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Transmission Investment Incentives (TII): Decision under section 11A(1)(a) of the Electricity Act 1989 to make modifications to electricity transmission licences to reflect extension of the TII framework into 2012-13

The Transmission Investment Incentives¹ (TII) framework was introduced in April 2010 to provide project-specific, interim funding² for critical, large-scale investment projects that the Transmission Owners (TOs) justify as being both needed and ready to be taken forward within the transmission price control period running to 31 March 2012 (TPCR4).

On 5 April 2012 we published³ a statutory consultation and accompanying notices under section 11A(2) of the Electricity Act 1989 (collectively referred to in this letter as "our statutory consultation") on proposed licence changes to reflect the extension of the TII policy framework into 2012-13, and the capital expenditure allowances determined by the Authority through TII funding decisions to date. The three TOs affected by this licence change are National Grid Electricity Transmission plc (NGET), SP Transmission Ltd (SPTL) and Scottish Hydro Electric Transmission Ltd (SHETL). The licence changes do not affect the TOs' allowed revenues for 2012-13, but include provisions which allow for revenue adjustments to be made in future years.

Following consideration of responses to our statutory consultation, we have decided to make licence modifications under section 11A(1)(a) of the Act. The modifications to the respective licences of NGET, SPTL and SHETL are published alongside this letter in separate documents⁴ (the "Modifications") which also constitute notice of the reasons for the decision to modify the licence under section 49A(1)(b) of the Act. The licence modifications will, once 56 days have passed from the publication of this letter and accompanying Modifications, take effect retrospectively on and from **1 April 2012**.

¹ TII webpage:

<http://www.ofgem.gov.uk/Networks/Trans/ElecTransPolicy/CriticalInvestments/InvestmentIncentives/Pages/InvestmentIncentives.aspx>

² By "funding under TII", we mean efficient cost recovery allowed via a revenue stream calculated under the relevant provisions of the TII framework. These provisions are currently set out in Special Condition D11 (with links to D2) of NGET's licence and in Special Condition J12 (with links to J2) of the licences of SPTL and SHETL.

³ Transmission Investment Incentives: Statutory consultation and Notices under section 11A(2) of the Electricity Act 1989 of proposed modifications to electricity transmission licences (Ref 51/12), Apr'12:

<http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=49&refer=Networks/Trans/ElecTransPolicy/CriticalInvestments/InvestmentIncentives>

⁴ See footnote 10.

This letter summarises the background and effect of the licence modifications, the responses received to the statutory consultation, our consideration of the responses, and the reasons for making modifications to the relevant licence conditions.

Background

The TII framework, as it applied to 31 March 2012, is set out in Special Condition D11 (with linkages to Special Condition D2) of NGET's transmission licence and Special Condition J12 (with links to Special Condition J2) of SPTL's and SHETL's transmission licences in effect to that date. Annex A to those special conditions specifies project details of the transmission investment projects for which we have previously determined capital expenditure allowances via past TII funding decisions. Those project details currently cover the period up to the end of the financial year 2011-12.

Our November 2011 policy decision letter⁵ set out our approach to extending the TII framework to 2012-13 under the one year adapted rollover (TPCR4 Rollover) of the price control (TPCR4) ending on 31 March 2012. It noted that, for the purposes of the TPCR4 Rollover Final Proposals, the baseline revenue allowance for each TO in 2012-13 has been set on the basis of an aggregate provisional TII allowance and includes a provisional revenue adjustment in respect of the application of the capital efficiency incentive to expenditure under TII up to the end of the financial year 2010-11. As a consequence, capital allowances determined under TII will no longer feed directly into the revenue calculation but will instead be taken into account in determining further revenue adjustments to be made in subsequent years in relation to:

- the true-up between allowances assumed for the purposes of setting revenue in a given year and the final allowances determined for that year; and
- the application of the capital efficiency incentive to expenditure under TII to the end of 2012-13.

Intent of the licence modifications

The proposed modifications set out in our statutory consultation had three main aims:

1. to extend the TII framework into 2012-13 in line with our November 2011 policy decision letter;
2. and in so doing, to reflect capital expenditure allowances for 2012-13 determined in line with extension of past TII funding decisions set out in January 2010⁶ and January 2011⁷; and
3. to reflect further capital expenditure allowances for 2012-13 determined in line with the TII funding decisions set out in January 2012⁸.

