

To the Company Secretary:

National Grid Gas Plc (with respect to its gas distribution networks)
(Company Number: 02006000)

Directions issued by the Gas and Electricity Markets Authority to National Grid Gas Plc (with respect to its gas distribution networks) under the Special Conditions of its gas transporter licence in respect of the Annual Iteration Process for the GD1 Price Control Financial Model which will take place by 30 November 2013

WHEREAS

1. National Grid Gas Plc (with respect to its gas distribution networks) ('the licensee') is the holder of a gas transporter licence ('the licence') granted under section 7 of the Gas Act 1986 that includes Special Conditions. This direction refers to all of the licensee's gas Distribution Networks as specified in Special Condition 1A (Restriction of revenue in respect of the Distribution Network Transportation Activity: definitions) of the licence.
2. For the purposes of this direction:
 - (a) the expression "Formula Year t" has the same meaning as is given for it in Special Condition 1A and references to Formula Year t-1 are to be construed accordingly; and
 - (b) Formula Year t is the Formula Year that commences on 1 April 2014 and ends on 31 March 2015 ('Formula Year 2014/15').
3. Special Condition 2B (Annual Iteration Process for the GD1 Price Control Financial Model) requires the Gas and Electricity Markets Authority to:
 - (c) carry out the Annual Iteration Process for the GD1 Price Control Financial Model; and
 - (d) direct the value of the term MOD for Formula Year t, by 30 November in Formula Year t-1.
4. The following Special Conditions provide for the Authority to direct revised PCFM Variable Values for the licensee for the purpose of the Annual Iteration Process for the GD1 Price Control Financial Model which forms part of Special Condition 2A (Governance of the GD1 Price Control Financial Instruments) of the licence:
 - (e) Special Condition 1D (NTS Exit Capacity Cost Adjustment) in respect of 'AEx' values;
 - (f) Special Condition 1F (Revenue adjustments for performance in respect of gas Shrinkage and environmental emissions) in respect of 'ALSC' values;
 - (g) Special Condition 3A (Legacy price control adjustments) in respect of 'LAR' values, (and the component term values 'PAR', 'TAR', 'FAR', 'CAR', 'SAR', 'IFIAR' and 'IAEAR') and 'LRAV' values, (and the component term values 'FRAV', 'CRAV', 'MRAV' and 'SRAV');
 - (h) Special Condition 3B (Determination of PCFM Variable Values for Totex Incentive Mechanism Adjustments) in respect of 'ALC', 'AOC', 'ACO' and 'ARE' values;

- (i) Special Condition 3C (Specified financial adjustments) in respect of 'EDE', 'APFE', 'TTE', 'TGIE' and 'CDE' values;
- (j) Special Condition 3D (The Innovation Roll-out Mechanism) in respect of 'IRM' values;
- (k) Special Condition 3E (Mains and Services Replacement Expenditure) in respect of 'RE' values; and
- (l) Special Condition 3F (Arrangements for the recovery of uncertain costs) in respect of 'IAECCB', 'IAEPPS', 'IAELLC', 'IAESW', 'IAESM', 'IAECA' and 'IAEFP' values.

5. Each of the Special Conditions referred to in paragraph 4:

- (m) sets out the basis on which any revisions to relevant PCFM Variable Values are to be determined; and, where applicable,
- (n) specifies the price control financial methodology in accordance with which revisions to the relevant PCFM Variable Value(s) are to be determined and the chapter of the GD1 Price Control Financial Handbook containing that methodology.

6. In accordance with requirements set out in the Special Conditions referred to in paragraph 4, on 14 November 2013, the Authority gave notice of the revised PCFM Variable Values that it proposed to direct by 30 November in Formula Year t-1 and specified that any representations concerning the proposed values should be made by 28 November 2013.

The reason for this direction is to revise the PCFM Variable Values as used in the Annual Iteration Process for the GD1 Price Control Financial Model (as each of those terms is defined in Special Condition 1A). The Annual Iteration Process is used to calculate values for the terms MOD, that are used in the formulae set out in Special Condition 1B (Restriction of revenue in respect of the Distribution Network Transportation Activity).

