

Guidance

Offshore Transmission Regulatory Instructions and Guidance: Tender Round 5

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These regulatory instructions and guidance (RIGs) are provided to OFTOs to enable them to complete the reporting templates that they are required to submit under their offshore transmission licence (Licence). This document applies to the licensee of a Licence granted in tender round 5 (TR5) only, and does not apply to the licensee of a Licence granted in tender round 1, 2, 3 or 4 (TR1, TR2, TR3 or TR4).

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Foreword

Ofgem and the Department of Business, Energy and Industrial Strategy (BEIS), have developed a regulatory regime for offshore electricity transmission. A key part of the regime is that a Licence may be granted to an OFTO following a competitive tender process run by Ofgem.

Under the terms of the Licence, licensees are required to submit cost, revenue and incentive reporting to the Gas and Electricity Markets Authority (the Authority). This document provides licensees with detailed instructions on what to report and offers guidance on how to complete the reporting templates.

Associated Documents

- Offshore transmission owner reporting pack for TR5 licensees

Available from the Ofgem website www.ofgem.gov.uk.

Executive Summary

This document is the Offshore Transmission Owner Regulatory Instructions and Guidance (RIGs) referred to under Amended Standard Condition E12 – D1 (Offshore Regulatory Reporting) of the Licence.

In addition, the RIGs has been adapted to incorporate Amended Standard Condition E12 – D2 (Equity Transaction Reporting Requirement)¹.

This document covers provision of information relating to revenues and cost reporting and covers provision by the licensee to the Authority² of information relating to the Licensee's costs, financial position and performance.

These RIGs apply to Licences granted for projects in TR5 only. The existing RIGs published shall continue to apply to licensees in respect of Licences granted for TR1, TR2, TR3 and TR4 projects. The reason for there being separate RIGs applying to Licences for TR1, TR2, TR3 and TR4 projects is that the Licence revenue formulae differ.

The information described in this document is required for a number of reasons:

1. Compliance assurance

The information collected through these RIGs allows Ofgem to monitor effectively the revenue of the consolidated transmission business and to confirm that the revenues charged are in line with the tender revenue stream (TRS) as adjusted for incentives.

2. Monitoring incentives

In order to ensure that the incentives are working as intended and that they are properly balanced we need to obtain and review reliable data about performance against incentives and the associated revenue impact.

3. Licence compliance

Conditions E12 – D1 (Offshore Regulatory Reporting) and E12 – D2 (Equity Transaction Reporting Requirement) of the Licence require this data to be collected and provided to Ofgem.

4. Building knowledge

Acquiring experience and knowledge of the actual costs involved in operating an OFTO will enable the Authority to evaluate subsequent tenders more effectively.

5. Financial health

In performing its functions, the Authority has regard to the need to secure that an OFTO can finance its offshore transmission activities and obligations. Monitoring enables us to respond as early as possible in the event an OFTO's financial health deteriorates.

¹ <https://www.ofgem.gov.uk/publications-and-updates/decision-under-section-11a-1-b-electricity-act-1989-modify-offshore-electricity-transmission-licenses-so-introduce-amended-standard-condition-e12-d2-equity-transaction-reporting-requirement>

² Ofgem is the office of The Gas and Electricity Markets Authority ('the Authority'). The terms 'Ofgem' and 'the Authority' are used interchangeably in this document.

The RIGs provide a framework that enables OFTOs to collect the data and report it to Ofgem in a consistent format. The RIGs inform OFTOs about the information we plan to collect, guide them on how to provide this information and enable them to put the systems in place to collect the data in the detail we require.

With regard to revenue reporting, this document covers two separate reporting requirements under Amended Standard Condition E12 – D1 (Offshore Regulatory Reporting):

- **Revenue Reporting**

Covering the provision of audited and forecast revenue as stipulated by paragraph 7 of Amended Standard Condition E12 – D1 (Offshore Regulatory Reporting). In essence this aims to provide Ofgem with the audit trail of all allowed revenue generated by the licensee in each relevant year; and

- **Incentives Reporting**

Providing information on incentives schemes, specifically the availability incentive and the incremental capacity incentive under Amended Standard Condition E12 – J4 (Restriction of transmission revenue: Annual revenue adjustments).

These RIGs may be modified in accordance with the procedure detailed in Amended Standard Condition E12 – D1 (Offshore Regulatory Reporting). **For the avoidance of doubt licensees must not change the structure of the RIGs** – this includes adding or removing rows or columns even if there is no data in them. If a licensee identifies a need for a change then they should raise the matter with Ofgem and we may make the change to the master version of the reporting template as required.

1. Introduction

- 1.1. Amended Standard Condition E12 – D1 establishes the requirements of the RIGs.
- 1.2. The RIGs contain the specified information to be reported in the templates provided in Appendices 1-5. The specified information is identified in Chapters 2, 3, 4 and 5.
- 1.3. Amended Standard Condition E12 – D2 requires the annual submission of relevant equity transactions to the Authority. Details of these requirements are outlined in Chapter 6.
- 1.4. Chapter 7 covers reporting arrangements and the provision of revenue returns to the Authority with Chapter 8 providing details on completing the templates.
- 1.5. For the avoidance of doubt this document is subordinate to the Licence conditions. This document will not change, alter, or amend, any definition or obligation contained within the Licence. In the event of any inconsistency between the Licence conditions and this document the Licence conditions will take precedence.
- 1.6. These RIGs may be modified, from time to time, in accordance with the change process set out in paragraphs 15 to 21 of Amended Standard Condition E12 – D1. Ofgem recognises that any significant changes to the scope or form of the information that it requests from the licensees could not only increase the regulatory burden upon licensees but may also increase the perception of regulatory risk. Ofgem will take all reasonable steps to minimise the number of changes to the scope and form of the information it requests in relation to this document, consistent with Ofgem carrying out its functions under the Electricity Act 1989.
- 1.7. If any of the guidance contained in this document is at any time not sufficiently clear to a licensee, then that licensee should contact Ofgem for further guidance and to discuss potential changes to the reporting templates which may be required. In the first instance queries should be directed to:

Ilona Groenewald
Senior Manager, Financial Analysis
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ilona.groenewald@ofgem.gov.uk and offshore.reporting@ofgem.gov.uk.
020 7901 1851

2. Specified Information – general

Sign Off

2.1. The input cells on the sign off sheet are to be completed by a director of the licensee. Once all other data has been collected in the return and immediately prior to submission of the return to the Authority:

2.2. each individual tab of the return should be reviewed and the name of the preparer and the name of the reviewer recorded in the specified input cells on the left of each tab. The reviewer should also tick the box to indicate that the tab has been reviewed and all issues properly resolved.

2.3. For the avoidance of doubt the review of each tab need not necessarily be performed by a director of the licensee though the declaration on the 'Sign off' tab must be. The director making the declaration must have taken adequate steps to satisfy themselves that they are able to make the declaration shown on that tab.

Universal Data

2.4. **Company number:** this should be the official company registration number issued by Companies House upon incorporation of the licensee.

2.5. **Company name:** this should be the official name of the company as reported on filings submitted to Companies House. In the event that the name of the company has changed during the year then the name reported in this tab should be the name as at year end, i.e. 31 March.

2.6. **Company short name:** this should be a standard abbreviation of the name of the licensee which should be used whenever the name of the licensee is to be abbreviated.

2.7. **Project:** this should be the name of the offshore transmission system their licence is granted in respect of TR5.

2.8. **Reporting year:** this is the most recent year for which data are being submitted. The regulatory reporting year runs from 1 April to 31 March. It is anticipated that where Licence grant does not coincide with the start of the regulatory reporting year that the first reporting period will be for a period of less than 12 months (i.e. to next 31 March). The convention used in naming reporting years is to use the name of the year in which the regulatory reporting year ends. For example, the regulatory reporting year which started on 1 April 2013 and ended on 31 March 2014 is referred to as '2014'.

Where a licence is granted between 1 January and 31 March the licensee will not be required to submit RIGs on the first 31 July following licence grant. The licensee should instead submit RIGs on the following 31 July which include the initial period between licence grant and the first 31 March regulatory year end. In these cases, the first RIGs submissions will be for a period of between 12 and 15 months.

2.9. **Version (Number):** where cost reporting templates have been resubmitted for any reason each submission should be separately identified by its version number. The version numbers should be successive positive integers such that the first submission is always version 1 and any subsequent resubmissions will be labelled version 2, 3, 4 etc.

The Authority's agreement is required before any resubmission of information set out in a report produced in accordance with these RIGs can be made and in any such instance the report concerned must be resubmitted in full. The resubmission must only be accompanied by a letter signed by a director where significant changes have been made and the Authority or the licensee decide such a letter is required.

In addition, for each resubmission a separate explanation must be provided listing each and every cell that has been amended and sufficient commentary to explain the reasons for the changes.

2.10. **Submitted date:** paragraph 7 of Amended Standard Condition E12 – D1 requires that the completed cost reporting templates are submitted by 31 July following the end of the year to which the information relates. For example, the data for the reporting year 2019 should be submitted by 31 July 2019. This cell should specify the date on which the return was sent to the Authority.

2.11. **Date to which last statutory accounts were made up:** this is the date to which accounts were prepared or are being prepared for submission to Companies House. This should be the most recent such date which fell within the reporting year. For example, if a licensee were to prepare its statutory accounts to 31 May each year then, in the reporting year 2019 the 'Date to which last statutory accounts were made up' ought to be 31 May 2018 (since 31 May 2019 does not fall within the reporting year 2019).

3. Specified information – revenue reporting

3.1. The specified information for revenue reporting is as described below.

3.2. **Specified Information for Transmission Owner activity** means:

- the term: 'Allowed Transmission Owner Revenue' and all subsequent terms used in its calculation as described by the Amended Standard Conditions E12 – J2 to J4; and
- Excluded Services information as defined in Amended Standard Licence Condition E12 – J10.

3.3. **Allowed Transmission Owner Revenue (OFTO_t)** defined as:

$$\text{OFTO}_t = \text{BR}_t + \text{PT}_t + \text{PA}_t - \text{K}_t$$

where each of the terms is explained below including the cross references to the relevant clauses in the Licence conditions where the detailed terms are defined.

3.4. **Base Revenue Term BR_t:** BR_t refers to base transmission revenue as defined in Amended Standard Condition E12 – J2:

$$\text{BR}_t = \text{PR}_t(\text{TRS}_t(\text{RIT}_t \times \text{BI}_{\text{TRS}} + (1 - \text{BI}_{\text{TRS}})) + \text{MRA}_t(\text{RIT}_t \times \text{BI}_{\text{MRA}} + (1 - \text{BI}_{\text{MRA}})) + \text{PTR}_t(\text{RIT}_t \times \text{BI}_{\text{PTR}} + (1 - \text{BI}_{\text{PTR}})))$$

with all subsequent terms defined in that condition.

3.5. **Pass Through Items (PT_t):** PT_t refers to Pass Through items and is defined in accordance with paragraph 1 of Amended Standard Condition E12 – J3. It is derived from the following formula:

$$\text{PT}_t = \text{LF}_t + \text{RB}_t + \text{CEL}_t + \text{DC}_t + \text{IAT}_t + \text{TPD}_t + \text{TCA}_t + \text{MCA}_t - \text{RF}_t$$

with all subsequent terms defined in that condition.

3.6. **Performance Availability (PA_t):** PA_t refers to incentive payments and is defined in accordance with Amended Standard Condition E12 – J4 paragraph 1. It is derived from the following formula:

$$\text{PA}_t = \text{AI}_t + \text{ICA}_t$$

with each subsequent term defined in that condition.

