|  |  |  |
| --- | --- | --- |
| **Cadent Draft Determination** | | |
| **DD Query** | | |
| **SQ Reference number** | CADENT\_DDQ\_18 | |
| **Document Name** | Cadent Annex p72-75 | |
| **Topic/Activity:** | Corporate Vehicles | |
| **Question:** | Within the Cadent Annex Document, from table 63 through to table 66 we are given RIIO-2 costs for Transport and Plant.  There is a £10.06m difference between our requested amount of £64.56m and the allowance provided in these tables of £54.50m.  Can you provide clarification on the reasons for this reduction please? | |
| **DDQ raised by** | Colleen Cooke | |
| **Date Sent** |  | |
| **Response Due Date** | 20th July 2020 | |
| **Response Received** |  | |
| **Ofgem response:**  Transport and Plant costs were included in our totex model. The indicative allowances for Transport and Plant shown in Tables 63-66 reflect (1) modelled totex, (2) “catch up” efficiency challenge applied to modelled totex, and (3) ongoing efficiency applied to efficient modelled totex.  The methodology for disaggregation of totex allowances is outlined in the Step-by-step guide to cost assessment annex (1.74). | | |
| Attachments: | | |