⁵ Transmission Investment Incentives (TII): decisions on extending the policy framework into 2012-13, Nov'11: <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=29&refer=Networks/Trans/ElecTransPolicy/CriticalInvestments/InvestmentIncentives>

⁶ Transmission Access Review – Enhanced Transmission Investment Incentives: Final Proposals (Ref 4/10), Jan'10: <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=16&refer=Networks/Trans/ElecTransPolicy/TAR>

⁷ Transmission Investment Incentives: Decision on requests for funding from 2011/12, Jan'11: <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=3&refer=Networks/Trans/ElecTransPolicy/CriticalInvestments/InvestmentIncentives>

⁸ Transmission Investment Incentives (TII): decision on requests for funding in 2012-13, Jan'12: <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=43&refer=Networks/Trans/ElecTransPolicy/CriticalInvestments/InvestmentIncentives>

Our statutory consultation set out further detail on the intent of our proposed modifications and our approach to developing the licence drafting to take account of new information available since November 2011. This new information included the publication of our decision on the licence modifications to reflect the TPCR4 Rollover which took effect on 1 April 2012 and included changes to Special Condition D2/J2 to reflect the revenue allowances for 2012-13 referred to above. The proposed modifications set out in our TII statutory consultation do not affect revenues in 2012-13 but incorporate provisions which allow for revenue adjustments to be made in future years.

Our statutory consultation also set out our further refined thinking on our approach to dealing with capital expenditure allowances for the period up to 31 March 2013 which are determined after the revenue for the relevant financial year has already been set -

- In line with our November 2011 policy decision letter, any further requests from the TOs for funding of works planned to be undertaken before the end of the rollover year will be considered in the context of the next price control review, RIIO-T1.
- Capital expenditure allowances determined through the RIIO-T1 process, for works undertaken prior to RIIO-T1, will be taken into account in calculating future revenue adjustments in the same way as for capital expenditure allowances determined under TII.
- The revenue associated with such adjustments will reflect the financial parameters of the prevailing price control for the year in which the relevant works are undertaken.

Responses to the statutory consultation

We received two responses to the statutory consultation, neither of which were marked as confidential. These responses have been published alongside our statutory consultation⁹.

Both respondents supported the proposed licence modifications. One of the respondents proposed a minor drafting change to the definition of the term $RPIF_t$ with the aim of improving clarity.

Reasons for our decision to proceed with the licence modification

We have carefully considered the responses to the statutory consultation. We welcome the support for the proposed licence modifications.

We note that the drafting change proposed by one of the respondents to the definition of the term $RPIF_t$ is consistent with the intended interpretation, i.e. that the $RPIF_t$ term in Special Condition D11/J12 (as applicable) in each TO licence shall take the same meaning as is given to that term in the definition of the PR_t term in paragraph 2 of Special Condition D2/J2 (as applicable). We consider that this drafting suggestion further clarifies the above term and we are therefore incorporating this clarification in the drafting of the licence modification for all three licences. We are also incorporating some further minor amendments to the drafting to correct typographical errors and provide improved clarity of interpretation.

⁹ See footnote 3.

We have therefore decided to make the licence modifications as proposed in the statutory consultation, but incorporating some minor drafting amendments which do not alter the effect of the modification. Schedule 1 to the attached Modifications¹⁰ set out the relevant conditions as amended, while Schedule 2 contains the reasons for, and effect of, any differences between the proposed modifications in the statutory consultation and the conditions in Schedule 1.

As set out in the attached Modifications, this decision will have effect retrospectively, after 56 days have passed from the publication of the Modifications and this letter, on and from 1 April 2012. This aligns with the date on which the licence modifications to implement the TPCR4 rollover took effect.

