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| **SGN Final Determination** |
| **FDQ Query** | |
| **Reference number** | SGN\_FDQ\_022 |
| **Document Name** | RIIO-2 Final Determinations - GD Annex |
| **Topic/Activity:** | Regression Regional Factors |
| **Question:** | In the GD Annex, it is stated that the urbanity productivity adjustment has not been applied to repair costs (GDN Annex 3.69) on the basis of in adequate evidence.  This is clearly erroneous, as repairs are also impacted by urbanity issues and have a direct relationship with emergency work (as one directly follows the other).  The urbanity regional factors should also be applied across maintenance activities which again are specific in terms of their regional location. |
| **Confidential** | No |
| **FDQ raised by** | SGN |
| **Date Sent** | 18.12.2020 |
| **Ofgem Response** | We note SGN’s view but the GD annex sets out Ofgem’s position on this for Final Determinations |