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| **SGN Final Determination** | |
| **FDQ Query** | |
| **SQ Reference number** | SGN\_FDQ\_011 |
| **Document name** | NARMS Annex |
| **Topic/Activity:** | NARMs |
| **Question:** | The uplift factor applied to monetised risk output from Ofgem’s NARMs model appears to have been left in by mistake following DD, it is our understanding this should have been removed, can you confirm this is an error? |
| **Confidential** | No |
| **FDQ Raised by** | SGN – [Naveen Panwar] |
| **Date sent** | 15/12/2020 |
| **Ofgem Response:**  As discussed in meeting of 16th December, this issue should be resolved through the process for GDN recalculation of NARM outputs and allowances. | |
| **Attachments:**   |  |  |  |  | | --- | --- | --- | --- | | Southern | NARM Annex/NARW | MR2.1 Ofgem Risk Delta Calculated for FD | Difference Between model and published | | district governors | 0.57 | 0.45 | 22.04% | | lts pipelines | 0.00 | 0.00 | 0.00% | | mains other | 4.58 | 3.57 | 22.04% | | mobs riser | 1.13 | 0.88 | 22.04% | | nts offtakes | 0.00 | 0.00 | 0.00% | | prs | 9.40 | 7.33 | 22.04% | | service governors | 0.32 | 0.25 | 22.04% | | services not associated with mains replacement | 1.18 | 0.92 | 22.04% | | services\_mains other | 0.07 | 0.06 | 22.04% | | services\_steel mains <=2" | 0.12 | 0.09 | 22.04% | | services\_tier 1 | 0.00 | 0.00 | 0.00% | | services\_tier 2a | 0.00 | 0.00 | 0.00% | | services\_tier 2b | 0.37 | 0.29 | 22.04% | | services\_tier 3 | 0.00 | 0.00 | 22.04% | | steel mains =<2" | 0.00 | 0.00 | 0.00% | | tier 1 | 0.00 | 0.00 | 0.00% | | tier 2a | 0.00 | 0.00 | 0.00% | | tier 2b | 1.78 | 1.38 | 22.04% | | tier 3 | 4.36 | 3.40 | 22.04% | | TOTAL | 23.88 | 18.62 |  |  |  |  |  |  | | --- | --- | --- | --- | | Scotland | NARM Annex/NARW | MR2.1 Ofgem Risk Delta Calculated for FD | Difference Between model and published | | district governors | 0.43 | 0.24 | 45.86% | | lts pipelines | 0.00 | 0.00 |  | | mains other | 2.39 | 1.29 | 45.86% | | mobs riser | 1.16 | 0.63 | 45.86% | | nts offtakes | 0.07 | 0.04 | 45.86% | | prs | 2.53 | 1.37 | 45.86% | | service governors | 0.06 | 0.03 | 45.86% | | services not associated with mains replacement | 0.26 | 0.14 | 45.86% | | services\_mains other | 0.03 | 0.01 | 45.86% | | services\_steel mains <=2" | 0.28 | 0.15 | 45.86% | | services\_tier 1 | 0.00 | 0.00 |  | | services\_tier 2a | 0.00 | 0.00 |  | | services\_tier 2b | 0.07 | 0.04 | 45.86% | | services\_tier 3 | 0.00 | 0.00 | 45.86% | | steel mains =<2" | 0.00 | 0.00 |  | | tier 1 | 0.00 | 0.00 |  | | tier 2a | 0.00 | 0.00 |  | | tier 2b | 1.11 | 0.60 | 45.86% | | tier 3 | 1.19 | 0.64 | 45.86% | | TOTAL | 9.59 | 5.19 |  | | |