- 3.7. **Correction Factor (K_t):** K_t is the revenue restriction correction factor and is defined in accordance with paragraph 4 of Amended Standard Condition E12 – J2. It is defined by the following formula:

$$K_t = (AR_{t-1} - OFTO_{t-1}) \times [1 + (I_t + PI_t)/100]$$

With all subsequent terms defined in that paragraph.

- 3.8. The specified information for the incentive reporting is:

- 3.8.1. **Specified information relating to availability incentive:** Specified information for the availability incentive as defined in Amended Standard Condition E12 – J4 shall mean the following:

- Reduction in capacity (MWhr)
- Number of events impacting the incentive calculations
- The other availability incentive inputs shown in the associated reporting templates

All outages need to be reported, even if an exclusion is being sought. If there have been no outages, then this need not be stated and the input cells left blank.

- 3.8.2. **Specified information relating to incremental capacity incentive:** Specified information for the incremental capacity incentive, defined in Amended Standard Condition E12 – J4, shall mean the following:

- kVA of additional capacity available
- Additional capacity made available

4. Specified information – cost reporting

- 4.1. The information to be provided as part of the cost reporting regime identified in Amended Standard Condition E12 – D1 (Offshore Regulatory Reporting) is specified in detail in Appendix 5 which consists of screen shots of the cost reporting templates which are themselves spreadsheets. This section sets out the definitions of the terms used in those spreadsheets. The headings used in this document mirror the headings used in the cost reporting templates (i.e. the spreadsheets).
- 4.2. All cost and revenue data should be reported on an accruals basis unless otherwise specified.
- 4.3. All monetary amounts should be reported in £m and to three decimal places.
- 4.4. All data is to be reported in nominal terms unless otherwise specified.
- 4.5. In several cases the cost reporting templates are designed to capture the data across the duration of the Licence. In these cases, all previous periods are to be completed with the outturn figures and all future periods are to be completed with forecasts.
- 4.6. A general principle to be applied in the completion of the cost reporting pack is:

Where possible the data requested should be provided. Where it is not possible for any reason to provide the data in the detail required this should be explained in a commentary submitted alongside the reporting pack.

- 4.7. The template includes 'spare' rows to cater for some variation in the way OFTOs are accounted for (e.g. under different accounting treatments). The Authority welcomes the opportunity to engage with OFTOs to further develop the reporting pack to be more flexible, if necessary, in dealing with different accounting approaches.

Sheet 8. Operating costs

- 4.8. **Income figures:** these lines reference the data in tab 14 (Statement of Comprehensive Income). They are included in this tab for ease of reference only.
- 4.9. **Operating and maintenance costs:** the split of O&M costs here is designed to be exclusive and universal such that any cost fits into one and only one category. If a cost arises which does not fit into precisely one category, then the licensee is to contact Ofgem to discuss the matter. This situation is not expected to arise since the headings classify the costs according to the cause of the O&M activity and any given O&M cost should be identifiable as either ongoing, reactive or reserve build-up.
- 4.10. Where individuals are involved in different types of O&M work the associated labour costs should be allocated on an appropriate basis (e.g. hours worked). Overhead costs should not be absorbed into O&M or other activity costs but should be separately reported under SPV costs.
- 4.11. **Insurance:** the 'insurance type' shown in row 27 should be filled in as either 'self insurance' or 'third party insurance' to indicate the nature of the OFTO's insurance arrangements. Rows 31 – 45 are designed to record all aspects of property insurance costs.

As with other cost reporting categories if a cost cannot be properly allocated to one of the categories shown then it is to be discussed with Ofgem. The insurance memo items in rows 53 - 74 are not included in the cost total. These rows should be completed to show the sum insured and deductible applicable to each of the asset classes and insurance categories shown.

4.12. **Decommissioning:** the 'accruals' line should record the decommissioning cost in a given period in accordance with the GAAP being used. Therefore, if there is a net increase in decommissioning provision in the period then the movement should be shown here. The 'cash' line should record only actual expenditure on decommissioning, i.e. should not record provision movements.

4.13. **SPV costs:** all overhead costs are to be shown in rows 80 - 97. If the licensee identifies a cost which does not fit in to one of the categories shown, then they are to use the 'other' cell provided and input the description of the costs in question.

4.14. **Replacement expenditure (various):** these cells are for recording the cost of any replacement capex. Items costing less than £1,000 should be aggregated and reported as 'low value items'. Items costing £1,000 or more should be separately identified and reported under the relevant heading (offshore platform, onshore to offshore transfer, etc.).

4.15. **Bid costs:** The costs associated with the tender process should be reported here split out by the categories shown with other categories of cost separately shown in the input cells provided.

4.16. In the event that these costs are capitalised then the check sheet will show an error and this should be explained by way of explanatory note submitted alongside the reporting pack. The amounts of these costs (whether expensed or capitalised) should be reported in the cost reporting pack.

4.17. **Other costs:** These cells should be used to record costs which do not fit in to any of the previous categories.

Sheet 9. Financing – equity and intercompany debt

4.18. **Equity:** the initial equity used to incorporate the licensee should be reported as an equity injection in the first period.

Dividends should be reported on the basis of date declared, i.e. dividends are to be reported if and only if the date on which they were declared falls within the reporting year.

The reporting convention is as shown in the spreadsheet: increases in equity are to be shown as positive, decreases are to be negative. Dividends declared should also be a positive figure.

If the licensee is involved in other equity transactions such as share buy-backs, then they should contact Ofgem for guidance on how best to report this.

4.19. **Subordinated debt:** these cells are for recording the principal outstanding and any interest payments or compounding of interest. The name of each tranche ought to be sufficient to identify the counterparty and any significant terms of the loan which are not captured elsewhere.

The reporting convention is as shown in the spreadsheet: increases in debt are to be shown as positive, decreases are to be negative.

4.20. **Debt raised by holding companies:** Where a licensee is financed by debt which is raised at holding company level details of the respective balance sheet positions should be shown here along with the identity of the holding company.

The debt raised by this holding company should be included in the cost reporting pack as if the debt were raised by the licensee itself such that the cost reporting pack provides details of all the financing which specifically finances the licensee either directly or indirectly.

4.21. **Parties to debts:** Where one or more of the financial instruments detailed in the cost reporting pack was entered into by the holding company on the OFTOs behalf (e.g. if the HoldCo raises a bond and on-lends the proceeds to the licensee) then each such financial instrument should be identified. Hence in the bond example, the party to 'Bond 1' would be entered as 'HoldCo' in row 92. All financial instruments which the OFTO enters into on its own behalf should be identified as such in rows 84 – 102. Clearly 'Both' should be entered in rows 84 – 86 where there are loans between OFTO and HoldCo.

4.22. In situations where there is no debt raised at HoldCo level specifically for on-lending to the licensee then 'OFTO' should be entered in each of rows 84 – 102.

Sheet 10. Financing – senior debt

4.23. **Senior debt:** as with the subordinated debt the name of the tranche should specify the counterparty and any key terms. In situations where the debt is syndicated amongst five or fewer banks then each bank should be named. Where more than five banks are involved in a given tranche then only the facility counterparty need be named.

The first debt brought forward figure should be £nil in all cases and the acquisition debt should be recorded as 'senior debt issued' in the first period.

The reporting convention is as shown in the spreadsheet: increases in debt are to be shown as positive, decreases are to be negative.

4.24. The London Interbank Offered Rate (LIBOR) figure reported for each period ought to be the weighted average of the LIBOR data used in the calculation of the interest due on the senior debt for that period.

Sheet 11. Financing – bonds

4.25. **Bonds:** where a licensee has issued a bond the details are to be recorded in this tab. In the case of zero coupon bonds the notional increase in the amount of bond repayable should be recorded under the heading 'Unpaid coupons rolled up'. In the case of index linked bonds the increase or decrease in the value of the principal as a result of indexation should be recorded under the heading 'indexation adjustment'.

The description of the bond ought to include the coupon and maturity of the bond.

Sheet 12. Financing – derivatives and other

4.26. **Derivatives:** it is anticipated that licensees will obtain one or more swaps as part of their hedging strategy. The data collected here are intended to enable the Authority to monitor the cash and fair value impacts of these swaps.

The cash flows for each swap 1 should show the notional amount payable and receivable on each swap, even if the swaps are settled on a net basis. In order to deduce the fair value of each swap it is necessary to discount the cash flows using an appropriate discount rate as shown in the spreadsheet. It is for the licensee to determine the value of the appropriate discount rate (e.g. by reference to index linked gilt curves). From these inputs the spreadsheet calculates the fair value of each swap as the NPV of future cash flows. The licensee should satisfy themselves that the fair value figures being reported are consistent with the fair value figures being used for accounting purposes (i.e. it should agree to the fair value of the derivative shown on the balance sheet).

In the case of other (i.e. non-swap) derivatives only the fair value needs to be reported. This fair value should also agree with the fair value used for accounting purposes.

4.27. **Swap type:** this cell is for recording the underlying attribute which is being swapped. If the licensee enters into a swap other than for interest or inflation then they should record it in the input cell in column G. The input cells in column G feed the drop down list available against 'swap type' in column D (e.g. G13 feeds D12).

4.28. **Swap underwriter(s):** in situations where the swaps are underwritten by a number of underwriters each of those underwriters should be listed in this cell with a semi-colon between underwriters.

4.29. **Other instruments:** these lines are intended to capture other financial instruments and securities such as performance bonds. The nature, purpose and keep terms (such as call date and conditions) should be stated in the description box.

Sheets 9, 10 & 11. Financing – various

The following guidance applies variously to subordinated and senior debt and bonds and is therefore applicable to tabs 9, 10 and 11.

4.30. **Name of tranche:** The name of each tranche of each type of debt should identify the counterparty and any key terms associated with the debt.

4.31. **Interest rate:** The interest rate should be shown to three decimal places. Where the rate is variable the details should be specified in the cell, e.g. 'LIBOR+2.000%'.

4.32. **Amount issued:** The amount issued figure should be the year end figure such that the total of all amounts issued agrees to the balance sheet.

4.33. **Maturity:** If a loan has no fixed repayment date then brief details should be provided in the 'maturity' cell.

4.34. **Bonds:** The details of the bond should be specified in the cells provided. Any special characteristics (e.g. index linked or zero coupon) of the bond should be highlighted in the name of the bond.

Sheet 13. Tax

In order to ensure that the data provided is as reliable as possible whilst simultaneously reducing the reporting burden the licensee should provide alongside the cost reporting pack a copy of the CT600 form which they have most recently provided to HMRC. We accept that this will mean there is a lag between the period to which the return relates and its eventual submission but this is unavoidable. The licensee should also provide screenshots of the CT600 in the cost reporting pack.

Should the CT600 or HMRC be replaced by successor form(s) or organisation(s) respectively then the references above should be interpreted as references to those successor form(s) or organisation(s).

In due course reconciliation from the CT600 to statutory accounts will be required though no reconciliation pro-forma is currently shown in the cost reporting pack. This is because there is limited value in trying to anticipate each licensee's particular circumstances as would be necessary for preparing such a pro-forma. Instead a reconciliation will be provided in a subsequent version of these RIGs as required. This can be expected once we have received a CT600 from two or more separate OFTO groups.

Sheet 14. Statement of comprehensive income

The whole table should be completed with actual data for all elapsed periods (i.e. prior to and including the reporting year) and with forecast data for all future periods. This table and the statement of financial position attempt to be sufficiently flexible to reflect any of the possible accounting treatments an OFTO may adopt. Hence it is expected that some rows will contain only nil values - for example there would not likely be both IFRIC 12 amortisation and depreciation of operational assets.