7. The Authority received no representations, however some corrections were made by the Authority to the values included in the notice on 14 November 2013. This was done to correct errors that had been identified and the licensee was notified of these corrections on 21 November 2013

8. Schedule 2 to this direction shows the complete PCFM Variable Values Table (as that item is defined in Special Condition 1A) including the values revised under this direction (in bold font) and the values that have not been revised under this direction.

NOW the Authority pursuant to the provisions of the Special Conditions referred to in paragraphs 3 and 4, **HEREBY DIRECTS** that:

- the PCFM Variable Values referred to in paragraph 4 are to be revised as shown in Schedule 1 to this direction; and
- the term MOD for the licensee for Formula Year 2014/15 is to take the values as follows:

East of England	£(3.2)m.
North West	£(2.9)m.
West Midlands	£(2.2)m.
London	£(2.8)m.

Lauren

28 November 2013

Schedule 1 to Direction issued by the Gas and Electricity Markets Authority to National Grid Gas Plc (with respect to its gas distribution networks) dated 28 November 2013

[illegible]

TTE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
TGIE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
CDE	No revision	2.72%	No revision	No revision	No revision	No revision	No revision	No revision
IRM	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
RE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAECCB	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAEEPS	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAELLC	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAESW	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAESM	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAECA	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAEFP	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision

Component term values used to determine the values for LAR and LRAV in the table above:

PAR = 0.6
 TAR = -
 FAR = 0.4
 CAR = 0.2
 SAR = (0.0)
 IFIAR = 0.1
 IAEAR = -
 FRAV = 2.3
 CRAV = (5.5)
 MRAV = (0.2)
 SRAV = (0.0)

Schedule 2 to Direction issued by the Gas and Electricity Markets Authority to National Grid Gas Plc (with respect to its gas distribution networks) dated 28 November 2013

PCFM Variable Values Table for East of England with values revised under the direction shown in bold font

East of England

Input													
East													
Parameter	Licence co	Units	Term	Constant	Annual values								
PCFM year ending	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
PCFM Variable Values Table													
Allowed percentage cost of debt	3C	annual real %	CDE		2.92%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%
Actual load related capex	3B	£m 09/10 prices	ALC		-	-	-	-	-	-	-	-	-
Actual other capex	3B	£m 09/10 prices	AOC		-	-	-	-	-	-	-	-	-
Actual controllable opex	3B	£m 09/10 prices	ACO		-	-	-	-	-	-	-	-	-
Actual replacement expenditure	3B	£m 09/10 prices	ARE		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Enhanced physical site security)	3F	£m 09/10 prices	IAEPPS		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Specified street work costs)	3F	£m 09/10 prices	IAESW		2.5	2.4	2.4	2.3	2.2	2.2	2.1	2.1	2.1
Allowed uncertain costs (Connection charging boundary costs)	3F	£m 09/10 prices	IAECCB		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Fuel poor network extension scheme)	3F	£m 09/10 prices	IAEFP		1.2	1.2	1.2	1.3	1.4	1.4	1.4	1.3	1.3
Allowed uncertain costs (Central agent)	3F	£m 09/10 prices	IAECA		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Smart metering roll out costs)	3F	£m 09/10 prices	IAESM		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Mains and services replacement expenditure)	3E	£m 09/10 prices	RE		-	-	-	-	-	-	-	-	-
Allowed uncertain Costs (Large load connection costs)	3F	£m 09/10 prices	IAELLC		-	-	-	-	-	-	-	-	-
Allowed innovation roll-out mechanism	3D	£m 09/10 prices	IRM		-	-	-	-	-	-	-	-	-
NTS Exit Capacity costs	ID	£m 09/10 prices	AEx		24.7	24.7	24.7	24.7	24.7	24.7	24.7	24.7	24.7
Shrinkage costs	IF	£m 09/10 prices	ALSC		11.8	11.7	11.6	11.4	11.2	11.0	10.9	10.7	10.7
Tax liability allowance adjustments - gearing/interest costs	3C	£m nominal	TGIE		-	-	-	-	-	-	-	-	-
Tax liability allowance adjustments - driven by tax trigger	3C	£m 09/10 prices	TTE		-	-	-	-	-	-	-	-	-
Pension scheme administration and Pension Protection Fund costs	3C	£m 09/10 prices	APFE		0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Pension scheme deficit revenue allowances	3C	£m 09/10 prices	EDE		4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4
Legacy price control allowed revenue adjustment	3A	£m 09/10 prices	LAR		1.2								
Legacy price control RAV additions adjustment	3A	£m 09/10 prices	LRAV		(3.4)								