Effect of the licence modifications

In summary, the effect of the licence modifications is that -

- Capital expenditure allowances specified or adjusted in Special Condition D11/J12 do not feed directly into the revenue calculation but are taken into account in setting future revenue adjustments under RIIO-T1.
- The future revenue adjustments relate to: the true-up between allowances assumed for the purposes of setting revenue in a given year and the final allowances determined for that year; and the application of the capital efficiency incentive to expenditure under TII to the end of 2012-13.
- The provisions relating to future revenue adjustments and annual reporting requirements apply to works for which the relevant capital expenditure allowances are determined through the RIIO-T1 process as well as those determined under TII.
- The asset value adjusting event and output measures adjusting event provisions apply to "funded pre-construction works" and/or "funded construction works" on "scheduled projects", being those works identified by the Authority as in scope of pre-construction cost allowances and/or construction cost allowances specified in Annex A of Special Condition D11/J12.
- Annex A of Special Condition D11/J12 (as amended by the licence modifications) includes project details up to and including the financial year 2012-13 to reflect all TII funding decisions to date; the specific works in scope of the relevant cost allowances are identified in Appendix 1 of this letter and resulting cost allowances for each scheduled project are set out in Appendix 2 (the information in Appendix 1 and Appendix 2 was previously set out in the statutory consultation).

When these licence changes have effect, the total level of capital expenditure allowances determined under TII to the end of 2012-13 and reflected in the licence is **£617 million** (2009-10 prices).

¹⁰ See the following documents available on the TII page (see link at footnote 1):

- Modification of Special Conditions D2 and D11 of National Grid Electricity Transmission plc's Electricity Transmission Licence, Jun'12
- Modification of Special Conditions J2 and J12 of SP Transmission Ltd's Electricity Transmission Licence, Jun'12
- Modification of Special Conditions J2 and J12 of Scottish Hydro Electric Transmission Ltd's Electricity Transmission Licence, Jun'12

Implications for setting revenues

As indicated above, the baseline revenue allowance for each TO in 2012-13 has been set on the basis of an aggregate provisional TII allowance and includes a provisional revenue adjustment in respect of the application of the capital efficiency incentive to expenditure under TII to the end of 2010-11. The licence changes to extend the TII framework to 2012-13 do not affect the TOs' allowed revenues for 2012-13, but include provisions which allow for revenue adjustments to be made in future years.

Initial revenue adjustments will be made on 1 April 2013 in respect of the "true-up" and on 1 April 2014 in respect of the capital efficiency incentive. Those initial adjustments will take into account all capital expenditure allowances determined under TII and/or expenditure against those allowances as applicable. Further revenue adjustments may be made on 1 April of any year to reflect new information, such as completion of the capital efficiency review of the relevant works, adjustments to capital expenditure allowances (e.g. via the asset value adjusting event provisions) and/or determination of any further capital expenditure allowances determined under TII (see below) or in the context of RIIO-T1.

Further work

The only TII funding requests which have been previously submitted that we are continuing to assess are NGET's and SPTL's requests for construction funding for the High Voltage Direct Current (HVDC) component of the Western HVDC link. We are currently consulting¹¹ on our proposed funding arrangements for this project under TII and RIIO-T1. Where we determine capital expenditure allowances for this project in relation to works undertaken prior to RIIO-T1, this will be taken into account in calculating future revenue adjustments under the provisions referred to above. We may issue a separate licence modification on any further potential licence changes we consider necessary to reflect our final funding decision.

We are also continuing work to develop the licence conditions to apply under RIIO-T1 which will supersede those applying in 2012-13. In developing the RIIO-T1 licence conditions we will incorporate the detailed provisions for the future revenue adjustments referred to above, as well as dealing with any legacy issues such as annual reporting on, and application of, adjusting event provisions to works undertaken in the financial year 2012-13.

If you wish to discuss any of the issues raised in this letter then please contact Cheryl Mundie by e-mail on cheryl.mundie@ofgem.gov.uk or by telephone on 0141 331 6003.

Yours faithfully



Andrew Burgess
Associate Partner, Transmission & Distribution Policy

¹¹ Consultation on proposed funding arrangements for Western High Voltage Direct Current (HVDC) link ("Western Bootstrap"), (Ref 73/12), May'12:
<http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=53&refer=Networks/Trans/ElecTransPolicy/CriticalInvestments/InvestmentIncentives>

Appendix 1 – Scope of funded pre-construction works and funded construction works in line with TII funding decisions to date

Note - The information in this appendix was previously set out in appendix 1 of the statutory consultation.

This appendix identifies the transmission investment projects for which the Authority has determined funding allowance(s) for one or more components of works under the TII framework.

