitions, Other Capital Expenditure (Other Capex), Plant, tools and equipment.
PNGL	Phoenix Natural Gas Limited.
PPF	Pension Protection Fund.
PRE	Public reported escape.
PRE Repairs	The repair of mains and services following public reported escapes. See Appendix 2: Technical Definitions, Emergency Call & Job Classifications and Opex – Direct Activities, PRE Repairs for more details.
Pressure Reduction Station	A pressure reduction equipment having an inlet pressure greater than 7 barg. See Appendix 2: Technical Definitions, Governors, PRS and Meter Installation, Pressure Reduction Station for more details.
Price Base	All monetary figures presented herein, unless otherwise stated, have been rebased using the Retail Price Index (RPI). See also paragraphs 3.19 to 3.21.
Procurement (Business Support Activity)	Costs relating to the procurement of goods & services in the support of the business operations, through the management of procurement contracts with suppliers. See Appendix 2: Technical Definitions, Opex – Business Support Activities, Procurement for more details.
Professional and Legal Fees	Professional, legal and consultancy services employed by the licensee or related party. See Appendix 2: Technical Definitions, Opex – Business Support Activities, Professional and Legal Fees for more details.
Properties Passed	A property which could reasonably be expected to be able to be connected with a gas service after the installation of new gas mains. See Appendix 2: Technical Definitions, Properties Passed, Connections and Customers for more details.
Property Management (Business Support Activity)	The activity of managing, providing and maintaining non-operational premises. See Appendix 2: Technical Definitions, Opex – Business Support Activities, Property Management for more details.
PRS	Pressure Reduction Station. A pressure reduction equipment having an inlet pressure greater than 7 barg. See Appendix 2: Technical

	Definitions, Governors, PRS and Meter Installation, Pressure Reduction Station for more details.
Public reported escape (PRE)	The number of unique addresses public reported escapes received by the GDN for which a FCO will be called out. See Appendix 2: Technical Definitions, Emergency Call & Job Classifications and Opex – Business Support Activities, PRE Repairs for more details.
Purge and relight after domestic service work	Re-commissioning of a customer's gas supply service and appliances following interruption.
Re	Regarding.
Regulatory Accounts	Accounts to be maintained by the licensee in line with their licence.
Regulatory Year	A period of 12 months beginning on the 1st of January and ending on the 31st of December of the year .
Reinforcement	Additional network capacity provided as a result of increase of demand. See also Appendix 2: Technical Definitions, Drivers for Mains Projects, Reinforcement.
Reinstatement	The cost of making good the highway, verge or footpath to a permanent standard after excavation including labour costs, contractor costs, materials purchased, cost of waste disposal and any taxes or levies imposed on waste disposal
Related Party	Is an affiliate, a joint venture of the licensee or of an affiliate or an associate of the licensee or of an affiliate or a relevant associate of the licensee. See also Appendix 2: Technical Definitions, Opex – Expenditure Types, Contractor Costs.
Rent & Rates	Rent and lease payments for buildings used for business purposes as well as rates for the premises these buildings are on. See also Appendix 2: Technical Definitions, Opex – Expenditure Types, Rent & Rates.
Reports	An emergency job. See Appendix 2: Technical Definitions, Emergency Call & Job Classifications and Opex – Direct Activities, Emergency for more details.
Retrospective Mechanism	The retrospective mechanism addresses uncertainties and reduces the related risks to consumers and Gas Distribution Network Operators by retrospectively adjusting price control allowances based on differences between actual and allowed costs or outputs.

	Retrospective adjustments can fall into one of three categories: • Output based: As part of the price control, a unit price (capex) or unit allowance (opex) is determined. At the time of the price control, the cost/allowance is determined by multiplying the unit price/allowance with the forecast driver for that item. Any differences between the forecast driver and the actual outturn achieved will result in a retrospective adjustment (being the determined unit rate/unit allowance times the difference between actual and forecast driver output). • Pass through: Any difference between the allowance in the determination and the actual costs incurred will result in a retrospective adjustment. • Ring fenced: Ring fenced costs may lead to a retrospective adjustment, provided we have received and approved justification from the licence holder that the costs were necessarily and efficiently incurred; otherwise, the full amount may not be allowed.
RIGs	Regulatory Instructions and Guidance.
RIIO-GD1	This is the first gas distribution price control by Ofgem under the new RIIO (Revenue = Incentives + Innovation + Outputs) model. The price control is set for an eight-year period from 1 April 2013 to 31 March 2021.
RIIO-GD2	This is the second gas distribution price control by Ofgem under the new RIIO2 (Revenue = Incentives + Innovation + Outputs) model. The price control is set for a five-year period from 1 April 2021 to 31 March 2026.
Riser	A pipe which is essentially a mains pipe, albeit the pipe is installed in a vertical orientation. See Appendix 2: Technical Definitions, Definition of Pipes Conveying Gas, Riser and Risers & Laterals for more details.
Road Surface Categories	These are intended to be the nature and type of surface category that work is carried out in. The categories are specified by the DRD database. See Appendix 2: Technical Definitions, Road Surface Categories for more details.
Routine Maintenance	Those activities that are recurring at least annually and largely predictable in both costs and timing. See Appendix 2: Technical Definitions, Opex – Direct Activities, Maintenance for more details.

RPI	Retail Price Index.
RRP	Regulatory Reporting.
SCADA	Supervisory Control And Data Acquisition. A generic name for control systems that operate over a large area such as system control systems of a GDN.
SCMH	Standard cubic metres per hour.
Security (capex)	Capital expenditure on enhancing or replacing security related assets for all sites. See Appendix 2: Technical Definitions, Other Capital Expenditure (Other Capex), Security for more details.
Service Alteration	Changes to the position and/or size of a customer's service pipe and associated plant including regulators, meters, valves, loggers etc.
SGN	SGN Natural Gas Limited.
Shrinkage	Difference between the amount of gas that was recorded to have entered the distribution system and to have exited it. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Shrinkage (including Own Use) for more details.
Smart Meter	Smart meters are the next generation of gas and electricity meters that offer a range of intelligent functions. This includes telling consumers how much energy they are using through a display in the home. They can also communicate directly energy suppliers. See Appendix 2: Technical Definitions, Meters for more details.
SOC Code	Standard Occupational Classification Code.
Software Licences	The License fees incurred in respect of the use of IT application software.
Special Factor	A special factor is a variable outside of management control which results in either higher or lower costs than comparators.
Special Arrangements	See Customers Requiring Special Arrangements.
Sqm	Square meter.

Staff Costs	Any form of payment, consideration or other benefit, paid or due to or in respect of employees. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Staff Costs for more details.
Standby Costs	The costs incurred when employees are on standby to be called upon if required in the event of a specified occurrence in accordance with their terms of employment. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Staff Costs.
Stationary, Communications and Billing	Costs related to stationary as well as communications and billing (incl. e.g. postage, line rental and telephony charges, costs for franking and stuffing machines). See Appendix 2: Technical Definitions, Opex – Expenditure Types, Stationery, Communications & Billing for more details.
Storage (IT)	Costs involved in supporting the IT storage other than in data centres, including cloud storage costs. See also Appendix 2: Technical Definitions, Opex – Business Support Activities, IT & Telecoms.
Stores & Logistics	The activity of managing and operating stores. See Appendix 2: Technical Definitions, Opex – Business Support Activities, Stores & Logistics for more details.
Supply Security	Additional network capacity provided to improve the security of transportation to existing demand. See also Appendix 2: Technical Definitions, Drivers for Mains Projects, Supply Security.
System Control	Activity of ensuring the safe flow of gas through the network. See Appendix 2: Technical Definitions, Opex – Direct Activities, System Control for more details.
System Operations (capex)	Systems operation capex costs associated with replacing and upgrading systems used within the system operations. It includes those IT systems and infrastructure costs which are driven by system operations. See Appendix 2: Technical Definitions, Other Capital Expenditure (Other Capex), System Operations.
tCO_2	Tonnes of Carbon Dioxide.
tCO_2e	Tonnes of Carbon Dioxide equivalent, i.e. the equivalent amount of CO_2 that would have the same global warming potential as a given greenhouse gas emission.
Th	Therm.

