

# [Licensee Name] Consolidated Segmental Statement

For the financial year ended [DD MMM YYYY]

## Executive Summary

This consolidated Segmental Statement (CSS) has been prepared in accordance with Standard License Condition 19A of the Electricity and Gas Supply Licenses (“Financial Information Reporting”) and the associated published Ofgem Guidance. The CSS provides transparency of the supply activities and profitability for the licensed entity/group of licensed entities *[please name or list below if more than one]* for financial year ended *[Date]*.

*[Adjust as necessary]:* The Licensee hold electricity and gas supply licenses and supplies energy to domestic and non-domestic customers in the UK. This statement includes all supply licensed activities with the Licensee and its affiliates as required under the license conditions.

*[If applicable: The licensees’ share of revenues and profits from Join Ventures and Associates holding supply licenses have been incorporated line-by-line in accordance with license requirements.]*

The figures have been reconciled to the statutory accounts for the licensed entity/group *[please name]* for year ended *[Date]*.

#ID		Unit	Electricity supply Domestic	Electricity supply Non Domestic	Gas supply Domestic	Gas supply Non Domestic
1	Total revenue	£'M	1,245.8	892.3	786.4	45.2
1.1	Revenue from sale of electricity and gas	£'M	1,243.2	892.3	784.9	45.2
1.2	Other revenues	£'M	2.6	0.0	1.5	0.0
2	<b>Total operating costs</b>	£'M	<b>1,189.4</b>	<b>865.7</b>	<b>812.3</b>	<b>42.1</b>
2.1	Direct fuel costs	£'M	652.3	498.2	542.8	28.4
	<b>Direct costs:</b>	£'M	<b>440.0</b>	<b>329.6</b>	<b>199.8</b>	<b>9.8</b>
2.2	Transportation costs	£'M	234.5	178.9	142.3	7.8
2.3	Environmental and social obligations costs	£'M	189.7	142.3	48.2	1.2

2.4	Other direct costs	£'M	15.8	8.4	9.3	0.8
2.5	<b>Indirect costs</b>	<b>£'M</b>	<b>97.1</b>	<b>37.9</b>	<b>69.7</b>	<b>3.9</b>
3	<b>EBITDA</b>	<b>£'M</b>	<b>56.4</b>	<b>26.6</b>	<b>-25.9</b>	<b>3.1</b>
3.1	Depreciation and amortisation	£'M	8.2	3.4	6.8	0.4
3.2	<b>EBIT</b>	<b>£'M</b>	<b>48.2</b>	<b>23.2</b>	<b>-32.7</b>	<b>2.7</b>
4	Volume	TWh, m therms	3.2	2.8	245.6	18.3
5	WACO E/G	£/MWh, p/th	203.84	177.93	221.0	155.2
6	Meter Points	000s	892.3	45.6	743.8	8.2

*[If applicable: if any material variation to the financial statements as a result of applying SLC 19A and/or published Guidance- please disclose a statement to confirm basis for CSS preparation and where it may differ to the financial statements, highlighting any impact to EBIT if applicable, further details can be disclosed in specific sections below]*

## Consolidated Segmental Statement [please include table alongside published commentary where possible]

### Notes

- All revenues, costs and depreciation are entered as positive values.
- EBITDA and EBIT: positive figures indicate profit; negatives figures indicate loss.
- Volumes for electricity reported in TWh to 1 decimal place.
- Volumes for gas reported in m therms to 1 decimal place
- WACOE calculated to nearest pence in £/MWh
- WACOG calculated to nearest 1 decimal place in p/therm.

## Basis of Preparation

### Accounting Standards

The CSS for *[name licensed legal entity/group entities]* has been prepared in accordance with accounting standards *[specify UK GAAP/FRS 102/FRS 101/IFRS]* applied in the financial statements for year ended *[Date]*. The CSS has been reconciled at revenue and earnings (EBIT) to these financial statements on the same basis taking into consideration the SLC 19A and associated Guidance issued by Ofgem.

## Definitions and Methodology

### Revenue

**Revenue from sale of electricity and gas:** Comprises electricity and gas sales to domestic and non-domestic customers. Revenue is recognised on the basis of units supplied during the year and includes an estimate of units supplied between the last meter reading and year-end.

Revenue for domestic supply is stated after deducting:

- Dual fuel discounts (allocated equally between electricity and gas)
- Government mandated social tariff (e.g. Warm Home Discount)

**Other revenue:** Includes revenue from activities such as meter installation and other services directly related to the supply license activities.