4.35. **GAAP used (UK or IFRS):** All UK companies are expected to converge to IFRS in due course. In any event licensees should record which GAAP has been used in the preparation of the statement of comprehensive income for each year. The accounting treatment used in preparing the statement of comprehensive income and the statement of financial position should be specified in row 10. If the accounting treatment used is not shown in the drop down list in row 10 the licensee should select 'Other' and specify in row 11 the accounting treatment used.

4.36. **Revenue:** revenue should be reported in accordance with the GAAP specified at the top of the table.

4.37. **Other operating income:** other operating income should be reported in accordance with the GAAP specified at the top of the table.

4.38. **Operating costs:** operating costs should be reported in accordance with the GAAP specified at the top of the table. Where these figures are reported under the same headings as in the operating assumptions and operating costs tab then the figures should agree.

4.39. **Interest income and similar income:** these figures should be reported in accordance with the GAAP specified at the top of the table.

4.40. **Interest expense and other finance costs:** these figures should be reported in accordance with the GAAP specified at the top of the table. The interest payable figure should agree to the total interest payable on bonds, senior debt and subordinated debt. If the licensee has other interest which should be reported as interest payable under the GAAP being used and the table doesn't include the necessary row heading then they should contact Ofgem for guidance.

4.41. **Taxation:** these figures should be reported in accordance with the GAAP specified at the top of the table. These figures should be consistent with those in the operating assumptions tab. If there is a difference this needs to be explained.

4.42. **Other comprehensive income:** licensees should report here any items which are to be recognised directly in equity. If there are items which the licensee needs to recognise directly in equity and for which there is currently no heading then the licensee should contact Ofgem.

4.43. **Exceptional items:** All exceptional items should be included in the results shown in the statement of comprehensive income and explicitly identified in the memo item rows (rows 69 – 73). The description of each exceptional item should make it clear which element of profit and loss is being adjusted and the reason for the adjustment. The description should also clearly justify why the item is exceptional.

4.44. **Fair value gains and losses:** where the licensee has designated its swap arrangements as cash flow hedges and is consequently revaluing swaps to fair value and putting the revaluation through the income statement the revaluations associated with each swap should be shown in rows 76 – 81. Any other fair value gains or losses should be described in sufficient detail to justify why the item is a fair value gain or loss using the input cells provided.

Sheet 15. Statement of financial position

If there are items which the licensee needs to report in the statement of financial position which do not currently have row headings, then the licensee is to discuss the matter with Ofgem.

All items in the statement of financial position are to be reported in accordance with the GAAP shown at the top of the sheet.

4.45. **Cash reserve accounts:** These are memo items only and therefore do not form part of the statement of financial position – the statement of financial position should include all assets and liabilities and balance in its own right. The purpose of reporting this information here is twofold:

- i. to corroborate the reporting of financial ratios
- ii. to monitor licensee's financial position relative to the financial model submitted as part of the original bid.

Therefore, the balances on these accounts should be as reported for bank covenant reporting and should only include the balances on the properly ring-fenced reserve accounts. The figure reported in row 93 should be the total cash held by the licensee outside of reserve accounts. Hence the total of rows 84 to 92 should agree to the figure shown in row 31 (cash and cash equivalents).

Sheet 16. Cash flow statement

If there are items which the licensee needs to report in the cash flow statement which do not currently have row headings, then the licensee is to discuss the matter with Ofgem.

All items in the statement of financial position are to be reported in accordance with the GAAP shown at the top of the sheet.

Sheet 17. Financial ratios

The purpose of this tab is to provide a summary of the licensee's financial position and compare this with the funder's covenants.

All data for past periods should be actual data. The return should also be completed for future periods based on forecast data.

These RIGs focus only on the cells where the licensee's input is required.

4.46. Covenants: The licensee should record the minimum annual debt service cover ratio and minimum loan life cover ratio specified by the lenders in the credit agreement(s). The figure reported should be the strictest (if different lenders have offered different terms) for the least severe situation (e.g. if distribution lock-up occurs at 1.15x and default occurs at 1.10x then 1.15x is the figure to be reported).

In situations where lenders have specified financial ratios as covenants as well as or instead of ADSCR and LLCR then these financial ratios are to be specified. These other covenants should be specified in rows 21 and 22 and the licensee's performance on these ratios should be specified in rows 26 and 27 respectively.

In situations where the licensee reports its ratios to debt providers on a consolidated basis (for instance where finance is provided other than directly to the licensee) then the ratios reported here should similarly be those consolidated ratios. The fact that the ratios are based on a consolidated position should also be noted and briefly described in a commentary to be provided alongside the reporting pack.

4.47. Ratios: These should be the ratios as reported to the licensee's funders. The actual ratios may be directly input (i.e. without supporting calculation) though the methodology used to calculate the ratio should be described in the relevant box below (see rows 35 to 44 of the reporting template).

4.48. Transfer value and subsequent capex: The licensee should include the transfer value and any subsequent capital expenditure or disposals. The transfer value reported should be the final ex-post transfer value as agreed with the Authority.

Sheet 18. Reconciliation of internally consistent figures

No data needs to be entered by the licensee into this sheet. The licensee should still review the reconciliation tab to ensure that all data have been properly reconciled prior to submission to the Authority. Accordingly, the reviewer details cell is still provided on the left of the sheet along with a check box to be completed as an indication that the sheet has been reviewed.

In situations where one of the checks reveals an internal inconsistency the matter should be explained in a short commentary to be submitted along with the reporting pack. These situations are only expected to arise in situations which were not foreseen at the time the reporting packs were constructed. Furthermore, the licensee should discuss any such matters with Ofgem so that the reporting pack can be amended for the subsequent year's reporting to avoid any more internal inconsistencies.

Sheet 19. Reconciliation to statutory accounts

In order to provide some comfort that the figures reported in the cost return are consistent with those reported in the statutory accounts the licensee will have to declare in each cost return how much of each of the reported profit and loss figures is attributable to the most recent statutory accounts and how much will be attributable to the next period's statutory accounts. The diagram below shows an example:

	2011												2012														
	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Revenue (£m):	Stats #1						Stats #2																				
	4					9	5						7												3		
Revenue (£m):	Regs #1			Regs #2						Regs #3																	
	4																										
Revenue (£m):	Cost return #1			Cost return #2						Cost return #3																	
	Previous: 0																										
	Subsequent: 4																										

In the example above the first cost return is provided in July 2011 and covers the period 1/1/11 – 31/3/11. All costs and revenues in that return should be reported as being attributable to a subsequent accounting period (column F in the return) since no statutory accounts had been drawn up prior to 31 March 2011. When the second cost return is submitted the 'Previous' figure (column E in the return) should be the balancing figure required to agree with the total figure submitted in the first set of statutory accounts.

This process requires licensees to make an estimate of how their revenue and costs are split across the year since the statutory accounts and Ofgem accepts that the split may not be precise since month end cut-off procedures are rarely as rigorous as year-end ones. Nonetheless licensees should be able to make a reasonably reliable estimate based on the monthly accounts and the results should give the Authority some comfort that the figures reported are broadly in line with those which are subject to statutory audit.

4.49. **Attributable to last statutory accounts:** As described above this will be the balancing figure required to ensure that the current return's previous figure plus the previous period's subsequent figure total to the figure reported in the statutory accounts.

4.50. **Attributable to the statutory accounts for the year to [next accounting period]:** As described in the above example, these figures will be management's best estimate of the amount of costs and revenues reported in the cost return which are attributable to a set of statutory accounts which have not yet been prepared.

4.51. **Total items included in cost return but not in statutory accounts:** This column is to be used for recording the total value of reconciling items of this sort. Note that the reconciling items should not be the result of timing differences since the structure of the reconciliation captures the appropriate costs and revenues for the period. Any reconciling totals must be supported by a breakdown of individual items where each item is properly explained. The Authority may ask for documentary support of reconciling items. This data should be reported in nominal terms.

4.52. **Total items included in statutory accounts but not in cost return:** This column is to be used for recording the total value of reconciling items of this sort. Note that the reconciling items should not be the result of timing differences since the structure of the reconciliation captures the appropriate costs and revenues for the period. Any reconciling totals must be supported by a breakdown of individual items where each item is properly explained. Ofgem may ask for documentary support of reconciling items. This data should be reported in nominal terms.

5. Specified information – sulphur hexafluoride reporting

- 5.1. The purpose of Sulphur Hexafluoride reporting is to secure the collection of specified information so as to enable the Authority to effectively establish the quantity of sulphur hexafluoride contained in the Licensee's transmission system, and the emissions thereof by the Licensee, in the relevant year.
- 5.2. This information is to be provided as part of Amended Standard Condition E12 – D1 (Offshore Regulatory Reporting), and an additional reporting requirement for licences granted for TR3 projects onwards.
- 5.3. Appendix 6 depicts the reporting template to be completed, and the information required is described below:
- 5.4. **SF₆**: Is the chemical symbol for Sulphur hexafluoride, a gas that is used as both an insulating and arc extinction medium in electrical plant. The reporting requirement in respect of fugitive BCF emissions attributed to SF₆ lost from electrical plant.
- 5.5. **SF₆ Bank**: This is the total kilograms of sulphur hexafluoride (in kg) held by the OFTO, both for assets installed on the network and those held in inventory. Each OFTO's SF₆ bank should be calculated according to the methods set out in ENA Engineering Recommendation S38.
- 5.6. **SF₆ Emitted**: This is the total kilograms of sulphur hexafluoride emitted during asset installation (only if gassed by the OFTO), service life and decommissioning. Service life emissions include those due to leakage (measured through top-ups); those measured during service activity requiring gassing and degassing; and those due to equipment failure resulting in the loss of all gas contained by the asset. The SF₆ emitted value should account for gas recovered.

6. Specified information – equity transaction reporting

6.1. The Authority has modified all electricity transmission licences by adding a new amended standard condition, E12 – D2 (Equity Transaction Reporting), in an effort to:

- increase transparency of equity transactions following licence grant, and
- provide the Authority with information on the appetite in the secondary equity market for investment in OFTOs.

6.2. Appendix 7 illustrates the template designed for this purpose, which requires details to be completed such as:

- the date of the transaction(s);
- the value of the transaction(s);
- where applicable, the number of shares the licensee transferred, issued or bought back and the percentage of the total shares of the licensee this represents; and
- where applicable, the percentage of the licensee now owned by the new ultimate controller(s).

6.3. This reporting requirement is relevant to all OFTOs.

7. Reporting arrangements

Revenue -, cost -, and sulphur hexafluoride reporting

7.1. It is important that a clear set of arrangements are in place for reporting accurately and on a consistent basis. This section details the procedures for reporting on revenue, costs and sulphur hexafluoride emissions in accordance with Amended Standard Conditions E12 – D1.

Provision of an allowed revenue model

7.2. For the purposes of providing information to the Authority, Ofgem provides the allowed revenue model which covers the reporting of OFTO revenues. The model operates on the basis of a series of inputs fed into the spreadsheet, which in turn generate allowed revenue in the calculation pages based on the formulae given in the Amended Standard Conditions E12 – J1 to E12 – J4.

7.3. The output pages extract data from the model to produce the revenue return reports. The input pages and revenue return reports are provided in Appendix 1: Audited Revenue Returns and Appendix 2: Forecast Revenue Returns. These reports represent templates referred to by paragraph 7 of Amended Standard Condition E12 – D1.

