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| **SGN Final Determination** | |
| **FDQ Query** | | | |
| **Reference number** | | SGN\_FDQ\_024 | |
| **Document Name** | | RIIO-2 Final Determinations Normalisation\_File\_Sc & Normalisation\_file\_So | |
| **Topic/Activity:** | | Incorrect adjustment to Iron Stubs | |
| **Question:** | | In their adjustment to Tier 1 Iron Stubs Ofgem have removed the Iron stubs that were included in our original business plan from the resubmitted BPDT.  This is a mistake as the BPDT that was resubmitted in September already excluded Iron Stubs to be aligned with the draft determination.  Two corrections are therefore required   * Scotland – Removed from Normalisation\_File\_Sc tab Cal\_Repex row 73: TA – Tier 1 stubs £2.72m was removed and should be added back. * Southern – Removed from Normalisation\_file\_So tab Cal\_Repex row 74: TA – Tier 1 stubs £5.98m was removed and should be added back.   Can you confirm that you agree with this as an error? | |
| **Confidential** | | No | |
| **FDQ raised by** | | SGN | |
| **Date Sent** | | 29/12/2020 | |
| **Ofgem Response** | | We agree that this is an error. We propose to remove the disallowances made for Tier 1 stubs for both Southern and Scotland in the Normalisation files to reflect the September BPDT submissions. We will also remove the associated lines from the Technical Assessment file and note that this will remove any associated BPI penalties (noting the link with FDQ\_04). | |