### Direct Fuel Costs

Includes wholesale electricity and gas costs, losses, balancing and shaping costs, power purchase agreement (PPAs) and the energy element of Reconciliation by Difference (RBD) costs. The weighted average cost (WACOE/G) covers the wholesale energy cost

### Direct Costs

**[Note:** *If Where application of the CSS Guidance results in a presentation that differs from the statutory accounts, the CSS format should be prioritised to ensure consistency with the Guidance. In such cases, a disclosure should be included in the relevant sections to:*

1. *explain which financial statement line items vary to the CSS presentation.*
2. *Provide an estimate of the variance, rounded to the nearest £ million*

*e.g To align with SLC19A and Ofgem's published Guidance, £1m metering installation costs have been classified under indirect costs in line with SLC19A and Ofgem Guidance to ensure consistency in CSS reporting. Although these costs would appear under [name financial statement line item] as direct costs in the financial statements, this reclassification has no impact on earnings (EBIT).*

### Transportation Costs

- Network transportation costs (TNUoS, DUoS).
- Balancing Services Use of System charges (BSUoS).
- (as similar to below) Transport element of Reconciliation By Difference (RBD) costs.

### Environmental and social obligation costs

**Primarily policy related costs relating to net zero and other schemes not limited to:**

- Renewable Obligation related.
- Feed-in-Tariff (FiT)
- Contracts for Difference (CfD)

- Capacity Market costs
- ENERGY Company Obligation (ECO)
- Warm Home Discount scheme administration
- Green Gas Levy
- Assistance for Areas with High Electricity Distribution Costs (AAHEDC)

#### Other direct costs

- Broker costs and sales commissions directly attributable to sales.
- Market participation costs (Elexon, Xoserve).
- Smart metering programme costs.
- Market stabilization charges (if any)

#### Indirect Costs

- Sales and marketing.
- Bad debt provisions.
- Customer service and billing.
- Costs to serve Priority Services Register (PSR) customers.
- Central services and corporate recharges.
- IT, HR, property costs.
- Metering costs (including smart meter installations).

Indirect costs are allocated between segments using appropriate cost drivers such as customer number, transaction volumes, or avenues where costs cannot be directly attributed.

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- 1.explain which financial statement line items vary to the CSS disclosure.*
- 2. Provide an estimate of the variance, rounded to the nearest £ million].*

*e.g To align with SLC19A and Ofgem's published Guidance, £1m metering installation costs have been classified under indirect costs in line with SLC19A and Ofgem Guidance to ensure consistency in CSS reporting. Although these costs would appear under [name financial statement line item] as direct costs in the financial statements, this reclassification has no impact on earnings (EBIT).*

#### Hedging Policy

- [Describe the Licensee's hedging approach, including where applicable:
- Hedging applied for default tariff customers and active choice tariffs .
- Volume risk bearer (Licensee/Affiliate/Parent/Third Party).

#### Volume and Pricing Metrics

- **Volume:** Supplier volumes at meter point (net of losses).
- **WACOE/E:** Direct fuel costs divided by volume

- **Meter Points:** Average number of MPANS/MPRNSs during the year, calculated by adding monthly closed meter points and diving by 12.

## Reconciliation to Statutory Accounts

Number	Item	Unit	Revenue	EBIT
	CSS Supply [Licensee Name]	£'M	2,969.7	41.4
	<b>Adjustments:</b>			
1	Non-licensed activities	£'M	18.3	-8.2
2	Mark-to-market adjustments	£'M	45.6	52.3
3	Restructuring costs	£'M	0.0	-12.4
4	<i>Impairment charges</i>	£'M	0.0	-3.8
5	Profit/(loss) on disposal	£'M	2.1	2.1
	[Licensee Name] Statutory Accounts	£'M	<b>3,035.7</b>	<b>71.4</b>

### Notes on reconciling items:

1. **Non-licensed activities:** [Describe any non-supply activities excluded from CSS].
2. **Mark-to-market adjustments:** Excluded per Ofgem guidelines as these do not reflect normal operations.
3. **Restructuring costs:** One-off costs as identified in the annual report.
4. **Impairment charges:** Non-cash charged excluded from CSS,
5. **Other exceptional items:** [Describe any reconciling items].

## Glossary of Terms

**EBIDTA:** Earnings before interest, tax, depreciation and amortisation

**EBIT:** Earnings before interest and tax

**MPANS:** Meter Point Administration Numbers (electricity)

**MPRNS:** Meter Point Reference Numbers (gas)

**WACOE:** Weighed average cost of electricity

**WACOG:** Weighted average cost of gas



Making a positive difference  
for energy consumers

**TWh:** Terawatt hours

**m Therms:** Million therms

**BSUoS:** Balancing Service Use of System

**DUoS:** Distribution Use of System

**TNUoS:** Transmission Network Use of System

**RBD:** Reconciliation by Difference

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*This document has been prepared in accordance with standard License Condition 19A of the Gas and Electricity supply Licenses and Ofgem Guidance OFG1163 dated 27<sup>th</sup> March 2024.*