TMA	Traffic Management Act. The objective of the TMA is to tackle congestion and disruption on the road network. The TMA places a duty on local traffic authorities to ensure the expeditious movement of traffic on their road network and those networks of surrounding authorities. Introduction of such a scheme is being considered for Northern Ireland, but details have not yet been announced. It may entail costs by companies working in the highway, including for work carried out under NRSWA, which may involve overrun charges and line rental. See Appendix 2: Technical Definitions, Opex – Expenditure Types, TMA (Streetworks).
Totex	Total expenditure (i.e. capex plus opex).
Training & Apprentices	Covers (i) the costs of any operational training and (ii) the cost of training any employees engaged on approved formal training or apprentice programmes (either operational or non-operational). See Appendix 2: Technical Definitions, Opex – Other Activities, Training & Apprentices for more details.
Transport and Plant – Opex Costs	Costs associated with the use of transport and plant. See Appendix 2: Technical Definitions, Opex – Expenditure Types, Transport & Plant for more details.
UK	United Kingdom.
UK GAAP	UK Generally Accepted Accounting Principles.
Uncontrolled gas escape/uncontrolled gas emergency	All gas escapes/emergencies that are not classified as controlled gas escapes/emergencies, See Appendix 2: Technical Definitions, Emergency Call & Job Classifications for more details.
UR	Utility Regulator.
Vehicles	Capital expenditure on the purchase of new gas network vehicles. This includes: cars, car derived vans, LGVs, HGVs and wheeled plants. See Appendix 2: Technical Definitions, Other Capital Expenditure (Other Capex), Vehicles & Wheeled Plant.
WAN	Wide Area Network.
Wheeled (mobile) Plant Capital Expenditure	Expenditure on purchase of wheeled (mobile) plant, which includes self-propelled or motorised trailer mounted equipment not classed as a motor vehicle. See Appendix 2: Technical Definitions, Other Capital Expenditure (Other Capex), Vehicles & Wheeled Plant.

Work Execution	Includes the activities of emergency, metering, repairs, and maintenance which are separately defined. See Appendix 2: Technical Definitions, Opex – Direct Activities for more details.
Work Management	Work Management can be split into the following sub categories: • Asset Management (including Network Policy); • Operations Management (including Contract Management); • Customer Management (Emergency Call Centre) • Customer Management (including Non-emergency Customer Call Centre) & Network Support (including System Mapping); and • System Control. See Appendix 2: Technical Definitions, Opex – Direct Activities for more details.

Appendix 2: Technical Definitions

Definition of Pipes Conveying Gas

A2.1 For the purposes of these RIGs all pipes conveying gas will be considered to fall within one of the following four definitions:

Mains Pipe

A2.2 Any pipe which conveys gas from between the offtake supply for the network and the connection of a **service pipe**, except for those pipes classified as a **riser**.

Service Pipe

A2.3 The pipe which conveys gas between the **mains** pipe and the end of the network, usually terminated on a single consumer's premise by the Emergency Control as defined in GS(M)R (Gas Safety (Management) Regulations). In certain circumstances the service may supply two (and no more than two) consumers (Teed Service)

A2.4 In the case of a large I&C consumer which is the only connection currently made to a length of **mains** and there is no physical demarcation between the main and the service pipe the transition between the Mains Pipe and the Service pipe will be deemed to occur at the service isolation valve location very close to the boundary of the consumers' premises. The service then runs from the service isolation valve to the Emergency Control as defined by GS(M)R on the inlet to the meter installation.

Riser

A2.5 A pipe which is essentially a **mains** pipe, albeit the pipe is installed in a vertical orientation. This is where typically the pipe arrangement is supplying a premise which has more than two floors above ground level and supplies more than two meter points.

Lateral

A1.5 A pipe which is essentially a connection to a riser pipe and which supplies one or more consumers.

Gas Distribution Mains Pressure Tiers

A2.6 For most Gas Distribution Companies there are three nominal pressure tiers which are referred to for Distribution mains: Low, Medium and Intermediate.

A2.7 For historical reasons (due to the level of older cast iron mains within the GB networks), these ranges are slightly different between the GB networks and those in NI.

Pressure Tier	GB	NI
Low (LP)	<=75mbarg	<=75mbarg
Medium (MP)	>75mbarg & <=2barg	>75mbarg & <=4barg
Intermediate (IP)	>2barg & <=7barg	>4barg & <=7barg

Drivers for Mains Projects

A2.8 For the purposes of these RIGs all Mains Projects shall be considered to have one of five principle drivers (justification for undertaking the project). The five drivers are:

Network Extension (Infill)

A2.9 This essentially is the addition of new mains in order to facilitate the connection of new gas consumers. Infill network extensions can be further broken down by type of property passed (see Appendix 2: Technical Definitions, Properties Passed, Connections and Customers for further details).

A2.10 It is recognised that many projects will extend the network to cover more than one of these classifications of consumer. In such cases the driver type for each project should be on the basis of the principle driver based on gas consumption.

Diversions

A2.11 This driver shall be selected only where the single reason the project is being undertaken is the requirement to move an existing main due to redevelopment or highway changes. The justification of such projects shall be provided as part of the commentary to this business plan submission.

Feeder

A2.12 This driver shall only be selected for projects which offer no potential for direct gas connections to the main installed by the project. Thus the project facilitates an extension to the network by an extended length of main typically through areas of low density population. The justification of such projects shall be provided as part of the commentary to this business plan submission and must be considered against the benefits delivered by the subsequent infill projects.

Reinforcement

A2.13 This driver shall be used where the aim of the project is to provide increased capacity in a section of the network to enable additional gas connections to be made downstream. These projects could include increasing the size of the main by replacement or installation of an additional main to support the existing network to effect the increase in capacity. For these projects a business case should be provided as part of the commentary to this business plan submission which provides the justification for undertaking the project.

Supply Security

A2.14 This driver shall be used were the aim of the project is to provide an alternative supply for a network to increase the resilience of the network and hence reduce the potential for a loss of supply in the event of a failure of the upstream network. These projects should have a business case which is to be provided as part of the commentary to this business plan submission and demonstrates the justification for undertaking the project.

Road Surface Categories

A2.15 Costs of installing mains can vary depending on the road surface category. For the purposes of RIGs the road surfaces will be considered to be one of six types as defined by the local highway authority. The six types are:

- 1 – Trunk Roads
- 2 – Main
- 3 – Minor Roads
- 4 – Local Roads
- 5 – Footways
- 6 – Grass/Unsurfaced

} As defined by the Highways Authority

A2.16 A seventh category is also considered (Open Trench). This category is based upon the mains being laid in a trench pre-excavated by others (e.g. on a new housing development).

Properties Passed, Connections and Customers

A2.17 The number of properties passed by a mains infill project is used as a measure of the effectiveness of the project to extend the potential provision of a gas supply to new consumers. A property is defined as being passed if the property could reasonably be expected to be able to be connected with a gas service after the installation of the new gas mains which was not the case prior to the project.

A2.18 A property passed is considered to be a connection when the service and meter for this property have been put in place, a supplier has been assigned and the downstream installation has been completed.

A2.19 A customer is any person to whose premises or pipe-line system gas has been conveyed by a GDN. Customers should be identified from their unique Supply Meter Point Reference Number (MPRN).

A2.20 Properties passed, connections and customers can be classified in one of two types:

- Domestic – Any premises at which the supply of gas is, or is to be, utilised wholly or mainly for non-domestic purposes.
- Industrial and Commercial (I&C) – Any premises at which the supply of gas is, or is to be, utilised wholly or mainly for non-domestic purposes.

A2.21 Domestic properties passed, connections and customers can be further classified in one of three types:

- **New Build Housing (NB)** – Domestic premises which have never previously been owned or occupied by any person (that is they are, or are to be, newly built premises) and in respect of which the connection to the network shall be made prior to the premises first being occupied, including any such premises which are being constructed for the Northern Ireland Housing Executive or a Housing Association in Northern Ireland..
- Northern Ireland Housing Executive (NIHE) – means Domestic Premises (excluding any New Build Domestic Premises) which are owned by (i) the Northern Ireland Housing Executive, or (ii) a housing association in Northern Ireland. The Department for Communities is the regulator of registered housing associations of

which lists are available on its website. Co-Ownership (Included on the Departments list) is excluded from this category.

- **Owner occupied (OO)** – Refers to domestic premises which do not fall into the definition of domestic new build or NIHE. Note that OO domestic premises as defined here can also be private rented.

A2.22 I&C properties passed, connections and customers can be further classified in one of the following types:

- **I&C Contract** – Refers to I&C premises with a natural gas consumption over 732,000 Kwh (25,000 Th) per annum.
- **I&C Tariff** – Refers to I&C premises with a natural gas consumption of up to 732,000 Kwh (25,000 Th) (inclusive) per annum. I&C tariff customers can be further differentiated as follows:
  - I&C1 Customers: I&C Customers with a natural gas consumption of up to 73,2000Kwh (2,500 Th) (inclusive).
  - I&C2 Customers: I&C Customers with a natural gas consumption of more than 73,2000Kwh (2,500 Th).

A2.23 A customer requiring special arrangements is an occupier of any premises to which gas is conveyed by the Licensee who

- is a domestic consumer;
- is chronically sick, disabled or of pensionable age;
- does not share the occupancy of the premises with any person who is not chronically sick, disabled or of pensionable age or a minor; and
- is included in the list of domestic consumers which has been provided to the Licensee by any gas supplier under the conditions of that party's licence or exemption.