Audit requirements – revenue reporting

7.4. Paragraph 11 of Amended Standard Condition E12 – D1 requires the information relating to paragraph 7 (a) to be accompanied by an auditor's report. Furthermore, paragraph 12 of Amended Standard Condition E12 – D1 requires that the report from the auditors be accompanied by a letter detailing the procedures they have followed in reaching their reported opinion. Both documents are required to be provided to the Authority in hard copy in conjunction with an electronic copy of the revenue and incentive reporting pack.

7.5. Agreed upon procedures will be issued by Ofgem to specify the procedures auditors must follow in the production of their audit report.

7.6. For the purposes of paragraph 11 of Amended Standard Condition E12 – D1 the following sections of the Audited Revenue Return (as given in Appendix 1) should be audited:

- 1. Inputs
- 3a. Excluded and de minimis revenue
- 3b. Total revenue (including excluded services)
- 3c. Reconciliation between OFTO's total revenue and allowed revenue (OFTO_t)

Audit requirements – cost reporting

7.7. Amended Standard Condition E12 – D1 makes certain references to audit requirements. The RIGs do not require an audit report to be submitted pursuant to this condition, although the Authority may modify the RIGs³. Such change may extend to introducing an audit requirement for some or all of the cost reporting where this is considered necessary by the Authority.

Documents to submit

7.8. The below table sets out the revenue and incentive reporting requirements under Amended Standard Condition E12 – D1. The references in the final column 'Documents to submit' are references to appendices to this document. Electronic copies of the worksheets shown in these appendices should be submitted. Blank copies of these worksheets are provided along with this document. Given that all the reporting is contained in the same Excel workbook we expect licensees will find it easier to submit the whole workbook to cover off all the reporting due on 31 July with separate reporting for 1 April. Reporting in this way is encouraged.

Reporting	Return	Licence reference	Documents to submit
Revenue	Audited	E12 - D1 para. 7(a)	Appendix 1
	Forecast	E12 - D1 para. 7(f)	Appendix 2
Incentives	Availability	E12 - D1 para. 7(c)	Appendix 3
	Incremental capacity	E12 - D1 para. 7(d)	Appendix 4

7.9. In addition, in respect of Amended Standard Condition E12 – D1 paragraph 7(a) (audited revenue reporting) the licensee must submit the following:

- A report from the licensee's auditor setting out the findings of their agreed upon procedures (this will constitute the 'auditor's report' referred to in the Licence).
- A hard copy of the revenue returns initialled by the licensee's auditors on each page to indicate that the version submitted is the same as the version on which the auditors prepared their work.

7.10. As part of the cost reporting each licensee must submit the following cost reporting pack in respect of Amended Standard Condition E12 – D1 paragraph 7(b):

- The completed cost reporting templates in electronic format (to be submitted via email).
- Where relevant⁴, a report from the licensee's auditor setting out the findings of their agreed upon procedures (this will constitute the "auditor's report" referred to in the Licence).
- Where relevant⁵, a hard copy of the cost return initialled by the licensee's auditors on each page to indicate that the version submitted is the same as the version on which the auditors prepared their work.

³ Modifications would be made as described in Part E of Amended Standard Condition E12 – D1 (Offshore Regulatory Reporting)

⁴ As noted in paragraph 7.7 such an audit report is not currently required

⁵ As noted in paragraph 7.7 such an audit report is not currently required

N.B. Audit reporting is not required for the cost reporting under the RIGs but may be required as described above in paragraph 7.7.

7.11. Pursuant to paragraph 7(e) of Amended Standard Condition E12 – D1, the licensee must provide details of the sulphur hexafluoride (SF₆) emissions associated with its transmission business. A sheet is provided within the reporting template which enables the licensee to submit the information electronically.

Submission dates

7.12. As required by Amended Standard Condition E12 – D1 paragraph 7 this return should be submitted to the Authority by no later than 31 July of each relevant year.

7.13. Submission dates are as follows:

Reporting	Return	Licence reference	Submission date
Revenue	Audited	E12 - D1 para. 7(a)	31 July
	Forecast	E12 - D1 para. 7(f)	1 April
Incentives	Availability	E12 - D1 para. 7(c)	31 July
	Incremental capacity	E12 - D1 para. 7(d)	31 July

7.14. Items due by 31 July are to cover the preceding regulatory year. For example, the audited revenue returns for the year to 31 March 2019 should be submitted by 31 July 2019.

Submission process

7.15. The documents listed under point 5.2 and 5.4 above should all be emailed to offshore.reporting@ofgem.gov.uk and ilona.groenewald@ofgem.gov.uk. Hard copies may also be sent to:

Ilona Groenewald
Senior Manager, Financial Analysis
Ofgem
ilona.groenewald@ofgem.gov.uk and offshore.reporting@ofgem.gov.uk.
020 7901 1851

8. Additional guidance for reporting on templates

Introduction

8.1. This section sets out guidance for the reporting of the specified information.

Guidance

8.2. Unless otherwise stated in the cost reporting templates data should be reported to the following level of precision:

For £m amounts to 3 decimal places
For percentages to 2 decimal places

8.3. The 'Cover' tab shows the key to the colour coding used in the cost reporting templates. Licensees should only enter data into yellow coloured cells. Where a licensee believes the cost reporting template needs to be amended in order to accommodate their reporting requirements this is to be raised with the Authority.

8.4. All data are to be reported in nominal prices unless otherwise stated.

Information relating to Appendix 1 – Audited Revenue Return

8.5. **Input Pages** – This covers general inputs across the OFTO allowed revenues as well as information relating to pass through items, availability incentive and other specific terms. For all other inputs the licensee should enter data into the yellow shaded areas. For this section each term should be stated as follows:

For £m amounts to 3 decimal places
For percentages to 2 decimal places
For kVA amounts to no decimal places

8.6. **Reports** - Table 2 covers all the reports generated from the calculation sheets in the allowed model.

Tables 3a to 3c are additional disclosure requirements relating to excluded services / de minimis activities and reconciliation of turnover to the regulatory accounts.

Information relating to Appendix 2 – Forecast Revenue Return

8.7. The forecast return provides a high level summary of the allowed revenues of the associated Offshore Transmission Owner activities. In the issued version of the templates the input cells for the forecast year contain look-ups to extract the data from the calculations. If the licensee prefers they can enter their forecast directly into tab 7. For this section each term should be stated as follows:

For £m amounts to 3 decimal places

8.8. Note that the forecast return is due for submission on 1 April of each year. The forecast in question is the early impression of the results for the year just ended.

Information relating to Appendices 3 and 4 – Availability incentive reporting and incremental capacity incentive reporting

8.9. For these sections each term should be stated as follows:

For £m amounts to 3 decimal places
For percentages to 2 decimal places
For MW amounts to 1 decimal place
For kVA amounts to no decimal places

Information relating to appendix 3 in respect of seeking adjustments to the reported system incentive performance

8.10. The Licence permits the licensee to seek from the Authority an adjustment to the calculation of the reported system availability incentive following an exceptional event. In order for an application for an adjustment to be considered the Authority must be notified within 14 days of the exceptional event in question. The licensee is also required to submit details of the reduction in system availability.

8.11. In the first instance the details of the reduction in system availability should be presented by means of a completed version of appendix 3 accompanied with such further information as the licensee feels is necessary. Note that the Authority may subsequently request further details of the reduction in availability.

8.12. Hence where a licensee is requesting an adjustment they should submit a completed version of appendix 3 within 14 days of the exceptional event. This reporting is in addition to the regular quarterly reporting and does not change the due dates for the quarterly reporting.

Appendices

Index

Appendix	Name of Appendix	Page No.
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5	Cost reporting templates	45
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Appendix 1

Audited revenue return

Please note that the actual data presented in these templates is illustrative only and does not refer to any actual OFTO.

Sign off

Reviewed		Section	Prepared by	Reviewed by
x		1. Inputs	Name of preparer	Name of reviewer
x		2. Summary of all components of allowed revenue	Name of preparer	Name of reviewer
x		3a. Excluded and de minimis revenue	Name of preparer	Name of reviewer
x		3b. Total revenue (including excluded services)	Name of preparer	Name of reviewer
x		3c. Reconciliation between OFTO's Regulated Revenue and Allowed Revenue (ARR)	Name of preparer	Name of reviewer
x		4a. Monthly performance incentive calculations	Name of preparer	Name of reviewer
x		4b. Annual performance incentive calculations	Name of preparer	Name of reviewer
x		5a. Planned outages	Name of preparer	Name of reviewer
x		5b. Unplanned outages	Name of preparer	Name of reviewer
x		5c. Outages the OFTO has requested be excluded from availability incentive calculation	Name of preparer	Name of reviewer
x		6. Basis for TRSL	Name of preparer	Name of reviewer
x		7. Summary of forecast allowed revenue	Name of preparer	Name of reviewer
x		8. Operating costs	Name of preparer	Name of reviewer
x		9. Financing - Equity and intercompany debt	Name of preparer	Name of reviewer
x		10. Financing - senior debt	Name of preparer	Name of reviewer
x		11. Financing - bonds	Name of preparer	Name of reviewer
x		12. Financing - derivatives and other	Name of preparer	Name of reviewer
x		13. Tax	Name of preparer	Name of reviewer
x		14. Statement of comprehensive income	Name of preparer	Name of reviewer
x		15. Statement of financial position	Name of preparer	Name of reviewer
x		16. Cash flow statement	Name of preparer	Name of reviewer
x		17. Financial ratios	Name of preparer	Name of reviewer
x		18. Reconciliation of internally consistent figures	Name of preparer	Name of reviewer
x		19. Reconciliation to statutory accounts	Name of preparer	Name of reviewer
x		20. Sulphur hexafluoride reporting	Name of preparer	Name of reviewer
x		21. Equity transaction reporting	Name of preparer	Name of reviewer

		OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2018-19	
Sign off			
Declaration <i>The below declaration is to be signed off by a director of the licensee</i> Amended Standard Condition E12 - D1 of the Offshore Transmission Licence paragraph 3 requires (amongst other things) that the licensee establish and maintain such systems and processes as necessary to ensure that 'the information collected and reported to the Authority is in all material respects accurate and complete and is fairly presented' and prepared in accordance with the regulatory instructions and guidance. I, [Name of director], confirm that [Offshore transmission operator 1] is compliant with Amended Standard Conditions E12 - D1 and E12 - D2 of its licence. I also confirm that I am aware that section 59 of the Electricity Act 1989 provides that a person commits an offence if, in giving any information or ... for the purpose of any provision of this Part [1] ... he makes any statement which he knows to be false in a material particular, or recklessly makes any statement which is false in a material particular. I also confirm that I am aware that Section 108 of the Electricity Act 1989 makes it possible for a director/officer to be guilty of an offence committed by a body corporate where it is committed with the 'consent... of that person'. Name: [Name of director] Position: Date:			

Universal data

 Making a positive difference for energy consumers	OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2018-19		
Index	Universal data		
Prepared by:	Name of preparer	Company number:	
Reviewed by:	Name of reviewer	Company name:	[Offshore transmission operator 1]
		Company short name:	OFTO1
		Project:	Demo sands
		Reporting year: (enter 2014 for 2013/14)	2019
		Version (number):	
		Submitted date:	
		Date to which last statutory accounts were made up:	