Schedule 1 to Direction issued by the Gas and Electricity Markets Authority to National Grid Gas Plc (with respect to its gas distribution networks) dated 28 November 2013

North West

	<i>Revised values for Formula Years</i>							
<i>Formula Year</i>	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<i>PCFM Variable Value Name</i>								
AEx	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
ALSC	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
LAR	3.1							
LRAV	(13.2)							
ALC	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
AOC	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
ACO	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
ARE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
EDE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
APFE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
TTE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
TGIE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
CDE	No revision	2.72%	No revision	No revision	No revision	No revision	No revision	No revision
IRM	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
RE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAECCB	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAEEPS	No revision	No	No	No	No	No	No	No

		revision	revision	revision	revision	revision	revision	revision
IAELLC	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAESW	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAESM	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAECA	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAEFP	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision

Component term values used to determine the values for LAR and LRAV in the table above:

PAR = 0.4
 TAR = -
 FAR = 0.3
 CAR = 2.3
 SAR = 0.1
 IFIAR = -
 IAEAR = -
 FRAV = 0.2
 CRAV = (16.9)
 MRAV = 5.9
 SRAV = (2.5)

Schedule 2 to Direction issued by the Gas and Electricity Markets Authority to National Grid Gas Plc (with respect to its gas distribution networks) dated 28 November 2013

PCFM Variable Values Table for North West with values revised under the direction shown in bold font

North West

Input													
North West													
Parameter	Licence condition	Units	Term	Constant	Annual values								
PCFM year ending	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
PCFM Variable Values Table													
Allowed percentage cost of debt	3C	annual real %	CDE		2.92%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%
Actual load related capex	3B	£m 09/10 prices	ALC		-	-	-	-	-	-	-	-	-
Actual other capex	3B	£m 09/10 prices	AOC		-	-	-	-	-	-	-	-	-
Actual controllable opex	3B	£m 09/10 prices	ACO		-	-	-	-	-	-	-	-	-
Actual replacement expenditure	3B	£m 09/10 prices	ARE		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Enhanced physical site se	3F	£m 09/10 prices	IAEPPS		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Specified street work cost	3F	£m 09/10 prices	IAESW		1.0	1.0	0.9	0.8	0.8	0.7	0.6	0.6	0.6
Allowed uncertain costs (Connection charging bou	3F	£m 09/10 prices	IAECCB		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Fuel poor network exten	3F	£m 09/10 prices	IAEFP		0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4
Allowed uncertain costs (Central agent)	3F	£m 09/10 prices	IAECA		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Smart metering roll out c	3F	£m 09/10 prices	IAESM		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Mains and services replac	3E	£m 09/10 prices	RE		-	-	-	-	-	-	-	-	-
Allowed uncertain Costs (Large load connection c	3F	£m 09/10 prices	IAELLC		-	-	-	-	-	-	-	-	-
Allowed innovation roll-out mechanism	3D	£m 09/10 prices	IRM		-	-	-	-	-	-	-	-	-
NTS Exit Capacity costs	1D	£m 09/10 prices	AEx		31.3	31.3	31.3	31.3	31.3	31.3	31.3	31.3	31.3
Shrinkage costs	1F	£m 09/10 prices	ALSC		9.0	8.8	8.7	8.5	8.3	8.1	7.9	7.7	7.7
Tax liability allowance adjustments - gearing/intere	3C	£m nominal	TGIE		-	-	-	-	-	-	-	-	-
Tax liability allowance adjustments - driven by tax	3C	£m 09/10 prices	TTE		-	-	-	-	-	-	-	-	-
Pension scheme administration and Pension Protec	3C	£m 09/10 prices	APFE		0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Pension scheme deficit revenue allowances	3C	£m 09/10 prices	EDE		3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
Legacy price control allowed revenue adjustment	3A	£m 09/10 prices	LAR		3.1								
Legacy price control RAV additions adjustment	3A	£m 09/10 prices	LRAV		(13.2)								