These projects are classed as **scheduled projects** within Annex A of Special Condition D11 or J12 as appropriate. They have project details specified in that Annex for funded pre-construction works and/or funded construction works (as applicable) in line with the TII decisions¹² reached in January 2010¹³, January 2011¹⁴ and/or January 2012¹⁵.

The **project details** for scheduled projects are:

- pre-construction¹⁶ cost allowance and/or construction cost allowance for each year,
- key project milestones linked to the pre-construction cost allowance (where applicable), for each element of funded pre-construction works, and
- key project milestones and forecast output measures linked to the construction cost allowance (where applicable), for each element of funded construction works.

The project details specified in Annex A are based on information submitted by the licensees for the purposes of our assessment on which the relevant TII decision was based, and reflect the baseline assumptions underpinning that decision.

We summarise below the scope of funded pre-construction works and funded construction works for each scheduled project. Further details, including the objectives of each project and the components of works planned by the licensee at the time the relevant funding decisions were made, are given in the statutory consultation through which the project details were first added to Annex A¹⁷.

¹² In 2009, we made separate provision for funding of particular pre-construction activities for the financial year running from 1 April 2009 to 31 March 2010.

¹³ See footnote 6.

¹⁴ See footnote 7.

¹⁵ See footnote 8.

¹⁶ All pre-construction funding allowances set out in Annex A are specified from 1 April 2010 onwards. Some projects had existing pre-construction funding under the TPCR4 settlement and/or the provisions referred to in footnote 12.

¹⁷ See:

- Appendix 1 of "Enhanced Transmission Investment Incentives: statutory consultation on licence changes to give effect to Final Proposals" (Ref 26/10), Feb'10:
<http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=13&refer=Networks/Trans/ElecTransPolicy/TAR>
- Appendix 3 of "Transmission Investment Incentives: statutory consultation on first stage of licence changes to give effect to decisions set out in decision letter of 21 January 2011" (Ref 22/11), Feb'11:
<http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=6&refer=Networks/Trans/ElecTransPolicy/CriticalInvestments/InvestmentIncentives>

NGET

*(a) Funding allowances specified in Annex A of Special Condition D11 based on funding decisions reached in **January 2010**:*

Anglo Scottish Incremental

- Pre-construction costs from 1 April 2010 to 31 March 2013.

Central Wales

- Pre-construction costs from 1 April 2010 to 31 March 2013.

East Anglia

- Pre-construction costs from 1 April 2010 to 31 March 2013.
- Construction costs from 1 April 2009 to 31 March 2013 for the following element(s) planned by the licensee as of January 2010:
 - Reconductoring of Walpole-Norwich-Bramford 400kV circuit, (planned construction period: 2010-11 – 2013-14),
 - New Bramford 400kV substation, (planned construction period: 2009-10 – 2016-17).

Eastern HVDC link

- Pre-construction costs from 1 April 2010 to 31 March 2013.

Humber

- Pre-construction costs from 1 April 2010 to 31 March 2013.

London

- Pre-construction costs from 1 April 2010 to 31 March 2013.

North Wales

- Pre-construction costs from 1 April 2010 to 31 March 2013.

South West

- Pre-construction costs from 1 April 2010 to 31 March 2013.

Western HVDC link

- Pre-construction costs from 1 April 2010 to 31 March 2013.
- Construction costs from 1 April 2009 to 31 March 2012¹⁸ for the following element(s) planned by the licensee as of January 2010:
 - Deeside 400kV substation replacement, (planned construction period: 2010-11 – 2015-16).

*(b) Funding allowances specified in Annex A of Special Condition D11 based on funding decisions reached in **January 2011**:*

Anglo Scottish Incremental

- Construction costs from 1 April 2011 to 31 March 2013 for the following element(s) planned by the licensee as of January 2011 (planned construction period: 2011-12 – 2013-14):
 - a) Install shunt compensation at Harker 400kV substation (2 x 225MVar MSC), Stella West 400kV substation (2 x 225MVar MSC) and Hutton 400kV substation (1 x 225MVar MSC) and complete associated works.

Wylfa-Pembroke HVDC link

- Pre-construction costs from 1 April 2011 to 31 March 2013.

¹⁸ Funding allowances for 2012-13 for these construction works are based on January 2012 funding decisions.