Statutory accounts
Regulatory accounts
Revenue return
Cost return

All tables
reconcile
to
statutory
accounts

Sheet '1' Inputs

 OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2018-19		Index																							
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	
Prepared by:	relevant year, t	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	
Name of preparer		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	
Reviewed by:																									
Name of reviewer	Actual Revenue from NETSD (£m)	AR																							
Reviewed	Retail Prices Index Number (September 1994=100)	280.0																							
	License Fee cost adj. (£m)	LF																							
	Network Rates cost adj. (£m)	FR																							
	Crown Estate Lease cost adj. (£m)	CEL																							
	Decommissioning Cost adj. (£m)	DC																							
	Income Adjusting event revenue adj. term (£m)	IAT																							
	Temporary Physical Disconnection term (£m)	TPD																							
	Tender Cost Adj. term (£m)	TCA																							
	Marine and Coastal Act 2009 adj. (£m)	MCA																							
	Refinancing Gain Share adj. (£m)	FRG																							
	Additional Capacity Adjustment (£m)	ACD																							
	Average specified Interest rate (%)	I	0.50%																						
	Tender Revenue Stream (£m, real)	TRS	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000		
	Market Rate revenue Adj. (£m, real)	MRA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Post Tender Revenue Adj. (£m, real)	PTRA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Biddable Indexation (TRS)	BI _{TRS}	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500		
	Biddable Indexation (MRA)	BI _{MRA}	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
	Biddable Indexation (PTRA)	BI _{PTRA}	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
	Proportion of Revenue term	PR	0.93	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00		
Defined terms from Annex A to amended standard condition E12 - J4																									
Month	License Condition	1	2	3	4	5	6	7	8	9	10	11	12												
		January	February	March	April	May	June	July	August	September	October	November	December												
W	E12 - J4	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%												
Defined terms from amended standard conditions E12 - J2 and E12 - J4																									
Description	Name	License Condition	Value																						
Tender Revenue Stream	TRS	E12 - J2	10,000																						
Transmission Entry Capacity (MW)	TEC	E12 - J4	220.0																						
Normal Capability Limits (MW)	NCL	E12 - J4	220.0																						
Revenue Impact Cap	RICAP	E12 - J4	10.00%																						
Annual penalty availability cap (PCAP) multiplier		E12 - J4	4.00%																						
Annual credit availability cap (CCAP) multiplier		E12 - J4	2.00%																						
Target Availability	TA	E12 - J4	98.00%																						
Penalty Interest Rate	PI	E12 - J2	4.00%																						
Penalty Application Level		E12 - J2	1.04																						
RPI number (at base date)		E12 - J2	280																						
Biddable Indexation (TRS)	BI _{TRS}	E12 - J2	0.50																						
Biddable Indexation (MRA)	BI _{MRA}	E12 - J2	1.00																						
Biddable Indexation (PTRA)	BI _{PTRA}	E12 - J2	1.00																						
Start of Commencement Relevant Year			01/04/2018 *new*																						
End of Commencement Relevant Year			31/03/2019																						
Date of Asset Transfer (DDMMYYYY)			27/04/2018																						
First project incentive year			2018																						
First project incentive period			2																						
Capacity Weighting																									
a	a	E12 - J4	1																						
b	b	E12 - J4	15																						

Sheet '3a' Excluded and de minimis revenue

ofgem		OFFSHORE TRANSMISSION - Reporting pack	
Making a positive difference for energy consumers		Project: Demo sands	
		OFTO: [Offshore transmission operator 1]	
		Year: 2018-19	
Index			
3a. Excluded and de minimis revenue			
Prepared by: <input type="text"/>			
Name of preparer: Excluded Services			
Reviewed by: Please provide a list of all excluded services			
Name of reviewer: <input type="text"/>			
<input type="checkbox"/> Reviewed			
	Activity Description	2018-19	2017-18
		£m	£m
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
	Total	-	-
De Minimis Activities			
Please provide a list of De Minimis Activities for all items			
	Activity Description	2018-19	2017-18
		£m	£m
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
	Total	-	-

Sheet '3b' Revenue reconciliation – current year

 OFFSHORE TRANSMISSION - Reporting pack			
		Project:	Demo sands
		OFTO:	[Offshore transmission operator 1]
		Year:	2018-19
Index			
3b. Revenue reconciliation - current year			
Prepared by:			
Name of preparer		£m	£m
Reviewed by:			
Name of reviewer			
<input type="checkbox"/> Reviewed	Actual revenue (AR_t)		-
	Other revenue Items		
	De-Minimis Turnover	-	
	Excluded Services	-	-
	Reconciling Items (please list)		
1			
2			
3			
4			
5			
6			
7			
	Total		-
	Turnover as per Profit and Loss		
	Check that reconciliation works		✓
Commentary			
1			
2			
3			
4			
5			
6			
7			

Sheet '3c' Revenue reconciliation – prior year

 OFFSHORE TRANSMISSION - Reporting pack	
Project:	Demo sands
OFTO:	[Offshore transmission operator 1]
Year:	2018-19
Index	
<h3>3c. Revenue reconciliation - prior year</h3>	
Prepared by:	
<input type="text" value="Name of preparer"/>	£m
Reviewed by:	
<input type="text" value="Name of reviewer"/>	£m
<input type="checkbox"/> Reviewed	
Allowed Revenue for prior year (2017-2018)	-
Other revenue items (prior year)	
De-Minimis Turnover	<input type="text"/>
Excluded services	<input type="text"/>
Other reconciling items (including all other revenue from transmission services) (please list)	
1 <input type="text"/>	<input type="text"/>
2 <input type="text"/>	<input type="text"/>
3 <input type="text"/>	<input type="text"/>
4 <input type="text"/>	<input type="text"/>
5 <input type="text"/>	<input type="text"/>
6 <input type="text"/>	<input type="text"/>
7 <input type="text"/>	<input type="text"/>
Total	-
Turnover as per Profit and Loss (Prior year)	<input type="text"/>
Check that reconciliation works	<input checked="" type="checkbox"/>
Commentary	
1 <input type="text"/>	
2 <input type="text"/>	
3 <input type="text"/>	
4 <input type="text"/>	
5 <input type="text"/>	
6 <input type="text"/>	
7 <input type="text"/>	

Sheet '2' Summary of all components of allowed revenue

 OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2018-19																							
Index																							
2. Summary of all components of allowed revenue																							
Prepared by:	1	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Reviewed by:	3																						
Name of reviewer:	4	9,288	14,753	20,003	25,253	30,503	35,753	41,003	46,253	51,503	56,753	62,003	67,253	72,503	77,753	83,003	88,253	93,503	98,753	104,003	109,253	114,503	
Reviewed	5																						
	6	9,288	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
	7																						
	8	0.929	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
	9	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
	10	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	
	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	13	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	
	14	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
	15	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
	16																						
	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	27	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	28																						
	29	-	0.464	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	
	30																						
	31	-	0.464	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	
	32																						
	33	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
	34																						
	35	9,288	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
	36																						
	37	0.929	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
	38																						
	39																						
	40																						
	41	1.000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	42																						
	43	(9,288)	(14,753)	(20,003)	(25,253)	(30,503)	(35,753)	(41,003)	(46,253)	(51,503)	(56,753)	(62,003)	(67,253)	(72,503)	(77,753)	(83,003)	(88,253)	(93,503)	(98,753)	(104,003)	(109,253)	(114,503)	
	44																						
	45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	46	9,288	14,753	20,003	25,253	30,503	35,753	41,003	46,253	51,503	56,753	62,003	67,253	72,503	77,753	83,003	88,253	93,503	98,753	104,003	109,253	114,503	
	47	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	48	-	9,660	15,343	20,803	26,263	31,723	37,183	42,643	48,103	53,563	59,023	64,483	69,943	75,403	80,863	86,323	91,783	97,243	102,703	108,163	113,623	
	49	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	50																						
	51	(9,288)	(14,753)	(20,003)	(25,253)	(30,503)	(35,753)	(41,003)	(46,253)	(51,503)	(56,753)	(62,003)	(67,253)	(72,503)	(77,753)	(83,003)	(88,253)	(93,503)	(98,753)	(104,003)	(109,253)	(114,503)	

Appendix 2

Forecast revenue return

Sheet '7' Summary of forecast allowed revenue

ofgem		OFFSHORE TRANSMISSION - Reporting pack			
Making a positive difference for energy consumers		Project:	Demo sands		
		OFTO:	[Offshore transmission operator 1]		
		Year:	2018-19		
Index					
7. Summary of forecast allowed revenue					
Prepared by:					
Name of preparer					
Reviewed by:					
Name of reviewer					
Reviewed					
			Actual 2019	Forecast 2020	
Allowed Offshore Transmission Owner Revenue term (£m)		OFTO_t	9.288	14.753	
$OFTO_t = BR_t + PT_t + PA_t - K_t$					
Base Revenue term (£m)		BR_t	9.288	14.753	
$BR_t = ATR_t \times PR_t \times RIT_t$					
	Proportion of Revenue term	PR _t	0.929	14.753	
	Retail Indexation Adjustment Term	RIT _t	1.000	-	
	Adjusted Tender Revenue	ATR _t	10.000	10.000	
$ATR_t = TRS_t + MRA_t + PTR_A_t$					
	Tender Revenue Stream term (£m, real)	TRS	-	-	
	Market Rate Adj. term (£m, real)	MRA	0.500	0.500	
	Post Tender Revenue Adj. term (£m, real)	PTRA	1.000	1.000	
$RIT_t = (RPI \text{ September } t-1 / RPI \text{ base date})$					
Pass Through term (£m)		PT_t	-	-	
$PT_t = LF_t + RB_t + CEL_t + DC_t + IAT_t + MCA_t + TCA_t + TPD_t$					
	Licence Fee cost adj. term (£m)	LF _t	-	-	
	Rates for networks Business cost adj. term (£m)	RB _t	-	-	
	Crown Estate Licence cost adj term (£m)	CEL _t	-	-	
	Decommissioning Cost adj. term (£m)	DC _t	-	-	
	Income Adjusting event adj. Term (£m)	IAT _t	-	-	
	Temporary Physical Disconnection term (£m)	TPD _t	-	-	
	Tender Cost Adj. term (£m)	TCA _t	-	-	
	Marine and Coastal Act 2009 adj. term (£m)	MCA _t	-	-	
Performance Adj. (£m)		PA_t	-	-	
$PA_t = AI_t + ICA_t$					
	Availability Incentive term (£m)	AI _t	-	0.464	
$AI_t = BR_{t-1} \times AF_t$					
	Availability Factor term (%)	AF _y	0.00%	46.44%	
	Base Revenue term (£m)	BR _t	-	0.050	
	Proportion of Revenue term	PR _t	-	-	
	Incremental Capacity Incentive Adj. term (£m)	ICA _t	0.929	1.000	
$ICA_t = ICUA_t + (ACA_t \times RIT_t)$					
	Incremental Capacity Utilisation Adjustment term (£m)	ICUA _t	-	-	
$ICUA_t = MAX(0, ICRD_t \times ICU_t)$					
	Incremental Capacity Revenue utilisation Driver (£/kW)	ICRD _t	-	-	
$ICRD_t = RCF \times (BR_t / (CCR \times PF))$					
	Risk Compensation Factor	RCF	-	-	
	Power Factor	PF	-	(9.29)	
	Composite Circuit Rating (kVA)	CCR	-	-	
	Incremental Capacity Utilisation term (kW)	ICU _t	-	-	
	Additional Capacity Adjustment term (£m)	ACA _t	9.288	14.753	
	Retail Indexation Adjustment Term	RIT _t	0.005	-	
Correction factor on year to year revenue (£m)		K_t	-	-	
$K_t = (AR_{t-1} - OFTO_{t-1}) \times (1 + (I_t + (PI_t \times AP_t) / 100))$					
	Regulated transmission revenue (£m)	AR _t	(9.288)	(14.753)	
	Allowed transmission owner revenue (£m)	OFTO _t	-	-	
	Interest rate (%)	I _t	0.50%	0.00%	
	IF AR _t > 1.04xOFTO _t then apply Penalty Interest		-	9.660	
	Penalty Interest rate (%)	PI _t	0.00%	0.00%	
(Over/Under) Recovery (£m)			(9.288)	(14.753)	