Schedule 1 to Direction issued by the Gas and Electricity Markets Authority to National Grid Gas Plc (with respect to its gas distribution networks) dated 28 November 2013

West Midlands

[illegible]

IAESM	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAECA	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAEFP	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision

Component term values used to determine the values for LAR and LRAV in the table above:

PAR = 0.1
 TAR = -
 FAR = 0.4
 CAR = (0.3)
 SAR = (0.0)
 IFIAR = -
 IAEAR = -
 FRAV = 0.1
 CRAV = 4.3
 MRAV = (9.0)
 SRAV = (0.3)

Schedule 2 to Direction issued by the Gas and Electricity Markets Authority to National Grid Gas Plc (with respect to its gas distribution networks) dated 28 November 2013

PCFM Variable Values Table for West Midlands with values revised under the direction shown in bold font

West Midlands

Input													
West Midlands													
Parameter	Licence condition	Units	Term	Constant	Annual values								
PCFM year ending	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
PCFM Variable Values Table													
Allowed percentage cost of debt	3C	annual real %	CDE		2.92%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%
Actual load related capex	3B	£m 09/10 prices	ALC		-	-	-	-	-	-	-	-	-
Actual other capex	3B	£m 09/10 prices	AOC		-	-	-	-	-	-	-	-	-
Actual controllable opex	3B	£m 09/10 prices	ACO		-	-	-	-	-	-	-	-	-
Actual replacement expenditure	3B	£m 09/10 prices	ARE		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Enhanced physical site se	3F	£m 09/10 prices	IAEES		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Specified street work cost	3F	£m 09/10 prices	IAESW		0.5	0.5	0.5	0.3	0.3	0.3	0.3	0.3	0.3
Allowed uncertain costs (Connection charging bou	3F	£m 09/10 prices	IAECCB		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Fuel poor network extens	3F	£m 09/10 prices	IAEFP		0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Allowed uncertain costs (Central agent)	3F	£m 09/10 prices	IAECA		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Smart metering roll out c	3F	£m 09/10 prices	IAESM		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Mains and services replac	3E	£m 09/10 prices	RE		-	-	-	-	-	-	-	-	-
Allowed uncertain Costs (Large load connection co	3F	£m 09/10 prices	IAELLC		-	-	-	-	-	-	-	-	-
Allowed innovation roll-out mechanism	3D	£m 09/10 prices	IRM		-	-	-	-	-	-	-	-	-
NTS Exit Capacity costs	ID	£m 09/10 prices	AEx		17.4	17.2	16.9	16.9	16.9	16.9	16.9	16.9	16.9
Shrinkage costs	IF	£m 09/10 prices	ALSC		7.0	6.9	6.9	6.7	6.6	6.5	6.4	6.3	6.3
Tax liability allowance adjustments - gearing/intere	3C	£m nominal	TGIE		-	-	-	-	-	-	-	-	-
Tax liability allowance adjustments - driven by tax	3C	£m 09/10 prices	TTE		-	-	-	-	-	-	-	-	-
Pension scheme administration and Pension Protec	3C	£m 09/10 prices	APFE		0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Pension scheme deficit revenue allowances	3C	£m 09/10 prices	EDE		2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Legacy price control allowed revenue adjustment	3A	£m 09/10 prices	LAR		0.1								
Legacy price control RAV additions adjustment	3A	£m 09/10 prices	LRAV		(5.0)								

Schedule 1 to Direction issued by the Gas and Electricity Markets Authority to National Grid Gas Plc (with respect to its gas distribution networks) dated 28 November 2013