A2.24 It is recognised that the status of a property may change, e.g. when NIHE properties are sold. For the purpose of reporting, the status of the property should be based on the status of the property when the project is/was fully approved (properties passed) or the connection is/was made (new connections).

Governors, PRS and Meter Installation

A2.25 The section of the appendix provides clarification on the following terms used in this document:

- Meter installation
- Service governor
- District governor
- Pressure Reduction station (PRS)

A2.26 For additional information, please refer to the following document available on the IGEM website; ***"Defining the end of the Network, a meter installation and installation pipework",*** http://www.igem.org.uk/media/80392/igem-g-1%20edition%202.pdf.

Meter Installation

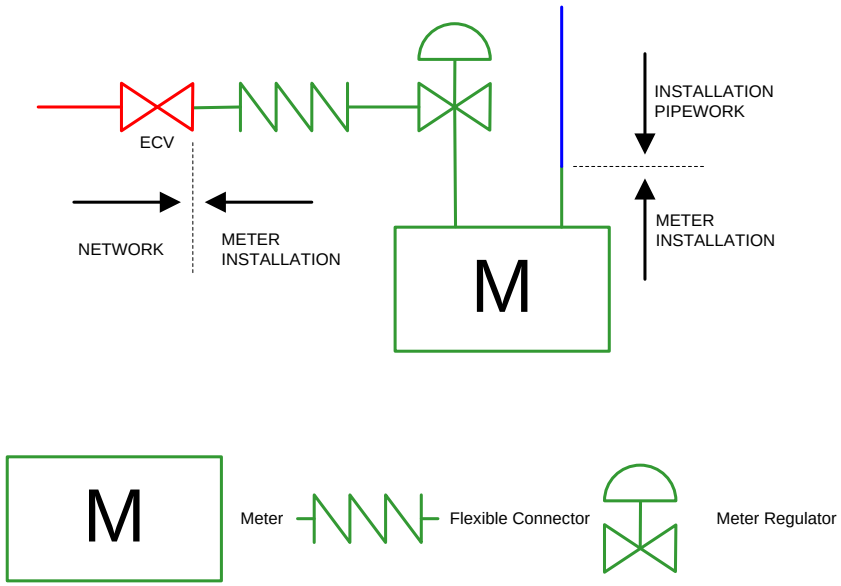

Figure 1: Meter Installation

A2.27 Figure 1 shows a simplified diagram which sets out the basic principles of the definition, namely that the meter installation begins at the end of the gas transporter's network (the ECV outlet) and includes everything up to the outlet of the meter.

A2.28 When a meter box has been provided, the related costs shall be included as part of the service provision cost, not the meter installation.

A2.29 The costs for the meter installation shall be included with the costs of the meter in the submission.

A2.30 For the purpose of these RIGs meter installations can be done for three principal reasons:

- New – A new installation associated with a new gas connection.
- Replacement (Life Expired) –Those meter installations which are being replaced based on an economic test which confirms that replacement of the meter is a lower long term cost to the network than increased maintenance and associated failure risk. For these replacements, details of the economic test should be provided as part of the commentary to this business plan submission.
- Replacement (Other) – Those meter installations which are replaced for reasons other than the life replacement cycle for the meter (e.g. vandalism). For these replacements a supporting business case should be provided as part of the commentary to this business plan submission which documents the cause of such replacements, the steps taken to minimise the need for them and justifies the related cost.

A2.31 For existing meter installations, meter governors can be replaced for tow principal reasons:

- Replacement (Life Expired) –Those meter governors which are being replaced based on an economic test which confirms that replacement of the meter governor is a lower long term cost to the network than increased maintenance and

associated failure risk. For these replacements, details of the economic test should be provided as part of the commentary to this business plan submission.

- Replacement (Other) – Those meter governors which are replaced for reasons other than the life replacement cycle for the meter. For these replacements a supporting business case should be provided as part of the commentary to this business plan submission which documents the cause of such replacements, the steps taken to minimise the need for them and justifies the related cost.

  Note that whilst meter governors can be exchanged on their own, new meter governors are not typically installed on their own, but would always form part of a meter installation.

Service Governor

A2.32 For the purpose of these RIGs service governors shall be installed for three principal reasons:

- New – A new installation associated with a new gas service.
- Replacement (Life Expired) – Those service governors which are being replaced based on an economic test which confirms that replacement of the service governor is a lower long term cost to the network than increased maintenance and associated failure risk. For these replacements, details of the economic test should be provided as part of the commentary to this business plan submission.
- Replacement (Other) – Those service governors which are replaced for reasons other than the life replacement cycle for the governor (e.g. vandalism). For these replacements a supporting business case should be provided as part of the commentary to this business plan submission which documents the cause of such replacements, the steps taken to minimise the need for them and justifies the related cost.

Domestic Service Governors

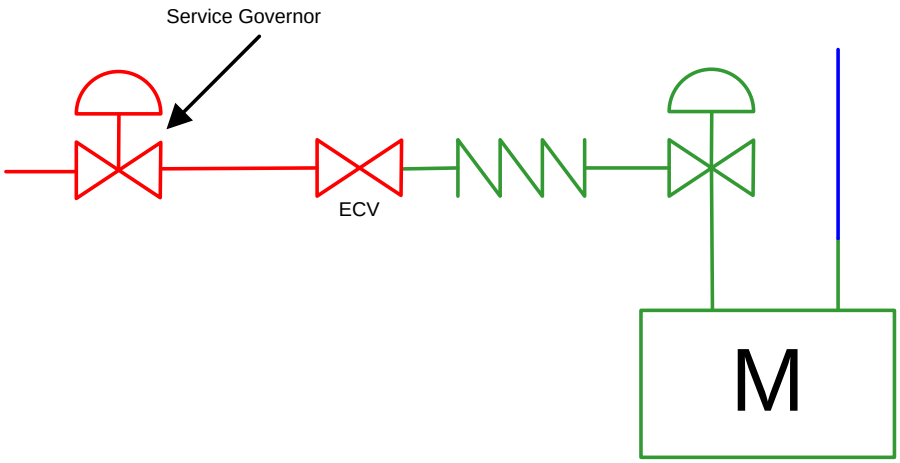

Figure 2: Example of service governor supplying a single connection

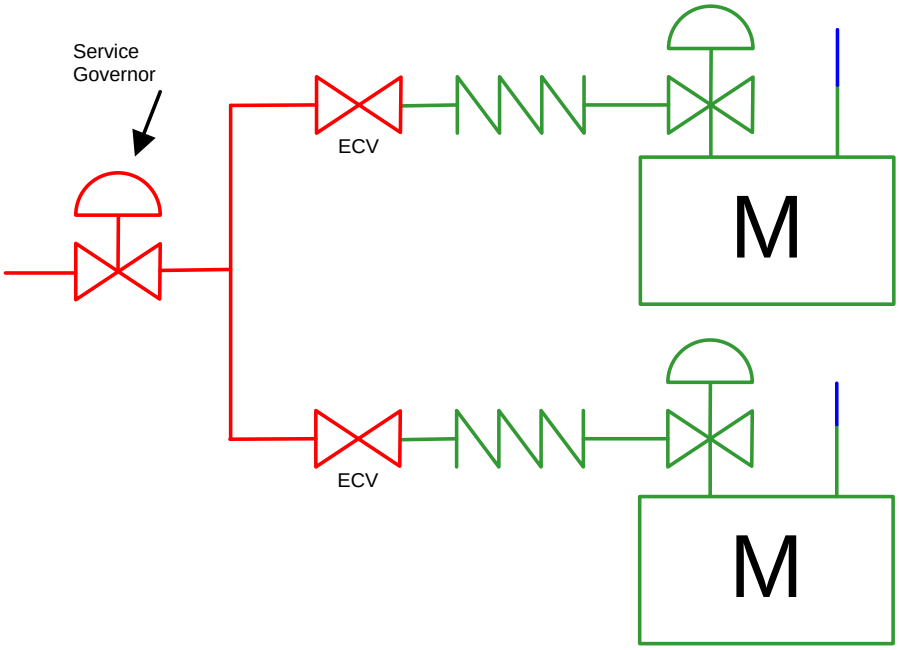

Figure 3: Example of service governor supplying two connections

A2.33 Domestic service governors are governors installed as part of service pipe infrastructure serving up to two domestic connections. Figure 2 and Figure 3 provide diagrammatic examples for domestic service governor installations.

A2.34 Any governor installed as part of the domestic service pipe infrastructure and supplying more than two connections will be considered a district governor.

I&C Service Governors

A2.35 Any governor installed to supply only one I&C consumer and the outlet of the Governor is a Service Pipe.

A2.36 Any governor installed as part of the distribution network supplying more than one I&C connection will be considered a district governor.

