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| **NGN Final Determination** | | |
| **FDQ Query** | | |
| **Reference number** | NGN \_FDQ\_16 | |
| **Document Name** | Normalisation\_Files (all of them). | |
| **Topic/Activity:** | Normalisations and Labour ratios | |
| **Question:** | The labour ratios in CY 2020 and 2021 are 0% for 14 work activities across all Cadent regions. However, there are high labour ratio values in the same 14 work activities in all other years (GD1 and GD2). Is this an error?  Tab named Inp\_LabourRatios.  Side note really, WWU labour ratios for stores & logistics is -13,380% - 17,827%. Shouldn’t all ratios be between 0-100%. Can you build this rule in as an if statement when the models get released again? WWU oddity doesn’t translate to any monetary adjustment. | |
| **Confidential** | No | |
| **FDQ raised by** | Nick Pollard | |
| **Date Sent** | 18-12-2020 | |
| **Ofgem Response** | Re Cadent Labour Ratios: Thanks for pointing this out. Cadent have already highlighted this issue with their labour ratios. We requires detailed investigation and so we will need to review this in early January. If it is confirmed as an error, we will correct and collate with all confirmed technical errors to conduct a final error corrected FD model run in January – and confirm as prt of a collated FD modelling error log.  We also note the comment re WWU labour ratios – but no action is needed. | |