London

	<i>Revised values for Formula Years</i>							
<i>Formula Year</i>	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<i>PCFM Variable Value Name</i>								
AEx	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
ALSC	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
LAR	(0.6)							
LRAV	(5.6)							
ALC	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
AOC	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
ACO	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
ARE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
EDE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
APFE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
TTE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
TGIE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
CDE	No revision	2.72%	No revision	No revision	No revision	No revision	No revision	No revision
IRM	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
RE	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAECCB	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAEEPS	No	No	No	No	No	No	No	No

	revision	revision	revision	revision	revision	revision	revision	revision
IAELLC	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAESW	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAESM	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAECA	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision
IAEFP	No revision	No revision	No revision	No revision	No revision	No revision	No revision	No revision

Component term values used to determine the values for LAR and LRAV in the table above:

PAR = 0.6
 TAR = -
 FAR = 0.0
 CAR = (1.4)
 SAR = 0.1
 IFIAR = -
 IAEAR = -
 FRAV = (0.3)
 CRAV = (2.9)
 MRAV = -
 SRAV = (2.3)

Schedule 2 to Direction issued by the Gas and Electricity Markets Authority to National Grid Gas Plc (with respect to its gas distribution networks) dated 28 November 2013

PCFM Variable Values Table London with values revised under the direction shown in bold font

London

Input													
London													
Parameter	Licence condition	Units	Term	Constant	Annual values								
PCFM year ending	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
PCFM Variable Values Table													
Allowed percentage cost of debt	3C	annual real %	CDE		2.92%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%	2.72%
Actual load related capex	3B	£m 09/10 prices	ALC		-	-	-	-	-	-	-	-	-
Actual other capex	3B	£m 09/10 prices	AOC		-	-	-	-	-	-	-	-	-
Actual controllable opex	3B	£m 09/10 prices	ACO		-	-	-	-	-	-	-	-	-
Actual replacement expenditure	3B	£m 09/10 prices	ARE		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Enhanced physical site se	3F	£m 09/10 prices	IAEPPS		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Specified street work cost	3F	£m 09/10 prices	IAESW		9.1	9.0	8.9	8.8	8.8	8.6	8.6	8.6	8.6
Allowed uncertain costs (Connection charging bou	3F	£m 09/10 prices	IAECCB		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Fuel poor network extens	3F	£m 09/10 prices	IAEFP		0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.5	0.5
Allowed uncertain costs (Central agent)	3F	£m 09/10 prices	IAECA		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Smart metering roll out c	3F	£m 09/10 prices	IAESM		-	-	-	-	-	-	-	-	-
Allowed uncertain costs (Mains and services replac	3E	£m 09/10 prices	RE		-	-	-	-	-	-	-	-	-
Allowed uncertain Costs (Large load connection co	3F	£m 09/10 prices	IAELLC		-	-	-	-	-	-	-	-	-
Allowed innovation roll-out mechanism	3D	£m 09/10 prices	IRM		-	-	-	-	-	-	-	-	-
NTS Exit Capacity costs	ID	£m 09/10 prices	AEx		17.2	17.1	17.1	17.1	17.1	17.1	17.1	17.1	17.1
Shrinkage costs	IF	£m 09/10 prices	ALSC		6.1	6.0	5.9	5.8	5.7	5.6	5.4	5.3	5.3
Tax liability allowance adjustments - gearing/intere	3C	£m nominal	TGIE		-	-	-	-	-	-	-	-	-
Tax liability allowance adjustments - driven by tax	3C	£m 09/10 prices	TTE		-	-	-	-	-	-	-	-	-
Pension scheme administration and Pension Protec	3C	£m 09/10 prices	APFE		0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Pension scheme deficit revenue allowances	3C	£m 09/10 prices	EDE		3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Legacy price control allowed revenue adjustment	3A	£m 09/10 prices	LAR		(0.6)								
Legacy price control RAV additions adjustment	3A	£m 09/10 prices	LRAV		(5.6)								