Appendix 3

Availability incentive reporting

Sheet '5a' Planned outages

 OFFSHORE TRANSMISSION - Reporting pack Project: Demo round OFTO: [Offshore transmission operator 1] Year: 2019															
Making a positive difference for energy consumers															
Index															
5a. Planned outages															
	Date & time outage starts	Date & Time outage ends	Total reduction in capacity (MW/hr)	Equipment on which fault occurred	Exclusion Requested	Description of Fault	Exclusion Approved by Authority	Start month	End month	Check that start month - end month	Duration of outage (hrs)	Capacity of the outage as % of maximum capacity. (Maximum capacity being the minimum of TEC and NCL)	Weighted Capacity Reduction (%)	Weighted Energy Outage (MWhr)	
Prepared by:	Note: all entries should relate to a single month. Outages spanning more than one month should be split up.											D _{o,i}	C _{o,i}	WCR _{o,i}	WEO _{o,i}
Name of preparer								1900-1	1900-1	ok			oC _{o,i} ¹	WCR _{o,i} * D _{o,i} * W Min(TEC, NCL)	
Reviewed by:	1							1900-1	1900-1	ok					
Name of reviewer	2							1900-1	1900-1	ok					
Forwarded	3							1900-1	1900-1	ok					
	4							1900-1	1900-1	ok					
	5							1900-1	1900-1	ok					
	6							1900-1	1900-1	ok					
	7							1900-1	1900-1	ok					
	8							1900-1	1900-1	ok					
	9							1900-1	1900-1	ok					
	10							1900-1	1900-1	ok					
	11							1900-1	1900-1	ok					
	12							1900-1	1900-1	ok					
	13							1900-1	1900-1	ok					
	14							1900-1	1900-1	ok					
	15							1900-1	1900-1	ok					
	16							1900-1	1900-1	ok					
	17							1900-1	1900-1	ok					
	18							1900-1	1900-1	ok					
	19							1900-1	1900-1	ok					
	20							1900-1	1900-1	ok					
	21							1900-1	1900-1	ok					
	22							1900-1	1900-1	ok					
	23							1900-1	1900-1	ok					
	24							1900-1	1900-1	ok					
	25							1900-1	1900-1	ok					
	26							1900-1	1900-1	ok					
	27							1900-1	1900-1	ok					
	28							1900-1	1900-1	ok					
	29							1900-1	1900-1	ok					
	30							1900-1	1900-1	ok					
	31							1900-1	1900-1	ok					

Sheet '5b' Unplanned outages

ofgem		OFFSHORE TRANSMISSION - Reporting pack													
Making a positive difference for energy consumers		Project: Demo sands		OFTO: [Offshore transmission operator 1]											
Index		Year: 2019													
5b. Unplanned outages															
Prepared by:	Date & time outage starts	Date & Time outage ends	Total reduction in capacity (MWhr)	Equipment on which fault occurred	Exclusion Requested	Description of Fault	Exclusion Approved by Authority	Start month	End month	Check that start month = end month	Duration of outage (hrs)	Capacity of the outage (as % of maximum capacity)	Weighted Capacity Reduction (%)	Weighted Energy Outage (MWhr)	
Name of preparer	Note: all entries should relate to a single month. Outages spanning more than one month should be split up.											$D_{s,t}$	$C_{s,t}$	$WCR_{s,t}$	$WEO_{s,t}$
Reviewed by:	1							1900-1	1900-1	ok				$WCR_{s,t} \times D_{s,t} \times \text{Min}(TEC, NCL)$	
Name of reviewer	2							1900-1	1900-1	ok					
Reviewed	3							1900-1	1900-1	ok					
	4							1900-1	1900-1	ok					
	5							1900-1	1900-1	ok					
	6							1900-1	1900-1	ok					
	7							1900-1	1900-1	ok					
	8							1900-1	1900-1	ok					
	9							1900-1	1900-1	ok					
	10							1900-1	1900-1	ok					
	11							1900-1	1900-1	ok					
	12							1900-1	1900-1	ok					
	13							1900-1	1900-1	ok					
	14							1900-1	1900-1	ok					
	15							1900-1	1900-1	ok					
	16							1900-1	1900-1	ok					
	17							1900-1	1900-1	ok					
	18							1900-1	1900-1	ok					
	19							1900-1	1900-1	ok					
	20							1900-1	1900-1	ok					
	21							1900-1	1900-1	ok					
	22							1900-1	1900-1	ok					
	23							1900-1	1900-1	ok					
	24							1900-1	1900-1	ok					
	25							1900-1	1900-1	ok					
	26							1900-1	1900-1	ok					
	27							1900-1	1900-1	ok					
	28							1900-1	1900-1	ok					
	29							1900-1	1900-1	ok					
	30							1900-1	1900-1	ok					
	31							1900-1	1900-1	ok					
	32							1900-1	1900-1	ok					
	33							1900-1	1900-1	ok					

Sheet '5c' Outages the OFTO has requested to be excluded from availability incentive calculation

 OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2019														
5c. Outages the OFTO has requested to be excluded from availability incentive calculation														
Date & time outage starts	Date & Time outage ends	Total reduction in capacity (MWhr)	Equipment on which fault occurred	Exclusion Requested	Description of Fault	Exclusion Approved by Authority	Start month	End month	Check that start month = end month	Duration of outage (hrs)	Capacity of the outage (as % of maximum capacity)	Weighted Capacity Reduction (%)	Weighted Energy Outage (MWhr)	
Note: all entries should relate to a single month. Outages spanning more than one month should be split up.											$D_{x,t}$	$C_{x,t}$	$WCR_{x,t}$	$WEO_{x,t}$
											$a C_{x,t}^b$	$WCR_{x,t} \times D_{x,t} \times \text{Min}(TEC, NCL)$		
Prepared by:	1						1900-1	1900-1	ok					
Name of preparer	2						1900-1	1900-1	ok					
Reviewed by:	3						1900-1	1900-1	ok					
Name of reviewer	4						1900-1	1900-1	ok					
Reviewed	5						1900-1	1900-1	ok					
	6						1900-1	1900-1	ok					
	7						1900-1	1900-1	ok					
	8						1900-1	1900-1	ok					
	9						1900-1	1900-1	ok					
	10						1900-1	1900-1	ok					
	11						1900-1	1900-1	ok					
	12						1900-1	1900-1	ok					
	13						1900-1	1900-1	ok					
	14						1900-1	1900-1	ok					
	15						1900-1	1900-1	ok					
	16						1900-1	1900-1	ok					
	17						1900-1	1900-1	ok					
	18						1900-1	1900-1	ok					
	19						1900-1	1900-1	ok					
	20						1900-1	1900-1	ok					
	21						1900-1	1900-1	ok					
	22						1900-1	1900-1	ok					
	23						1900-1	1900-1	ok					
	24						1900-1	1900-1	ok					
	25						1900-1	1900-1	ok					
	26						1900-1	1900-1	ok					
	27						1900-1	1900-1	ok					
	28						1900-1	1900-1	ok					
	29						1900-1	1900-1	ok					
	30						1900-1	1900-1	ok					
	31						1900-1	1900-1	ok					
	32						1900-1	1900-1	ok					

Sheet '4a' Monthly performance incentive calculations

 OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2019													
Index													
4a. Monthly performance incentive calculations													
Prepared by:													
Name of preparer	Incentive period ending 31 December	Incentive Period	Month	Period Start time	Period	Days in month	Capacity Weighted Planned maintenance (MWhrs)	Capacity Weighted Unplanned Outage (MWhrs)	Monthly Capacity Weighted Unavailability	Monthly Seasonal Weighting term	Monthly Weighted Unavailability	Maximum Transmission System Availability (MWhr)	Weighted monthly total possible availability
		y					$WEO_{x,i}$	$WEO_{x,i}$	$RWU_{i,y}$	$W_{i,y}$	$MWU_{i,y}$	$TC_{i,y}$	
Reviewed by:	*new*						$WCR_{x,i} \times D_{xri} \times \text{Min}(\text{TEC}, \text{NCL})$	$WCR_{x,i} \times D_{xri} \times \text{Min}(\text{TEC}, \text{NCL})$	$\Sigma WEO_{x,i}$		$RWU_{i,y} \times W_{i,y}$	$\text{min}(\text{TEC}, \text{NCL}) \times 24 \times \text{days in month}$	$TC_{i,y} \times W_i$
Name of reviewer	2018	2	1	01/01/2018 00:00	2018-1	31	0	0	0.0	100.0%	0.0	163,680	163,680
Reviewed	2018	2	2	01/02/2018 00:00	2018-2	28	0	0	0.0	100.0%	0.0	147,840	147,840
	2018	2	3	01/03/2018 00:00	2018-3	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2018	2	4	01/04/2018 00:00	2018-4	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2018	2	5	01/05/2018 00:00	2018-5	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2018	2	6	01/06/2018 00:00	2018-6	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2018	2	7	01/07/2018 00:00	2018-7	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2018	2	8	01/08/2018 00:00	2018-8	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2018	2	9	01/09/2018 00:00	2018-9	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2018	2	10	01/10/2018 00:00	2018-10	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2018	2	11	01/11/2018 00:00	2018-11	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2018	2	12	01/12/2018 00:00	2018-12	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2019	3	1	01/01/2019 00:00	2019-1	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2019	3	2	01/02/2019 00:00	2019-2	28	0	0	0.0	100.0%	0.0	147,840	147,840
	2019	3	3	01/03/2019 00:00	2019-3	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2019	3	4	01/04/2019 00:00	2019-4	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2019	3	5	01/05/2019 00:00	2019-5	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2019	3	6	01/06/2019 00:00	2019-6	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2019	3	7	01/07/2019 00:00	2019-7	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2019	3	8	01/08/2019 00:00	2019-8	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2019	3	9	01/09/2019 00:00	2019-9	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2019	3	10	01/10/2019 00:00	2019-10	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2019	3	11	01/11/2019 00:00	2019-11	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2019	3	12	01/12/2019 00:00	2019-12	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2020	4	1	01/01/2020 00:00	2020-1	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2020	4	2	01/02/2020 00:00	2020-2	29	0	0	0.0	100.0%	0.0	153,120	153,120
	2020	4	3	01/03/2020 00:00	2020-3	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2020	4	4	01/04/2020 00:00	2020-4	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2020	4	5	01/05/2020 00:00	2020-5	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2020	4	6	01/06/2020 00:00	2020-6	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2020	4	7	01/07/2020 00:00	2020-7	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2020	4	8	01/08/2020 00:00	2020-8	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2020	4	9	01/09/2020 00:00	2020-9	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2020	4	10	01/10/2020 00:00	2020-10	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2020	4	11	01/11/2020 00:00	2020-11	30	0	0	0.0	100.0%	0.0	158,400	158,400
	2020	4	12	01/12/2020 00:00	2020-12	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2021	5	1	01/01/2021 00:00	2021-1	31	0	0	0.0	100.0%	0.0	163,680	163,680
	2021	5	2	01/02/2021 00:00	2021-2	28	0	0	0.0	100.0%	0.0	147,840	147,840
	2021	5	3	01/03/2021 00:00	2021-3	31	0	0	0.0	100.0%	0.0	163,680	163,680