(c) *Funding allowances specified in Annex A of Special Condition D11 based on funding decisions reached in **January 2012**:*

Anglo Scottish Incremental

- Construction costs from 1 April 2012 to 31 March 2013 for the following element(s) planned by the licensee as of January 2012 (planned construction period: 2012-13 – 2013-14):
 - Reconductor Harker-Hutton-Quernmore Tee.

North Wales

- Construction costs from 1 April 2012 to 31 March 2013 for the following element(s) planned by the licensee as of January 2012 (planned construction period: 2012-13 – 2014-15):
 - Reconductor Trawsfynydd-Treuddyn Tee.

Western HVDC link

- Additional construction costs to 31 March 2013 for updated plans by the licensee as of January 2012 for the following element(s):
 - Deeside 400kV substation replacement, (planned construction period: 2010-11 – 2017-18).

SPTL

(a) *Funding allowances specified in Annex A of Special Condition J12 based on funding decisions reached in **January 2010**:*

Hunterston-Kintyre link

- Pre-construction costs from 1 April 2010 to 31 March 2013.

SPTL-NGET Interconnection

- Construction costs from 1 April 2009 to 31 March 2013 for the following element(s) planned by the licensee as of January 2010
 - Enabling works at Eccles, consisting of the installation of two new terminal towers of L12 specification to divert the Stella West overhead line entry, (planned construction period: 2010-11).

Western HVDC link

- Pre-construction costs from 1 April 2010 to 31 March 2013.

(b) *Funding allowances specified in Annex A of Special Condition J12 based on funding decisions reached in **January 2011**:*

SPTL-NGET Interconnection

- Construction costs from 1 April 2011 to 31 March 2013 for the following element(s) planned by the licensee as of January 2011 (planned construction period: 2011-12 – 2015-16):
 - a) Fixed Series Capacitors (FSC's):
 - (i) Install 1 x 120MVAR FSC on the Strathaven-Coalburn 400kV circuit at Strathaven
 - (ii) Install 1 x 120MVAR FSC on the Strathaven-Elvanfoot 400kV at Strathaven
 - (iii) Install 1 x 290MVAR FSC on the Elvanfoot-Gretna 400kV circuit at Gretna
 - (iv) Install 1 x 290MVAR FSC on the Moffat-Harker 400kV circuit at Moffat
 - (v) Install 2 x 290MVAR FSC on the Eccles-Stella West/Blyth 400kV circuits at Eccles
 - (vi) Complete associated overhead line, switchgear and protection and control modifications.

- b) Mechanically Switched (Shunt) Capacitor Damping Network (MSCDN):
 - (i) Install 1 x 225MVar MSCDN at Cockenzie 275kV Substation
 - (ii) Complete associated switchgear and protection and control modifications.

East-West upgrade

- Construction costs from 1 April 2011 to 31 March 2013 for the following element(s) planned by the licensee as of January 2011 (planned construction period: 2011-12 – 2015-16):
 - a) Install one new bay of AIS double busbar switchgear at Strathaven 400kV Substation
 - b) Establish a new five bay double busbar Wishaw 400kV GIS Substation, equipped with two 400/275kV transformers
 - c) Install one new bay of AIS switchgear at Smeaton 400kV
 - d) Install one new 'breaker and a half' bay of AIS switchgear at Kaimes 275kV Substation
 - e) Upgrade north side of XH / XJ routes (Strathaven-Smeaton, 74.7km) to 400kV operation
 - f) Install a second cable per phase on the Torness-Eccles No.1 and No.2 400kV circuits
 - g) Complete associated overhead line, switchgear and protection and control modifications.

*(c) Funding allowances specified in Annex A of Special Condition J12 based on funding decisions reached in **January 2012**:*

Western HVDC link

- Construction costs from 1 April 2012 to 31 March 2013 for the following element(s) planned by the licensee as of January 2012:
 - Hunterston East substation, (planned construction period: 2012-13 – 2016-17).

SHETL

*(a) Funding allowances specified in Annex A of Special Condition J12 based on funding decisions reached in **January 2010**:*

Beauly-Blackhillock-Kintore

- Construction costs from 1 April 2009 to 31 March 2013 for the following element(s) planned by the licensee as of January 2010:
 - Reconductoring Beauly-Blackhillock line, (planned construction period: 2009-10 – 2014-15)
 - Reconductoring Blackhillock-Kintore line, (planned construction period: 2011-12 – 2013-14).