A2.37 For the purposes of these RIGs I&C service governors shall be considered by inlet pressure (IP or MP) and size based on the maximum design capacity of the governor. The I&C service governors shall be split into five standard size bands:

- U6
- U16 – U40
- U65 – U160
- U250 – U650
- >U650

District Governor

A2.38 A district governor is a pressure reduction installation having an inlet pressure of up to 7 barg installed in the distribution mains network to reduce the operating pressure of gas to a lower operating pressure and the output from the governor is into a main.

A2.39 For the purposes of these RIGs district governors shall be split into three types:

- IP Inlet Governors – All sizes
- MP Inlet Governors – Design Capacity >40SCMH
- MP Inlet Governors (BINS) – Design Capacity <=40SCMH

A2.40 For the purposes of these RIGs the installation of governors shall have three drivers:

- New (Growth) – Those governors newly installed associated with the expansion of the network.
- Replacement (Growth) – Those governors which are being replaced to provide additional supply capacity into the downstream network.
- Replacement (End of Life) – Those governors which are being replaced based on an economic test which confirms that replacement of the governor is a lower long term cost to the network than the cost of increased a maintenance and/or the consequence of failure. For these replacements, details of the economic test should be provided as part of the commentary to this business plan submission.

Pressure Reduction Station

A2.41 A PRS is pressure reduction installation having an inlet pressure greater than 7 barg.

Meters

A2.42 For the purpose of these RIGs meters shall be split into five types:

- Domestic Credit Meter (U6) – A standard domestic credit meter capable of supplying up to 6 SCMH
- Domestic Credit Meter (U16) – A standard domestic credit meter capable of supplying up to 16 SCMH
- Domestic Prepayment Meter - A standard domestic prepayment meter capable of supplying up to 6 SCMH
- Domestic Smart Meter (U6) – A standard domestic smart meter capable of supplying up to 6 SCMH
- I&C Meters – Any Meter installed in any non-domestic premise.

A2.43 Smart meters are the next generation of gas and electricity meters that offer a range of intelligent functions. This includes telling consumers how much energy they are using through a display in the home. They can also communicate directly with energy suppliers.

A2.44 For the purpose of RIGs I&C meters shall be considered in thirteen standard sizes based upon the maximum design capacity of the meter:

- U6
- U16
- U25
- U40
- U250
- U400
- U650
- U1000

- U65
- U100
- U160
- U1600
- U2500

A2.45 For the purpose of these RIGs meters shall be installed for three principle reasons:

- New – A new installation associated with a new gas service
- Replacement (Life Expired) – Those meters which are being replaced against an economic test which confirms that replacement of the meter is a lower long term cost to the network than increased maintenance and associated measurement quality failures. For these replacements, details of the economic test should be provided as part of the commentary to this business plan submission.
- Replacement (Other) – Those meters which are replaced for reasons other than the life replacement cycle for the meter (e.g. vandalism). For these replacements a supporting business case should be provided as part of the commentary to this business plan submission which documents the cause of such replacements, the steps taken to minimise the need for them and justifies the related cost.

Services

A2.46 For the purpose of these RIGs services can be classified by type of connections (see Appendix 2: Technical Definitions, Properties Passed, Connections and Customers).

A2.47 For the purpose of these RIGs I&C services will be considered in five standard sizes based upon the maximum design capacity of the meter:

- U6
- U16 – U40
- U65 – U160
- U250 – U650
- >U650

Risers & Laterals

A2.48 See Appendix 2: Technical Definitions, Definition of Pipes Conveying Gas for a definition of risers and laterals.

A2.49 For the purpose of these RIGs risers and laterals shall be split into two types:

- Domestic
- I&C

A2.50 For the purpose of these RIGs the height of the risers shall be split into one of three height bands:

- <20m
- 20-40m
- >40m

A2.51 For the purpose of the GD23 price control information is only required on the number, type and height of risers. No information is required for laterals although costs for any laterals should be recorded against the appropriate riser installation.

A2.52 For the purpose of these RIGs information is required based upon the number of projects and also the numbers of risers. A project is expected to be based on providing a gas supply to a single building in which there may be a small number of separate risers that are installed to supply gas to the various premises within the building.

A2.53 Where a meter bank is installed at the bottom of the building such that a number of separate risers are installed from the meter bank location to the consumers' premises, these shall not be considered a riser in this context as the outlet pipe should be considered part of the consumer's pipework.

A2.54 The total number of supply points (consumers) which are supplied via the installed risers and laterals should be reported against the riser and laterals.

Emergency Call & Job Classifications

A2.55 Emergency activities shall be classified twice, firstly at the time of call receipt on the basis of the assessment made by the call agent and secondly at the time that the job is closed off by the FCO.

Classification at the Time of Call Receipt

A2.56 The following is a list of emergency call classifications:

- **LPG Supply** – a report which is evidently associated with a LPG supply system, for which the GDN is not responsible, and safety advice is given.
- **Priority Job** – a report that requires priority response, e.g. fire, explosion, gas escape at high risk building (school, hospital etc.).
- **External Job** - a report of an escape of gas external to any building.
- **Internal Job – Uncontrolled** - a report of an escape of gas internal to a building that cannot be controlled by operation of the ECV at the inlet to the meter.
- **Internal Job – Controlled** - a report of an escape of gas internal to a building that has been controlled by operation of the ECV at the inlet to the meter.
- **No Gas** – a report of no gas to a customer's appliance.
- **Pressure Problems** – a report associated with pressure variation affecting the performance of a customer's appliance.
- **Fumes** – a report of a smell of gas attributed to fumes from an appliance.
- **CO Reports** – a report of the escape of CO fumes which requires attendance for safety purposes.
- **Quantum/Libra Emergency** – a report of a fault with a prepayment meter of card which has prevented the supply of gas to the consumer which is not the result of a lack of credit.
- **Safety Check** – A report that implies a potential risk and results in the dispatch of a FCO to undertake an on-site check to ensure the safety of a customer/property.

Classification at the Time of Job Closure

A2.57 The following is a list of job closure classifications for gas escapes:

- **Third Party Damage (Mains)** – An escape of gas from a main caused by a third party.
- **Third Party Damage (Services)** - An escape of gas from a service caused by a third party.
- **External Escape (Mains)** – An escape of gas from a main (not caused by a third party).
- **External Escape (Services)** - An escape of gas from a Service external to the property (not caused by a third party).
- **Internal Escape (before ECV)** - An escape of gas from a Service internal to the property (not caused by a third party).
- **Internal Escape (Meter/Meter Installation)** – An escape of gas from a meter or meter installation.
- **Internal Escape (Downstream of Meter)** – An escape of gas downstream of the meter outlet.
- **No Trace** – A job categorised by the call centre as a gas escape but no trace of an escape of gas found.

A2.58 The following is a list of job closure classifications for other job types:

- **Fumes** – A report categorised by the call centre as a gas escape that on investigation is attributed to fumes from an appliance and not an escape of gas.
- **CO Reports (Confirmed)** – A report confirmed as a CO problem by the FCO.
- **CO Reports (No Trace)** – A report categorised as CO by the call centre but no trace of CO found by FCO.
- **Safety Check (Other than CO)** – A job comprising an on-site check to ensure the safety of a customer/property.
- **Meter/Meter Installation Fault** – A job resulting from a fault associated with the meter/meter installation.
- **Meter/Meter Installation Customer/Credit Issue** – A job associated with a pre-payment meter or card issue.
- **Network Problems** – Job resulting from a problem associated with the distribution network, e.g. water ingress, governor fault.
- **Potentially Avoidable** (e.g. Appliance Faults) – Job which did not warrant emergency response by a FCO, e.g. appliance fault.

A2.59 For the purposes of benchmarking with GB networks the numbers of emergency jobs attended is split between network activities and metering activities. The table below shows how these job types are allocated between these two roles:

	Network Activity	Metering Activity
Job closed by telephone without visit		
Gas Escapes		
Third Party Damage (Mains)	✓	
Third Party Damage (Services)	✓	
External Escape (Mains)	✓	
External Escape (Services)	✓	
Internal Escape (before ECV)	✓	
Internal Escape (Meter/Meter Installation)	✓	
Internal Escape (Downstream of Meter)	✓	
No Trace	✓	
Fumes	✓	
CO Reports (Confirmed)	✓	
CO Reports (No Trace)	✓	
Safety Check (Other than CO)	✓	
Meter/Meter Installation Fault		✓
Meter/Meter Installation Customer/Credit Issue		✓
Network Problems	✓	
Potentially Avoidable (e.g. Appliance Faults)	✓	

Opex – Direct Activities

A2.60 Direct opex includes the following activities:

- Work Management
  - Asset Management (including Network Policy)
  - Operations Management (including Contract Management)
  - Customer Management (Emergency Call Centre)
  - Customer Management (including Non-Emergency Customer Call Centre) & Network Support (including System Mapping)
  - System Control
- Work Execution
  - Emergency
  - Metering
  - PRE Repairs
  - Maintenance
- Other Direct Activities

Asset Management

A2.61 This covers the activity of managing the network's assets.