Sheet '4b' Annual performance incentive calculations

ofgem		OFFSHORE TRANSMISSION - Reporting pack												
Making a positive difference for energy consumers		Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2019												
Index														
4b. Annual performance incentive calculations														
Prepared by:														
Name of preparer	Incentive Period y	Year	Annual weighted unavailability	Weighted total possible availability	Total annual unavailability	Proportion of Revenue	Annual penalty unavailability cap	Annual credit unavailability cap	Total cap on unavailability	Brought forward from last year	Accrued unavailability	Paid out (amortised)	To carry forward to next year	Availability factor
			WU _y	MA _y	TU _y	PR _{t-1}	PCAP _y	CCAP _y	TCAP _y	BF _y	AU _y	PO _y	CF _y	AF _y
Reviewed by:	*new*		SUM(MWU _{i,y} i=1 to i=12)	SUM(TC _{i,y} x W _i i=1 to i=12)	WU _y / MA _y		4% * PR _{t-1}	2% * PR _{t-1}	SUM (PCAP _y , y, y+4) + CCAP _y	CF _{y-1}	minimum (TU _y , TCAP _y -BF _y)	minimum (PCAP _y +CCAP _y , BF _y + AU _y)	AU _y + BF _y - PO _y	(CCAP _y - PO _y) x (RCAP / PCAP _y)
Name of reviewer														
□ Reviewed	2	2018	-	1,927,200	-	0.93	3.72%	1.86%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	3	2019	-	1,927,200	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	4	2020	-	1,932,480	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	5	2021	-	1,927,200	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	6	2022	-	1,927,200	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	7	2023	-	1,927,200	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	8	2024	-	1,932,480	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	9	2025	-	1,927,200	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	10	2026	-	1,927,200	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	11	2027	-	1,927,200	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	12	2028	-	1,932,480	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	13	2029	-	1,927,200	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	14	2030	-	1,927,200	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	15	2031	-	1,927,200	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	16	2032	-	1,932,480	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	17	2033	-	1,927,200	-	1.00	4.00%	2.00%	22%	0.00%	0.00%	0.00%	0.00%	5.00%
	18	2034	-	1,927,200	-	1.00	4.00%	2.00%	18%	0.00%	0.00%	0.00%	0.00%	5.00%
	19	2035	-	1,927,200	-	1.00	4.00%	2.00%	14%	0.00%	0.00%	0.00%	0.00%	5.00%
	20	2036	-	1,932,480	-	1.00	4.00%	2.00%	10%	0.00%	0.00%	0.00%	0.00%	5.00%
	21	2037	-	1,927,200	-	1.00	4.00%	2.00%	6%	0.00%	0.00%	0.00%	0.00%	5.00%
	22	2038	-	1,927,200	-	0.07	0.28%	0.14%	0%	0.00%	0.00%	0.00%	0.00%	5.00%
	23	2039	-	797,280	-	-	0.00%	0.00%	0%	0.00%	0.00%	0.00%	0.00%	#DIV/0!

Sheet '2' Summary of all components of allowed revenue (including availability performance)

ofgem		OFFSHORE TRANSMISSION - Reporting pack																					
Making a positive difference for energy consumers		Project: Demo sands																					
		OFTO: [Offshore transmission operator 1]																					
		Year: 2018-19																					
Index																							
2. Summary of all components of allowed revenue																							
Prepared by:	1	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Name of preparer:	2	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Reviewed by:	3																						
Name of reviewer:	4																						
Reviewed	5																						
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Appendix 4

Incremental capacity incentive reporting

Sheet '5a' Inputs

ofgem		OFFSHORE TRANSMISSION - Reporting pack																						
Making a positive difference for energy consumers		Project: Demo sands																						
		OFTO: [Offshore transmission operator 1]																						
		Year: 2018-19																						
Index																								
1. Inputs																								
Prepared by:	relevant year, t	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Name of preparer:		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Reviewed by:																								
Name of reviewer:	Actual Revenue from NETSO (€m)	AR ₁																						
Reviewed:	Retail Prices Index Number (September 2018 = 100)	280.0																						
	Licence Fee cost adj. (€m)	LF																						
	Network Rates cost adj. (€m)	NR																						
	Crown Estate Lease cost adj. (€m)	CEL																						
	Decommissioning Cost adj. (€m)	DC																						
	Income Adjusting event revenue adj. term (€m)	IAT																						
	Temporary Physical Disconnection term (€m)	TPD																						
	Tender Cost Adj. term (€m)	TCA																						
	Marine and Coastal Act 2009 adj. (€m)	MCA																						
	Refinancing Gain Share adj. (€m)	PFG																						
	Additional Capacity Adjustment (€m)	ACAdj																						
	Average specified interest rate (%)	I	0.50%																					
	Tender Revenue Stream (€m, real)	TR ₁	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	Market Rate revenue Adj. (€m, real)	MRA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Post Tender Revenue Adj. (€m, real)	PTRA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Biddable Indexation (TRS)	BI _{TRS}	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
	Biddable Indexation (MRA)	BI _{MRA}	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
	Biddable Indexation (PTRA)	BI _{PTRA}	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
	Proportion of Revenue term	PR	0.93	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.07
Defined terms from Annex A to amended standard condition E12 - J4																								
Month i	Licence Condition	1	2	3	4	5	6	7	8	9	10	11	12											
		January	February	March	April	May	June	July	August	September	October	November	December											
wj	E12 - J4	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%											
Defined terms from amended standard conditions E12 - J2 and E12 - J4																								
Description	Name	Licence Condition	Value																					
Tender Revenue Stream	TR ₁	E12 - J2	10,000																					
Transmission Entry Capacity (MW)	TEC	E12 - J4	220.0																					
Normal Capability Limits (MW)	NCL	E12 - J4	220.0																					
Revenue Impact Cap	RICAP	E12 - J4	10.00%																					
Annual penalty availability cap (PCAP) multiplier		E12 - J4	4.00%																					
Annual credit availability cap (CCAP) multiplier		E12 - J4	2.00%																					
Target Availability	TA	E12 - J4	98.00%																					
Penalty Interest Rate	PI	E12 - J2	4.00%																					
Penalty Application Level		E12 - J2	104																					
RPI number (at base date)		E12 - J2	280																					
Biddable Indexation (TRS)	BI _{TRS}	E12 - J2	0.50																					
Biddable Indexation (MRA)	BI _{MRA}	E12 - J2	1.00																					
Biddable Indexation (PTRA)	BI _{PTRA}	E12 - J2	1.00																					
Start of Commencement Relevant Year			01/04/2018	"new"																				
End of Commencement Relevant Year			31/03/2019																					
Date of Asset Transfer (DDMMYYYY)			27/04/2019																					
First project incentive year			2018																					
First project incentive period			2																					
Capacity Weighting																								
a	a	E12 - J4	1																					
b	b	E12 - J4	15																					

Sheet '2' Summary of all components of allowed revenue (including availability performance)

ofgem		OFFSHORE TRANSMISSION - Reporting pack																						
Making a positive difference for energy consumers		Project: Demo sands																						
		OFTO: [Offshore transmission operator 1]																						
		Year: 2018-19																						
Index																								
2. Summary of all components of allowed revenue																								
Prepared by:	1	year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Reviewed by:	2		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Name of reviewer:	3																							
Allowed Offshore Transmission Owner Revenue term (£m)	OFTO, 4		9,288	14,753	20,003	25,253	30,503	35,753	41,003	46,253	51,503	56,753	62,003	67,253	72,503	77,753	83,003	88,253	93,503	98,753	104,003	109,253	114,503	
Base Revenue term (£m)	BR, 6		9,288	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
Proportion of Revenue term	PR, 8		0.929	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Retail Indexation Adjustment Term	RI, 9		1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Tender Revenue Stream term (£m, real)	TRS, 10		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Market Rate Adj. term (£m, real)	MRA, 11		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Post Tender Revenue Adj. term (£m, real)	PTRA, 12		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Biddable Indexation (TFS)	BI _{TFS} , 13		0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	
Biddable Indexation (MPA)	BI _{MPA} , 14		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Biddable Indexation (PTR)	BI _{PTR} , 15		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Pass Through term (£m)	PT, 17		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Licence Fee cost adj. (£m)	LF, 19		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rates for networks Business cost adj. term (£m)	RB, 20		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Crown Estate Licence cost adj. term (£m)	CEL, 21		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decommissioning Cost adj. term (£m)	DC, 22		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Income Adjusting event adj. Term (£m)	IAT, 23		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Temporary Physical Disconnection term (£m)	TPD, 24		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tender Cost Adj. term (£m)	TCA, 25		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Marine and Coastal Act 2009 adj. term (£m)	MCA, 26		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Refinancing Gain Share adj. (£m)	FRG, 27		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Performance availability revenue adjustment term (£m)	PA, 29		-	0.464	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	
Transmission System Availability Incentive (£m)	AI, 31		0.464	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	
Availability factor term	AF, 32		0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
Base Revenue transmission (£m)	BR, 33		9,288	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
Proportion of Revenue	PR, 33		0.929	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Incremental Capacity incentive Adj. term (£m)	ICA, 38		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Additional Capacity Adjustment term (£m)	ACA, 39		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Retail Indexation Adjustment Term	RI, 41		1.000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Correction factor on year to year revenue (£m)	K, 43		(9,288)	(14,753)	(20,003)	(25,253)	(30,503)	(35,753)	(41,003)	(46,253)	(51,503)	(56,753)	(62,003)	(67,253)	(72,503)	(77,753)	(83,003)	(88,253)	(93,503)	(98,753)	(104,003)	(109,253)	(114,503)	
Regulated transmission revenue (£m)	AR, 45		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Allowed transmission owner revenue (£m)	OFTO, 46		9,288	14,753	20,003	25,253	30,503	35,753	41,003	46,253	51,503	56,753	62,003	67,253	72,503	77,753	83,003	88,253	93,503	98,753	104,003	109,253	114,503	
Interest rate (%)	I, 47		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Penalty Interest rate (%)	PI, 48		0.00%	9.66%	15.34%	20.80%	26.26%	31.72%	37.18%	42.64%	48.10%	53.56%	59.02%	64.48%	69.94%	75.40%	80.86%	86.32%	91.78%	97.24%	102.70%	108.16%	113.62%	
(Over/Under) Recovery (=K _t) (£m)	K, 51		(9,288)	(14,753)	(20,003)	(25,253)	(30,503)	(35,753)	(41,003)	(46,253)	(51,503)	(56,753)	(62,003)	(67,253)	(72,503)	(77,753)	(83,003)	(88,253)	(93,503)	(98,753)	(104,003)	(109,253)	(114,503)	

