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| **Draft Determination Publication** | |
| **Network Queries** | |
| **Network Reference number** | SGN\_DDQ\_Q82 |
| **Licence** | SGN |
| **Topic/Activity:** | Cost Assessment |
| **Question:** | Relating to models ‘(2) Normalisation\_Sc’ and ‘ (6) Regressions’  There are small discrepancies between the value for Scotland’s normalised adjusted costs the GD2 costs detailed in the (2) Normalisations\_Sc – tab: Out\_Normalised costs and (6) Regressions tab: Inp\_NormCosts\_Sc.  The capex costs on Row 13 appear to be the driver behind the variance. Can Ofgem please clarify the reason for the discrepancy? |
| **Confidential [Yes/No]** | No |
| **DDQ raised by** | Danny Symes |
| **Date query raised** | 30/07/2020 |
| **Expected response date** | 06/08/2020 |
| **Ofgem response:**  The discrepancy is due to a small error in a working version of the file (2) Normalisation\_Sc. In the published file, within the LTS worksheet there is £91.63m of forecast expenditure listed under ‘TA – Separately assessed projects’. However, in an earlier version, and reflected in other files (including the Technical Assessment file) there was £92.60m of forecast expenditure listed. This should in fact be £91.63m, as this corresponds to the correct value of the forecast projects we have removed for technical assessment. Therefore, the capex figures listed in the Regression file are slightly less than what they should be.  The error will be added to our log and addressed at FD. | |
| **Attachments:** | |