A2.62 The costs collated under asset management should be costs incurred in the following areas:

- Network Planning;

- Network Integrity (including gas quality monitoring);
- Network Capacity;
- Network/engineering policy/procedures (covering all policies of the network e.g. records transfer and brought in services & materials). Excludes HSE policy, see operations management;
- Network development/analysis; and
- Management of redundant sites & remediation programmes.

Operations Management

A2.63 This should only cover the cost of the day to day planning and supervision of the operatives and contractors working within the work execution processes.

A2.64 The costs allocated under operations management include for example:

- First line managers (non-field staff);
- Depot Manager etc.; and
- Costs of the Safety, Health and Environment section (compliance).
- Operations Support:
  - Covering support costs in depots (which include TMA/NRSWA activities);
  - Plant protection;
  - Digitisation;
  - Dispatch;
  - Data quality;
  - Work scheduling;
  - Updating asset records; and
  - HSE policy

A2.65 The costs allocated under operations management should exclude staff that carry out the operational activity (including E&I (Electrical & Instrumentation)).

Customer Management & Network Support

A2.66 Customer management is split into the following main areas:

- Customer Services (Emergency Call Centre): Central emergency call centre charge for emergency service; to be reported under Customer Management (Emergency Call Centre);
- Customer Services (non-Emergency Call Centre): Costs of call centres (excluding central emergency call centre charge for emergency service) – to be reported under Customer Management (Including Non-Emergency Customer Call Centre) & Network Support (Including System Mapping);
- Customer services departments that handle enquiries/complaints, monitor standards etc. Commercial/Contract Management: covering costs of commercial/contract department that manages all types of contracts for the whole of the business – to be reported under Customer Management (Including Non-

Emergency Customer Call Centre) & Network Support (Including System Mapping).

A2.67 The costs allocated under customer management & network support should exclude costs incurred, at the discretion of the GDN, in excess of the minimum scheme costs required to meet the customers' specific needs.

System Control

A2.68 Activity of ensuring the safe flow of gas through the network, ensuring the supply is sufficient to meet the demand of gas on a daily basis. The related costs should represent the cost of running the control room (e.g. staff costs of resource working within the control room).

A2.69 The costs allocated under system control should include:

- Salary costs;
- Travel & subsistence;
- Training costs for the delivery of system control migration;
- Any other non-salary costs associated with these resources; and
- Mast Rentals.

Emergency

A2.70 Direct activity costs of providing the FCO service to respond to a network related emergency call (see Appendix 2: Technical Definitions. Emergency Call & Job Classifications).

A2.71 The costs allocated under emergency should include:

- Water Ingress;
- No gas service governor failure or other network problem;
- All waiting time for FCOs; and
- All activity specific TMA costs.

A2.72 The costs allocated under emergency should exclude:

- Meter repairs (Metering);
- Consultancy services (Work Management);
- Emergency Advertising – TV Ads (Indirect-CEO);
- Emergency Call Centre Costs – (Customer Management);
- Tools & consumables (Other Direct Activities); and
- Rechecks (Repairs).

Metering

A2.73 Direct activity costs of providing the FCO service to respond to a metering related emergency call (see Appendix 2: Technical Definitions. Emergency Call & Job Classifications).

A2.74 Activities associated with the maintenance of a meter that records the quantity of gas consumed at a domestic or I&C premise. These activities include work associated with the meter and the meter installation which starts at the emergency control valve (ECV) and terminates at the outlet of the meter. The meter installation includes a regulator which ensures the pressure at the meter is suitable for the accurate measurement of the flow of gas and also provides downstream protection of the meter, outlet pipework and appliances from over pressurisation events.

PRE Repairs

A2.75 Public reported escapes (PREs) are the number of unique addresses public reported escapes received by the GDN for which a FCO will be called out.

A2.76 PRE repairs are the number of PRE reports which result in a physical permanent repair to a mains or service pipe or fitting taking place.

A2.77 The repair of mains and services following public reported escapes includes:

- Materials;
- Anaerobic Sealant;
- Repair Find and Fix Costs;
- Iron Fittings;
- Pipe Costs;
- Plastic Fittings;
- Specialist Materials;
- Repair Income;
- Waste disposal costs for the repair activity;
- Reinstatement for the repair activity;
- Reprogrammed repairs re-checks;
- Repair NRSWA Costs; and
- Repair TMA Costs.

A2.78 The repair of mains and services following public reported escapes excludes:

- Reinstatement – inspections (Other Direct);
- No trace rechecks (Emergency);
- Leakage control surveys (Maintenance);
- Maintenance – Mains & Services (Maintenance);
- Tools & consumables (Other Direct Activities);
- GSMR Cut offs (Maintenance); and
- Consultancy services (Work Management).

A2.79 The number of repairs includes:

- ECV repair – recorded as service repair;

- Permanent repairs only; and
- Multiple joint repairs – one repair recorded per joint (can have same report).

A2.80 The number of repairs excludes:

- Internal reports;
- No escapes/no trace found; and
- Any repair not linked to a PRE (maintenance).

Maintenance

A2.81 The examination and repair of plant and equipment within the network. This includes costs associated with operational property and IT equipment. These activities are split into three types (see paragraphs A2.82 to A2.86 for more details):

- Routine maintenance;
- Non-routine maintenance; and
- Exceptional items maintenance.

A2.82 Non Routine Maintenance activities are those which are irregular in both timing and costs, and have a material effect on cost from year to year. Typically the requirement to carry out these activities should arise between 2 – 8 years, i.e. activities are known, but not likely to happen on an annual basis.

A2.83 Examples of such activities to be classed as non-routine are:

- Repainting of PRS after painting survey;
- Repainting of District Governors after painting survey;
- On-line inspection (OLI) runs;
- Maintenance of above ground exposed crossings;
- River crossings;
- River/ditch crossing repairs;
- Maintenance work required as a result of pressure surveys;
- Consequential follow-up surveys;
- Winter trigger surveys;
- Inspections of above ground exposed installations;
- Water bath heaters;
- Dangerous Substances and Explosive Atmospheres Regulations DSEAR, site signage;
- Pipeline marker remedial;
- Asbestos surveys;
- Vibration migration; and
- Crop claims and land drainage.

A2.84 Routine Maintenance activities are those activities that are recurring at least annually and are largely predictable in both costs and timing. In this category costs include property costs associated with operational assets.

A2.85 Examples of such activities to be classed as routine are:

- Site overhauls;
- Distribution mains & services;
- Pig trap maintenance;
- Repair governor equipment;
- Hedge maintenance/inspection on easement;
- Drainage profile checks;
- Repairing fencing;
- CP remedial work;
- Fire water systems;
- Pressure system remedial;
- Operational site drainage;
- Cladding repairs;
- Alarm testing/resetting;
- Calibration;
- Valve maintenance;
- All surveys (e.g. CP and high rise buildings surveys), excluding winter trigger survey and consequential follow-up surveys;
- Pipeline patrols;
- CEME (Centre for Engineering and Manufacturing Excellence) fee;
- Test points;
- Instrument maintenance;
- Gas quality maintenance; and
- Alterations & diversions (those not classified as capex projects).

As can be seen from the above examples, routine maintenance should be the maintenance costs the network incurs in carrying out their general site visits.

A2.86 Exceptional items maintenance are any maintenance activities that are neither routine maintenance nor non-routine maintenance.

Other Direct Activities (ODA)

A2.87 Other operational activities not covered elsewhere.

A2.88 The costs collated under ODA should be costs incurred in the following areas:

- Odorant;

- Major incidents net cost (see definition);
- Interruptible contracts;
- Compensation payments;
- Tools & consumables;
- Reinstatement (inspections);
- Easement/wayleaves costs; and
- Procurement of interruptions/storage from the transmission system.

Opex – Business Support Activities

A2.89 Business support opex includes the following activities:

- IT & Telecoms;
- Property Management;
- HR & Non-operational Training;
- Audit, Finance & Regulation;
- Insurance;
- Procurement;
- CEO & Group Management; and
- Stores & Logistics.

IT & Telecoms

A2.90 This covers the provision of IT services for the day to day service delivery.

A2.91 The costs collated under IT & Telecoms should include:

- The purchase, development, installation and maintenance of non-operational computer and telecommunications systems and applications.
- Provision of IT services for the day to day service delivery and including the cost of Help Desk, data centres, IT application development, maintenance and support; establishing and maintaining information system infrastructure projects (IT network provision, network maintenance, servers support/services).
- Voice and data telecoms (e.g. WAN, landline rental and call charges, ISDN data and costs/rental of mobiles except where costs are charged directly to user departments).
- Developing new software for non-operational IT assets including the costs of maintaining an internal software development resource or contracting external software developers. This will include any cost of software licences (including for GIS), to use the product where those costs cover more than one year.
- Installing new or upgrading software, other than where it is capitalised. This does not include upgrading of software that is included within the costs of annual maintenance contracts for the software.

