

The extension of NGC's transmission owner price control for 2006/07 – PB Power Report on Capital Expenditure

The attached document (click on the + sign to access) is the report prepared by PB Power for Ofgem to inform the assessment of capital expenditure allowances in the extension of NGC's transmission owner price control for 2006/07.

The report is being published to provide greater transparency into the reasons for Ofgem's current thinking on capital expenditure requirements and historical expenditure, which are an important component of the price control extension. It is also envisaged that publishing this report should provide background information that may be useful to those interested in the main price control review.

The report is informed by discussions with the National Grid Company but has not been agreed with or necessarily accepted by them.

The report was prepared solely for Ofgem's use on the extension of NGC's transmission owner price control. The report should not be used or relied upon for any other purpose without the prior written consent of both Ofgem and PB Power. Neither Ofgem nor PB Power accepts any responsibility or liability for the accuracy of and/or any use of this report for other purposes.