Beauly-Dounreay

- Construction costs from 1 April 2009 to 31 March 2013 for the following element(s) planned by the licensee as of January 2010:
 - Reconductoring Beauly-Dounreay line and installation of quadrature boosters at grid supply points, (planned construction period: 2010-11 to 2013-14)
 - Dounreay substation reinforcement, (planned construction period 2010-11 to 2013-14).

Eastern HVDC link

- Pre-construction costs from 1 April 2010 to 31 March 2013.

Knocknagael

- Construction costs from 1 April 2009 to 31 March 2013 for the following element(s) planned by the licensee as of January 2010:
 - 275/132kV substation built to 400kV capability at Knocknagael, (planned construction period: 2009-10 – 2011-12).

*(b) Funding allowances specified in Annex A of Special Condition J12 based on funding decisions reached in **January 2011**:*

Beaully-Mossford

- Construction costs from 1 April 2011 to 31 March 2013 for the following element(s) planned by the licensee as of January 2011 (planned construction period: 2011-12 – 2013-14):
 - a) New Mossford switching station.

Appendix 2 – Funding allowances for funded pre-construction works and funded construction works in line with TII funding decisions to date¹⁹

Note - The information in this appendix was previously set out in appendix 2 of the statutory consultation.

Table A1 – Funding allowances for funded pre-construction works

Scheduled project	Pre-construction cost allowances (2009-10 prices)				
	2009-10	2010-11	2011-12	2012-13	TOTAL
NGET	0.000	32.696	30.509	24.948	88.153
Anglo-Scottish incremental	0.000	4.923	4.430	1.005	10.357
Central Wales	0.000	1.181	1.772	2.009	4.963
East Anglia	0.000	5.759	3.150	3.014	11.923
Eastern HVDC link	0.000	0.738	1.582	0.964	3.285
Humber	0.000	1.969	3.642	7.032	12.644
London	0.000	2.954	1.969	0.000	4.922
North Wales	0.000	6.842	7.088	7.434	21.364
South West	0.000	2.658	2.067	3.014	7.739
Western HVDC link	0.000	5.672	4.332	0.000	10.003
Wylfa-Pembroke	0.000	0.000	0.476	0.476	0.953
SHETL	0.000	0.739	2.771	0.321	3.831
Eastern HVDC link	0.000	0.739	2.771	0.321	3.831
SPTL	0.000	5.715	5.118	0.000	10.833
Hunterston-Kintryre	0.000	0.296	0.197	0.000	0.492
Western HVDC link	0.000	5.419	4.922	0.000	10.341
Grand Total	0.000	39.150	38.398	25.269	102.818

Table A2 – Funding allowances for funded construction works

Scheduled project	Construction cost allowances (2009-10 prices)				
	2009-10	2010-11	2011-12	2012-13	TOTAL
NGET	2.093	39.413	115.887	152.743	310.137
Anglo-Scottish incremental	0.000	0.000	30.861	31.128	61.989
East Anglia	2.093	34.506	72.159	53.243	162.001
North Wales	0.000	0.000	0.000	2.646	2.646
Western HVDC link	0.000	4.907	12.867	65.726	83.500
SHETL	11.384	58.335	38.776	46.011	154.506
Beauly-Blackhillock-Kintore	5.293	12.849	2.934	11.277	32.353
Beauly-Dounreay	0.000	20.968	23.633	26.159	70.760
Beauly-Mossford	0.000	0.000	2.383	8.574	10.958
Knocknagael	6.091	24.519	9.825	0.000	40.435
SPTL	0.000	4.927	1.903	42.328	49.158
East-West upgrade	0.000	0.000	0.761	15.244	16.005
Western HVDC link	0.000	0.000	0.000	2.600	2.600
SPT-NGET interconnection	0.000	4.927	1.142	24.485	30.554
Grand Total	13.477	102.674	156.566	241.083	513.801

¹⁹ These capital expenditure allowances reflect TII funding decisions reached in January 2010, January 2011 and January 2012, and were previously set out in our April 2012 statutory consultation.