- Maintenance and all the operating costs of the IT infrastructure and management costs and applications cost. This includes any annual fee for the maintenance of software licences (including for GIS), whether or not they include the right for standard upgrades or 'patches' to the software as they become available.
- IT applications maintenance and running costs.
- IT new applications software and upgrade costs.

A2.92 The costs collated under IT & Telecoms should exclude:

- IT equipment which is used exclusively in the real time management of network assets but which does not form part of those network assets (include under System Control).
- Any of the property costs associated with IT & Telecoms (include under Property Management), except where the cost of specific IT environmental control systems can be distinguished from other property costs.

A2.93 IT & Telecoms costs can also be differentiated as follows:

- Application Development;
- Application Maintenance and Support;
- Desktop Services (the costs involved in supporting desktop hardware and software);
- Application Server Support;
- Storage (costs involved in supporting the IT storage other than in data centres, including cloud and storage costs);
- Network (LAN and WAN) (the costs involved in implementing and supporting the computer networks, Local Area Network (LAN) and Wide Area Network (WLAN));
- Business Telecoms;
- Management Services;
- Data Centres;
- Other Costs

Property Management

A2.94 This covers the activity of managing, providing and maintaining non-operational premises. This should include costs such as rent, rates (business), utilities costs including electricity, gas and water, maintenance/repair costs of premises and the provision of the facilities/property services such as reception, security, access, catering, mailroom, cleaning and booking conferences. The costs of property surveyors should also be included here.

A2.95 The costs collated under Property Management should include:

- Stores, depots, offices (properties with the primary function to accommodate office based staff during their business hours), including training centre buildings & grounds;
- Rent paid on non-operational premises;

- Rates and taxes payable on non-operational premises;
- Utilities including electricity, gas and water (supply and sewerage);
- Inspection and maintenance costs of non-operational premises;
- Facilities management costs including security and reception;
- Training centre buildings & grounds; and
- Control rooms and data centres.

A2.96 The costs collated under Property Management should exclude:

- Any costs relating to operational property (i.e. premises which contain network assets and are not maintained for accommodating people e.g. Substations, Boiler Stations, Holder Stations, Compressor Stations, Governor House etc (include under Maintenance);
- Any IT systems associated with property management (include under IT & Telecoms);
- Depreciation and profit/loss on fixed assets relocation costs to or from non-operational premises (exclude from Opex Matrix and include under Income Statement); and
- Costs for security equipment on operation sites (include under Maintenance in Worksheet: 3.8 Maintenance under the activity Fences.

A2.97 Properties considered under Property Management can be differentiated into:

- owned properties; and
- leased properties.

A2.98 Leased properties are properties on which the regulated businesses pay rent. Where rent is paid to a related party then ownership of the asset and the leasing arrangements should be explained in the commentary to the business plan submission.

HR & Non-operational Training

A2.99 HR covers provisions of the HR function i.e. the full range of professional activity for an individual's career path from recruitment to retirement and post retirement where applicable, e.g. management and administration of pension payments and from related professional advice to directly resolving grievances for staff.

A2.100 The HR costs collated under HR & non-operational Training should include:

- Costs of payroll and pension's management and operation;
- Facilitating staff performance, development and reviews;
- Industrial and employee relations including HR strategy, policies and procedures;
- Monitoring equal employment opportunities; and
- HR advice to management, succession planning and also retentions and rewards.

A2.101 The HR costs collated under HR & non-operational Training should exclude Pension Scheme Administration and PPF (Pension Protection Fund) levy costs.

A2.102 Non-operational training covers facilitating and operating training courses of a non-technical nature for office-based staff.

A2.103 The non-operational training costs collated under HR & non-operational Training should include:

- Staff who organise and provide non-operational training and maintain employees training records;
- Cost of running the non-operational training costs e.g. course fees; and
- Leadership development training.

A2.104 The non-operational training costs collated under HR & non-operational Training should exclude:

- Any operational training costs;
- Non-operational costs associated with formal training and apprentice programmes (included under Training & Apprentices);
- Time of employees attending training (include as labour costs under the relevant activity for non-operational);
- HSE costs (include under Asset Management);
- IT systems associated with HR & Payroll (include under IT & Telecoms); and
- IT & Property management costs associated with Non-Ops Training (include under IT & Property costs respectively).

Audit, Finance & Regulation

A2.105 This covers performing the statutory, regulatory and internal management cost and (business support activity) performance reporting requirements and customary financial and regulatory compliance activities for the network.

A2.106 The costs collated under Audit, Finance & Regulations should include:

- Process of payments and receipts;
- Time sheet evaluation where not part of the payroll process;
- Financial & risk management – e.g. credit & exposure management;
- Financial planning, forecasting & strategy;
- Financial accounting;
- Management accounting;
- Investment accounting;
- Treasury management;
- Transportation income accounting;
- Pricing;
- Statutory & regulatory reporting;
- Tax compliance & management;
- Internal audit & management of the relationship with external audit function;

- External audit fees; and
- Cost of regulatory department.

A2.107 The costs collated under Audit, Finance & Regulations should exclude:

- Insurance costs (include under Insurance); and
- Any of the IT systems associated with finance, audit and regulation (include under IT & Telecoms).

Insurance

A2.108 This covers support and expertise to develop the business risk profile, managing the claims process and provision of information and understanding to the business in relation to insurable and uninsurable risks.

A2.109 The costs collated under Insurance should include:

- Insurance premiums;
- Insurance premium tax;
- Insurance contract negotiating and monitoring;
- Insurance claim processing;
- Insurance risk management;
- Payments relating to uninsured claims;
- Costs of in house insurance team; and
- Brokers fees.

A2.110 Insurance premiums include insurance premium tax and brokers fees. They can be classified as follows:

Loss or damage due to adverse events

Insurances that protect against loss or damage caused to licensee's property or trade by adverse events.

- Property – buildings and contents
  Buildings and contents including fire, lightning, explosion, riot, malicious damage, storm, flood, impact by aircraft, road and rail vehicles, escape of water from tanks or pipes and sprinkler leakage.
- Engineering failure
  Engineering insurance cover against electrical or mechanical breakdown for machinery, including computers.
- Crime and theft Includes:
  - Crime;
  - Theft; and
  - Money.
- Goods in transit
  Loss or damage of goods (machinery, materials etc.) while in licensee's own

vehicles or when sent by carrier
Includes: Marine cargo

- Business interruption
  Cover for loss of income and extra expenses, including any increased working costs and extra accountants' fees incurred, resulting from damage to a licensee's property or assets
- Trade credit insurance
  Cover against the risk of bad debt due to the insolvency or default of trade debtors
- Motor vehicles
  Cover against third party legal liability for injury to others and damage to their property arising from the use of vehicles on the road and against damage to licensee's vehicles
- Legal expenses
  Cover against the cost of taking or defending legal action including legal costs such as solicitors' fees and expenses, the cost of barristers and expert witnesses, and court costs and opponent's costs if awarded against the licensee in civil cases
- Network assets
  includes property
- Terrorism and sabotage
  Cover against loss due to deliberate acts of terrorism or sabotage
- Network assets aviation
  Cover against losses associated with ownership and operation of aircraft. Includes: Business services allocation

Third party legal liability

Cover against licensee's legal liabilities in the event of some aspect of the licensees business causing damage or harm to a third party or their property.

- Employers' liability
  Cover against legal liability for injury, disease or death to employees sustained by them and arising from their employment. Employees for this purpose may include, in addition to those under a contract of employment, apprentices and other trainees, agency staff, and contractors.
- Public and product liability and professional indemnity
  Cover against legal liability to pay damages to members of the public for death, bodily injury or damage to their property which occurs as a result of a licensee's business activities.
- Motor vehicle liability
  Cover against legal liability to pay damages and compensation in case of an accident involving the motor vehicle.
- Environmental impairment liability
  Cover against losses and liability arising from damage to property due to pollution or environmental damaged caused by a network company's regulated business operations.

Employee

Cover that protects a network company and its employees against the consequences of serious illness, injury or death, and the effects these events could have on the network company's employees, on their families, and on the network company's business.

- Personal accident and sickness insurance
  Cover paid for, fully or in part, by a network company that pays benefit to an employee unable to work as a result of an accident or sickness. Where the cost of cover is shared between network company and employee, or where the network company recovers part of the cost from employees, then only the network company's net contribution should be reported.
- Income protection insurance
  Cover paid for, fully or in part, by a network company that provides income to an employee to compensate for the loss of earnings through incapacity resulting in inability to work. Where the cost of cover is shared between network company and employee, or where the network company recovers part of the cost from employees, then only the network company's net contribution should be reported.
- Private medical insurance
  Private medical cover paid for, fully or in part, by a network company. Where the cost of cover is shared between Network Company and employee, or where the network company recovers part of the cost from employees, then only the network company's net contribution should be reported.
- Life assurance
  Cover paid for, fully or in part, by a Network Company that provides financial security for employees' dependents and protects the profitability of the business upon death of an employee. Where the cost of cover is shared between the network company and employee, or where the network company recovers part of the cost from employees, then only the network company's net contribution should be reported.
- Travel
  Includes: Overseas travel and Personal accident/travel.
- Directors & officers
  Includes: Primary and excess directors' and officers' liability.
- Employment practice liability
  Cover against claims made for alleged acts of discrimination, harassment or inappropriate employment conduct.
- Pension trustees indemnity
  Cover against claims made by third parties for matters including breach of trust, maladministration and wrongful acts involving the actions of the Trustees to the pension fund. It can also provide cover for overlooked beneficiaries where a fund has been or is being wound-up as well as for any costs incurred in defending claims.

