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| **NGN Final Determination** | | |
| **FDQ Query** | | |
| **Reference number** | NGN \_FDQ\_19 | |
| **Document Name** | Finance Annex | |
| **Topic/Activity:** | Beta | |
| **Question:** | Could Ofgem share the underlying raw data (incl. observable equity beta and gearing) which has been used to estimate values presented in Table 10 on p.42 of the Finance annex?  Could Ofgem also share Model(s)/calculations which would demonstrate how Ofgem has arrived at an unlevered beta range of 0.285 to 0.335 with a point estimate of 0.31, which would trace back the result to the observable data? | |
| **Confidential** | No | |
| **FDQ raised by** | Vladislav Zuevskiy | |
| **Date Sent** | 23-12-2020 | |
| **Ofgem Response** | Due to our contractual agreements with data providers we are unable to share the data that was used to create Table 10.  The unlevered betas were calculated as per footnote 78 to Table 9. Our choices of range and point estimate were made by the use of regulatory judgement rather than using a specific average. | |