

RIIO-GD1 Business Plan



PCRF 29th May 2012
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Since November, we have received feedback from a number of sources which we have fed into our April 2012 Business Plan resubmission

Feedback from our Stakeholders

- Regional Stakeholder Workshops
- One-to-ones (e.g. TfL, London First, COGDEM)
- On-line consultation on key areas for our April plan

Feedback from Ofgem

Category	Sub-category	NGGD
Process		Green
Outputs		Yellow
	<i>Strategy</i>	Yellow
Cost efficiency	<i>Efficient delivery</i>	Red
	<i>Financeability</i>	Yellow
Financial arrangements	<i>Technical accounting</i>	Green
Uncertainty		Yellow

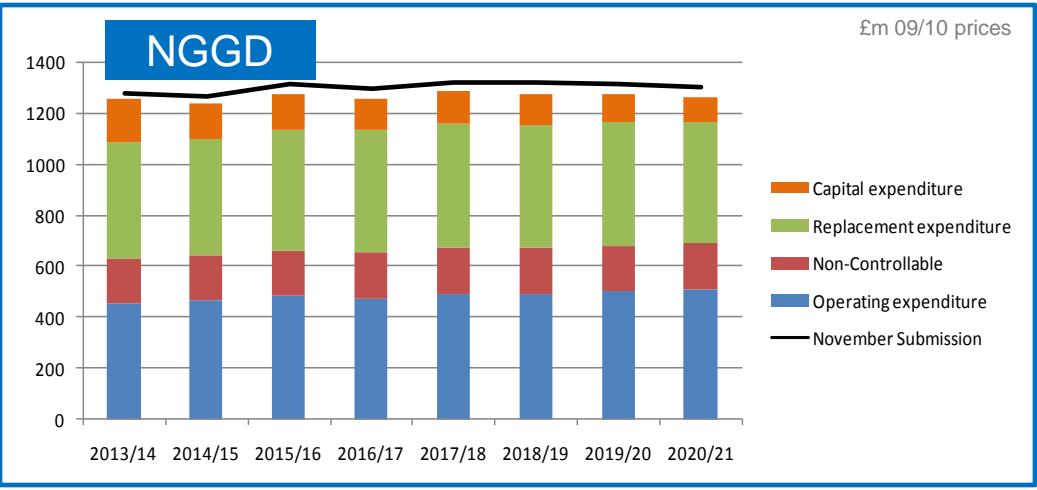
Ofgem Initial Assessment Feb12 – p22 Figure 4.1. Assessment of NGGD's Business Plan

- Common Areas (all companies):
- Sensitivity Analysis and application of Cost Benefit Analysis
 - Benchmarking
 - Treatment of Streetworks and Smart
 - Tier 2 risk threshold
 - Asset Health Output definitions

Internal Challenge and Review

- New information
- Streetworks legislation - scheme development
- Updated output commitments
- Refinement of network specific factors

Business plan expenditure: NGGD



Capex	£1.1bn	
		+
Repex	£3.8bn	
		+
Opex	£5.3bn	
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Totex	£10.2bn	

Customer bills are set to increase less than 50p p.a. and in London £1 lower than our November submission