Self-retained Claims Costs

Predictable losses of risk which are retained and self-insured, either exclusively or to close the gap to any commercial insurance arrangements in place.

Broker Fees

A fee charged by an agent, or agent's company to facilitate transactions between insurance buyers and sellers. The brokerage fee is charged for services such as negotiations, sales, purchases, delivery or advice on the transaction.

Procurement

A2.111 This covers the procurement of goods & services in the support of the business operations, through the management of procurement contracts with suppliers.

A2.112 The costs collated under Procurement should include:

- The cost of carrying out market analysis;
- Identifying potential suppliers, undertaking background review, negotiating contracts, purchase order fulfilment and monitoring supplier performance;
- Setting up and maintaining vendor accounts within the accounting system, and maintaining e-procurement channels;
- Setting procurement guidelines and monitoring adherence to the guidelines.

A2.113 The costs collated under Procurement should exclude costs for:

- Any of the IT systems associated with procurement (include under IT & Telecoms).
- Stores & Logistics – The activity of managing and operating stores (include in separate Stores and Logistics category).
- Vehicles and Transport – the activity of managing, operating and maintaining the commercial fleet and mobile plant (allocate to the appropriate direct activity).

CEO & Group Management

A2.114 The costs collated under CEO & Group Management should include:

- Communications – communication within the UK businesses, internal communications, external communications, media relations, issues management, regional communications, community relations, community awareness, branding, events management;
- Group Strategy – function which has the responsibility of evaluating the strategic options of the Group;
- Legal/Risk and Compliance/Company Secretary – legal department, the management corporate governance for all companies to ensure they comply with legislation, regulations and best practice;
- Corporate Responsibility and Investor Relations – corporate responsibility and interaction with institutional equity investors and market analysts, management of rating agencies, advertising, charity and sponsorship arrangements;
- Board Members and Other – staff and other costs of Board members and other corporate costs not fitting into other categories;
- Incremental ring-fence compliance; and
- Credit reference agencies.

A2.115 The costs collated under CEO & Group Management should exclude:

- Insurance management (include under Insurance);

- Legal advice relating to wayleaves/servitudes/easements (include under Other Direct Activities; and
- Group costs relating to specific activities e.g. HR, Finance, Audit, Regulation, Taxation, HSE, Insurance, etc. (include under the specific cost category).

Stores & Logistics

A2.116 This covers the activity of managing and operating stores.

A2.117 The costs collated under Stores & Logistics should include:

- Delivery costs of materials or stock to stores;
- Labour and transport costs for the delivery of materials or stock from a centralised store to a satellite store/final location (and vice versa), taking into account the stock management policies;
- Monitoring stock levels; and
- Quality testing of materials held in stores.

A2.118 The costs collated under Stores & Logistics should exclude:

- Costs of oil or other insulation medium (report under the activity for which it is used, eg maintenance, faults);
- Any of the IT systems associated with stores/logistics (include under IT & Telecoms);
- Any property management and maintenance costs of depots/stores locations (include under property management); and
- Vehicles and Transport – the activity of managing, operating and maintaining the commercial fleet and mobile plant (include under Vehicles and Transport).

Opex – Other Activities

A2.119 Other Opex activities include all those opex activities that are neither classified as direct opex nor as business support opex. It includes the following:

- Advertising & Market Development (OO properties);
- Advertising & Market Development (Non-OO properties);
- Training & Apprentices;
- Non-Controllable Costs; and
- Non-Price Control Activities.

Advertising & Market Development

A2.120 The costs for Advertising & Market Development are classified into the following two categories:

- Advertising & market development (OO properties);
- Advertising & market development (non-OO properties).

A2.121 The costs collated under Advertising & Market Development should include costs for:

- Advertising, marketing and PR;

- Incentives;
- Sales related staff, including relevant director; and
- Shared corporate overheads.

Training & Apprentices

A2.122 This covers (i) the costs of any operational training and (ii) the cost of training any employees engaged on approved formal training or apprentice programmes (either operational or non-operational).

A2.123 The costs collated under Training & Apprentices should include:

- Cost of staff who organise and provide training, and maintain the individual employee training/apprentice records;
- Cost of running training courses;
- Fees paid to external training providers for provision of training;
- Cost of externally advertising training and apprentice programmes;
- Salary cost of apprentices or trainees whilst engaged on a training or apprentice programme; and
- Cost of ongoing professional development for operational staff.

A2.124 The costs collated under Training & Apprentices should exclude:

- Any non-operational training costs falling under “HR & Non-operational Training”;
- Property costs of training facilities (should be recorded under Property management); and
- Cost of general staff induction training programmes (should be recorded under HR & Non-operational Training).

Non-Controllable Costs

A2.125 This covers those operating activity costs that are deemed as part of the price control allowances as not being within the direct control of the licence holder

Non-Price Control Activities

A2.126 This covers activities which the regulated company undertakes which are not directly associated with the gas transportation licensed activities. Where such activities are undertaken, it is necessary for us to have been notified of the activities and reasons for them prior to them being undertaken. Also, a description of such activities shall then be included in the commentary to this business plan submission.

Opex – Expenditure Types

A2.127 To aid understanding and analysis, controllable opex and those opex costs relating to Non-Price Control Activities are broken down by expenditure types. The following expenditure types are being differentiated:

- Staff Costs;
- Agency Costs;
- Contractor Costs;

- Materials;
- Vehicles & Wheeled Plant;
- Transport & Plant (Other;)
- TMA (Streetworks);
- Professional and Legal Fees;
- Rent & Rates;
- Network Rates;
- Stationery, Communications & Billing;
- Entertainment;
- MDR Allowance;
- Shrinkage (including Own Use);
- Bad Debt;
- Other; and
- Income Received

Staff Costs

A2.128 The costs collated under Staff Costs should include any form of payment, consideration or other benefit, paid or due to or in respect of employees. More specifically, it includes the following:

- Gross salaries and wages of all employees, including payments resulting from bonus and profit-related payment schemes;
- Overtime, Standby and Other Allowances (standby allowances are the costs incurred when employees are on standby to be called upon if required in the event of a specified occurrence in accordance with their terms of employment);
- Employer's National Insurance contributions;
- Class 1 A NIC
- Salary sacrifice payments;
- Sick pay;
- Pension Costs
- Sickness benefits;
- Private health insurance;
- (Non pension related) retirement awards;
- Death in service benefits;
- Paid leave;
- Travel and Subsistence (with the exception of travel and subsistence for non-executive directors);

- Medical insurance costs;
- Childcare assistance;
- Welfare costs;
- Car allowances;
- Company Car;
- PSA – PAYE Settlement Agreement;
- Share based schemes; and
- Staff Entertainment.

A2.129 The costs collated under Staff Costs should exclude:

- Agency staff (include under Agency Costs);
- Contractor staff, incl. third party contractors, group manpower provided under service level agreements and similar arrangements; related party manpower (include under Contract Costs);
- Travel & subsistence for non-executive directors (include under Professional and Legal Fees).

Agency Costs

A2.130 This covers costs for persons who are not under a direct contract of employment with the licensee or an affiliate of the licensee but are hired through a third party or employment agency.

A2.131 The costs collated under Agency Costs should exclude costs for:

- Professional services (include under Professional and Legal Fees); and
- Contractor staff (include under Contract Costs).

Contractor Costs

A2.132 This covers the charges invoiced by (external or related party) Contractors.

A2.133 A contractor is third party that has entered into contractual relations (including service level agreements with the parental group) with the GDN to supply goods and/or services or a related party of the GDN that supplies goods and/or services to it.

A2.134 A related party is an affiliate, a joint venture of the licensee or of an affiliate or an associate of the licensee or of an affiliate or a relevant associate of the licensee.

A2.135 The term contractor covers all of the following:

- Non-related contractors;
- Each part of the parental group with which contractual arrangements (including service level agreements) are in place for the provision of goods and services to the GDN or by the GDN;
- Each related party (including, but not limited to, any associated supply business).

A2.136 The concept of contractor excludes the following:

- Staff employed on a temporary basis or via a recruitment agency by the licensee or an affiliate of the licensee; and
- Third parties providing professional services.

A2.137 Costs for materials provided by a contractor where these costs have been separately identified are to be excluded from Contractor Costs and to be reported under Materials instead.

Materials

A2.138 This covers costs for the physical components that go into the make-up of a tangible asset or are used for maintenance or other duties for the activities undertaken by the licensee and related parties.

A2.139 The costs collated under Materials should include costs for:

- Tangible items that become part of the network assets;
- Small tools, equipment and consumables utilised to allow work on the network and to undertake other activities;
- Purchase, rent or lease of vehicles (only where they are “non-operational new assets & replacement”);
- Fuel for the operational fleet; and
- Materials provided by a contractor where the costs have been separately identified.

A2.140 The costs collated under Materials should exclude costs for:

- Company cars (include under Staff Costs); and
- Procurement management (include under Staff Costs, Agency Costs or Contractor Costs, as appropriate).

Vehicles & Wheeled Plant

A2.141 Vehicles include cars, car derived vans, LGVs, HGVs and wheeled plants.

A2.142 Wheeled (mobile) plant includes self-propelled or motorised trailer mounted equipment not classed as a motor vehicle.

Transport & Plant

A2.143 This covers costs associated with the use of transport and plant.

A2.144 The costs collated under Transport & Plant should include costs for:

- Short term hire and lease costs/depreciation on owned transport and wheeled plant;
- Servicing and maintenance; and
- Vehicle tax.

TMA (Streetworks)

A2.145 The objective of the TMA is to tackle congestion and disruption on the road network. The TMA places a duty on local traffic authorities to ensure the expeditious movement of traffic on their road network and those networks of surrounding authorities. Introduction of such a scheme is being considered for Northern Ireland, but details

have not yet been announced. It may entail costs by companies working in the highway, including for work carried out under NRSWA, which may involve overrun charges and line rental.

Professional and Legal Fees

A2.146 This covers fees for professional, legal and consultancy services employed by the licensee or arelated party.

A2.147 The costs collated under Professional and Legal Fees should include costs for:

- Non-engineering services provided on a consultancy basis;
- Subscriptions to trade bodies including the Energy Networks Association (ENA);
- Typically items such as legal services, audit fees, taxation services.; and
- Travel and subsistence for non-executive directors.

A2.148 The costs collated under Professional and Legal Fees should exclude costs for:

- Direct employee costs or agency fees (include under Staff Costs or Agency Costs);
- Contracted services of individuals provided through a personal service company (include under Contractor Costs);
- Engineers whether employed on a consultancy basis or not or contractors, depending on the legal status of their employment (include under Staff Costs or Agency Costs or Contractor Costs);
- Analytical engineering work (or contractors, depending on the legal status of their employment (include under Staff Costs or Agency Costs or Contractor Costs); and
- Business gifts (include under Entertainment).

Rent & Rates

A2.149 This covers rent and lease payments for buildings used for business purposes as well as rates for the premises these buildings are on. It should also include costs for heating and light and for security equipment.

Network Rates

A2.150 This covers the prescribed rates levied on distribution network assets

Stationery, Communications & Billing

A2.151 This covers costs related to stationary as well as communications and billing (incl. e.g. postage, line rental and telephony charges, costs for franking and stuffing machines).

A2.152 Excluded are costs for the use of external mail service providers (to be recorded under MDR Allowances).

Entertainment

A2.153 This covers entertainment costs as defined by the HMRC guidelines.

A2.154 The costs collated under Entertainment should include costs for:

- Food and drink;
- Accommodation - eg hotels;

- Theatre and concert tickets;
- Sporting events and facilities;
- Entry to clubs and nightclubs;
- Use of capital assets such as yachts and aircraft;
- Payments made to third party business entertainment organisers;
- Free samples;
- Business gifts;
- Entertainment or hospitality provided only for the directors or partners of your business.

MDR Allowance

A2.155 This relates to the Market Development Review and covers costs relating to:

- Advertising, marketing and PR; and
- Incentives.

Shrinkage (including Own Use)

A2.156 Shrinkage is the difference between the amount of gas that was recorded to have entered the distribution system and to have exited it.

A2.157 The costs collated under Shrinkage should include costs for:

- Gas loss through theft;
- Gas loss through leaks/emergencies; and
- Own use.

Bad Debt

A2.158 This is the amount owed by a third party that is unlikely to be paid due. It includes, but is not limited to, debts from long-term disputes re: network damages.

Other

A2.159 The expenditure type Other can be used for recording any expenditure which cannot be attributed to any of the other expenditure categories. Where the expenditure type Other is used, a meaningful designation shall be provided and an explanatory note shall be included in the commentary to the business plan submission.

Income Received

A2.160 This covers income collected from third parties in relation to pipe-line damage, service alterations, disconnections etc.

Other Capital Expenditure (Other Capex)

Definition

A2.161 Other capex covers expenditure **not** covered by any of the following activities:

- Mains
- New Connections (Services)

- District Governors
- Meters
- Meter Installations
- Service Governors
- Risers & Laterals

Project Based Expenditure

A2.162 It is expected that all other capex will be project based expenditure. Projects will range in size depending on the nature of the activity involved. For the purposes of these RIGs any project >£10k shall be separately listed.

A2.163 Each project shall be assigned a name and a principle category of expenditure (see paragraph A2.166). Where a project has expenditure in more than a single category the principle category shall be determined based on the larger element of expenditure.

A2.164 Projects may involve expenditure outside of the principal years (2015-2022) being considered in this review. Where this is the case the projects shall have the amount incurred before or planned to be incurred after this period also recorded in order to capture the full forecast project expenditure.

A2.165 The total forecast project expenditure shall be considered to be justified on the basis of one or more of the following:

- Customer – The work is aimed at providing enhanced services or performance which extends the benefits provided to customers.
- Growth – The expenditure is targeting an extension or increased capacity of the network to supply gas.
- Mandatory – The expenditure is not discretionary and is mandated by specific legislation or safety recommendation by an appropriate body.
- Renewal – The expenditure is to replace assets based upon an economic test which confirms that replacement of the asset is a lower long term cost to the network than the cost of increased a maintenance and/or the consequence of failure. For renewals, details of the economic test should be provided as part of the commentary to this business plan submission.

Categories of Expenditure

A2.166 Other capex is broken into the following categories of expenditure:

- System operations;
- IT (infrastructure and systems) and Telecoms;
- Commercial Gas Trading IT;
- Plant, tools and equipment;
- Land, buildings, furniture and fittings;
- Security;
- Vehicles & Wheeled Plant;
- Other.

System Operations

A2.167 This covers systems operation capex costs associated with replacing and upgrading systems used within the system operations. It includes those IT systems and infrastructure costs which are driven by system operations.

IT (Infrastructure and Systems) and Telecoms

A2.168 Costs associated with purchasing, replacing and upgrading IT Infrastructure Systems, and any directly impacted telecoms assets. Infrastructure includes hardware and communications equipment such as PCs, servers and LAN. IT Systems includes application systems such as work management systems, asset management systems and financial systems.

Commercial Gas Trading IT

A2.169 System used for managing the volumes of gas transported.

Plant, tools and equipment

A2.170 This includes fixed plant and machinery forming part of the gas transportation network, part of a gas installation, or used to process gas, as well as tools and other equipment used for the day to day management of the gas network.

Land, buildings, furniture and fittings

A2.171 This covers capital expenditure related to the purchase, upgrading and fitting out of all buildings, including depots and offices. This includes any telecoms investment directly driven by the purchase, upgrading and fitting out of all buildings.

Security

A2.172 This covers capital expenditure on enhancing or replacing security related assets for all sites.

A2.173 The main security assets include fencing, alarms, surveillance cameras and gates. In addition there may be other minor security expenditure assets.

Vehicles & Wheeled Plant

A2.174 This covers capital expenditure on the purchase of new gas network vehicles. This includes cars, car derived vans, LGVs, HGVs and wheeled plant.

A2.175 It also covers expenditure on purchase of wheeled (mobile) plant, which includes self-propelled or motorised trailer mounted equipment not classed as a motor vehicle.

A2.176 The asset categories are:

- Cars
- Commercial vehicles which includes:
  - Car derived vans
  - LGVs – vehicles up to 3.5 tonnes GVW excluding car derived vans
  - HGVs – vehicles >3.5 tonnes GVW
- Wheeled Plant which includes:
  - Mobile compressors
  - Cranes

- Excavators
- Dumpers

Other

A2.177 Any capex not covered by any other classification category. Within the commentary of the business plan areas of expenditure >£5k should be identified and justifications for the level of expenditure given.

Appendix 3: Related Documents

A4.1 The present RIGs for business plan submission form part of the overall GD23 approach.

Price Control for Northern Ireland's Distribution Networks GD23 – Approach	

A4.2 The RIGs for business plan submission are complemented by a data reporting template for business plan submission.

Data Reporting Template for Business Plan Submission	