Appendix 5

Cost reporting

Sign off

Reviewed	Section	Prepared by	Reviewed by
*	1. Inputs	Name of preparer	Name of reviewer
*	2. Summary of all components of allowed revenue	Name of preparer	Name of reviewer
*	3a. Excluded and de minimis revenue	Name of preparer	Name of reviewer
*	3b. Total revenue (including excluded services)	Name of preparer	Name of reviewer
*	3c. Reconciliation between OFTO's Regulated Revenue and Allowed Revenue (AR)	Name of preparer	Name of reviewer
*	4a. Monthly performance incentive calculations	Name of preparer	Name of reviewer
*	4b. Annual performance incentive calculations	Name of preparer	Name of reviewer
*	5a. Planned outages	Name of preparer	Name of reviewer
*	5b. Unplanned outages	Name of preparer	Name of reviewer
*	5c. Outages the OFTO has requested be excluded from availability incentive calculation	Name of preparer	Name of reviewer
*	6. Basis for TRSL	Name of preparer	Name of reviewer
*	7. Summary of forecast allowed revenue	Name of preparer	Name of reviewer
*	8. Operating costs	Name of preparer	Name of reviewer
*	9. Financing - Equity and intercompany debt	Name of preparer	Name of reviewer
*	10. Financing - senior debt	Name of preparer	Name of reviewer
*	11. Financing - bonds	Name of preparer	Name of reviewer
*	12. Financing - derivatives and other	Name of preparer	Name of reviewer
*	13. Tax	Name of preparer	Name of reviewer
*	14. Statement of comprehensive income	Name of preparer	Name of reviewer
*	15. Statement of financial position	Name of preparer	Name of reviewer
*	16. Cash flow statement	Name of preparer	Name of reviewer
*	17. Financial ratios	Name of preparer	Name of reviewer
*	18. Reconciliation of internally consistent figures	Name of preparer	Name of reviewer
*	19. Reconciliation to statutory accounts	Name of preparer	Name of reviewer
*	20. Sulphur hexafluoride reporting	Name of preparer	Name of reviewer
*	21. Equity transaction reporting	Name of preparer	Name of reviewer

ofgem
Making a positive difference for energy consumers

OFFSHORE TRANSMISSION - Reporting pack

Project: **Demo sands**
OFTO: **[Offshore transmission operator 1]**
Year: **2018-19**

Sign off

Declaration

The below declaration is to be signed off by a director of the licensee

Amended Standard Condition E12 - D1 of the Offshore Transmission Licence paragraph 3 requires (amongst other things) that the licensee establish and maintain such systems and processes as necessary to ensure that 'the information collected and reported to the Authority is in all material respects accurate and complete and is fairly presented' and prepared in accordance with the regulatory instructions and guidance.

I, [Name of director], confirm that [Offshore transmission operator 1] is compliant with Amended Standard Conditions E12 - D1 and E12 - D2 of its licence.

I also confirm that I am aware that section 59 of the Electricity Act 1989 provides that a person commits an offence if, in giving any information or ... for the purpose of any provision of this Part [1] ... he makes any statement which he knows to be false in a material particular, or recklessly makes any statement which is false in a material particular.

I also confirm that I am aware that Section 108 of the Electricity Act 1989 makes it possible for a director/officer to be guilty of an offence committed by a body corporate where it is committed with the 'consent...of that person'.

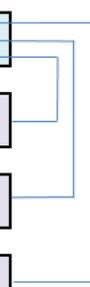
Name: [Name of director]
Position: _____
Date: _____

Universal data

 Making a positive difference for energy consumers	OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2018-19
Index	Universal data
Prepared by:	
Name of preparer	Company number:
	Company name:
Reviewed by:	Company short name:
Name of reviewer	Project:
	Reporting year: (enter 2014 for 2013/14)
	Version (number):
	Submitted date:
	Date to which last statutory accounts were made up:

	[Offshore transmission operator 1]
	OFTO1
	Demo sands
	2019

Statutory accounts
Regulatory accounts
Revenue return
Cost return



All tables reconcile to statutory accounts

Sheet 8 Operating costs

 OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2015-16																					
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
8. Operating costs																					
Prepared by:	For the year ending 31st March:																				
Name of preparer	3 d.p.																				
Income																					
Revenue	€m																				
Other operating income	€m																				
Total income	€m																				
Total operating costs (excl. depreciation)																					
EBITDA	€m																				
Taxation	€m																				
EBIDA	€m																				
Operating and maintenance costs																					
Ongoing O&M (planned)	€m																				
Reactive maintenance (unplanned)	€m																				
Total O&M	€m																				
Insurance																					
<i>Insurance type</i>																					
<i>Insurance costs</i>																					
<i>Overall costs</i>																					
Premium excluding IPT	€m																				
Insurance Premium Tax (IPT)	€m																				
Broker fees	€m																				
Other - please specify	€m																				
Other - please specify	€m																				
Sub total	€m																				
<i>Other insurance Costs and risk contingencies applied</i>																					
<i>Property damage "all risks" insurance</i>																					
Onshore	€m																				
Offshore	€m																				
Sub-sea cable	€m																				
Business interruption insurance	€m																				
Third Party Public & Products Liability Insurance	€m																				
Insurances required by law/ other	€m																				
Sub total	€m																				
Total insurance cost	€m																				
<i>Insurance memo items</i>																					
<i>Property damage "all risks" insurance</i>																					
<i>Onshore</i>																					
Sum Insured/Rateable Factor*	€m																				
Deductible*	€m																				
<i>Offshore</i>																					
Sum Insured/Rateable Factor*	€m																				
Deductible*	€m																				
<i>Sub-sea cable</i>																					
Sum Insured/Rateable Factor*	€m																				
Deductible*	€m																				
<i>Business interruption insurance</i>																					
Sum Insured/Rateable Factor*	€m																				
Deductible*	€m																				
<i>Third Party Public & Products Liability Insurance</i>																					
Sum Insured/Rateable Factor*	€m																				
Deductible*	€m																				
<i>Insurances required by law/ other</i>																					
Sum Insured/Rateable Factor*	€m																				
Deductible*	€m																				
Decommissioning																					
Decommissioning cost - accruals basis	€m																				
Decommissioning cost - cash basis	€m																				



OFFSHORE TRANSMISSION - Reporting pack

Project: **Demo sands**
OFTO: **[Offshore transmission operator 1]**
Year: **2015-16**

Index

Prepared by:	8. Operating costs	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
	For the year ending 31st March:																						
	SPV costs																						
	SPV Management	£m																					
	Accounting	£m																					
	Tax	£m																					
	Legal	£m																					
	Licence fees	£m																					
	Notarisation	£m																					
	Construction costs	£m																					
	Other costs	£m																					
	Rating surveillance	£m																					
	Office & Property Costs	£m																					
	Travel & Subsistence	£m																					
	IT, Telephony, Printing and Stationery	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Total SPV costs	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replacement costs																						
	Replacement expenditure - Offshore platform																						
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Total offshore platform	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replacement expenditure - Onshore to offshore transfer																						
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Total onshore to offshore transfer	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replacement expenditure - Onshore cable works																						
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Total onshore cable works	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Replacement expenditure - Onshore substation																						
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Total onshore substation	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total replacement costs	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Bid costs																						
	Success fees	£m																					
	Financial advice	£m																					
	Legal advice	£m																					
	Technical advice	£m																					
	Other professional advice	£m																					
	Contingency	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Total bid costs	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other costs																						
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Other - please overwrite	£m																					
	Total other costs	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sheet '9' Equity and intercompany debt

 Making a positive difference for energy consumers	OFFSHORE TRANSMISSION - Reporting pack
Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2015-16	

		3 d.p.	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
9. Financing - Equity and intercompany debt																							
Prepared by:	For the year ending 31st March:																						
Name of preparer	Equity	£m																					
Reviewed by:	Equity in issue - b/f (enter as +ve)	£m																					
Name of reviewer	Equity injection (enter as +ve)	£m																					
<input type="checkbox"/> Reviewed	Equity redemption (enter as -ve)	£m																					
	Equity in issue - c/f	£m																					
	Dividends declared	£m																					
Intercompany debt																							
Intercompany debt - tranche 1																							
Overwrite with name of tranche																							
	Interest rate	%																					
	Amount issued	£m																					
	Issue date	dd/mm/yy																					
	Maturity	dd/mm/yy																					
	Intercompany debt in issue - b/f (enter as +ve)	£m																					
	Intercompany debt issued (enter as +ve)	£m																					
	Intercompany debt interest rolled up (enter as +ve)	£m																					
	Intercompany debt repaid (enter as -ve)	£m																					
	Intercompany debt in issue - c/f	£m																					
	Interest payments (enter as +ve)	£m																					
Intercompany debt - tranche 2																							
Overwrite with name of tranche																							
	Interest rate	%																					
	Amount issued	£m																					
	Issue date	dd/mm/yy																					
	Maturity	dd/mm/yy																					
	Intercompany debt in issue - b/f (enter as +ve)	£m																					
	Intercompany debt issued (enter as +ve)	£m																					
	Intercompany debt interest rolled up (enter as +ve)	£m																					
	Intercompany debt repaid (enter as -ve)	£m																					
	Intercompany debt in issue - c/f	£m																					
	Interest payments (enter as +ve)	£m																					
Intercompany debt - tranche 3																							
Overwrite with name of tranche																							
	Interest rate	%																					
	Amount issued	£m																					
	Issue date	dd/mm/yy																					
	Maturity	dd/mm/yy																					
	Intercompany debt in issue - b/f (enter as +ve)	£m																					
	Intercompany debt issued (enter as +ve)	£m																					
	Intercompany debt interest rolled up (enter as +ve)	£m																					
	Intercompany debt repaid (enter as -ve)	£m																					
	Intercompany debt in issue - c/f	£m																					
	Interest payments (enter as +ve)	£m																					
Intercompany debt - total																							
	Intercompany debt in issue - b/f (enter as +ve)	£m																					
	Intercompany debt issued (enter as +ve)	£m																					
	Intercompany debt interest rolled up (enter as +ve)	£m																					
	Intercompany debt repaid (enter as -ve)	£m																					
	Intercompany debt in issue - c/f	£m																					
	Interest payments (enter as +ve)	£m																					



OFFSHORE TRANSMISSION - Reporting pack

Project: **Demo sands**
OFTO: **[Offshore transmission operator 1]**
Year: **2015-16**

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9. Financing - Equity and intercompany debt

Prepared by: For the year ending 31st March: 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036

Debt raised by holding companies

This section is only relevant where external special purpose finance is raised by a holding company and on-lent to the licensees.

Name of holding company	[HoldCo]																			
Value of [HoldCo]'s receivable from [Offshore transmission operator 1]	£m																			
Value of [Offshore transmission operator 1]'s payable to [HoldCo]	£m																			

Parties to debts

Please identify which entities are party to the debts detailed in this reporting template

Intercompany debt - tranche 1																				
Intercompany debt - tranche 2																				
Intercompany debt - tranche 3																				
Senior debt - tranche 1																				
Senior debt - tranche 2																				
Senior debt - tranche 3																				
Senior debt - tranche 4																				
Senior debt - tranche 5																				
Bond 1																				
Bond 2																				
Bond 3																				
Swap 1																				
Swap 2																				
Swap 3																				
Other derivative 1																				
Other derivative 2																				
Other instrument 1																				
Other instrument 2																				
Other instrument 3																				

Sheet '10' Financing – senior debt

 <p>ofgem Making a positive difference for energy consumers</p>	OFFSHORE TRANSMISSION - Reporting pack										
	Project:	Demo sands									
	OFTO:	[Offshore transmission operator 1]									
	Year:	2015-16									

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10. Financing - senior debt

Prepared by: [Name of preparer] For the year ending 31st March: 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036

3 d.p.

Senior debt

Reviewed by: **Senior debt - tranche 1**

Name of reviewer: [Overwrite with name of tranche]

Reviewed

Interest rate (margin)	%																				
Amount issued	£m																				
Issue date	dd/mm/yy																				
Maturity	dd/mm/yy																				
LIBOR	%																				
Senior debt in issue - b/f (enter as +ve)	£m																				
Senior debt issued (enter as +ve)	£m																				
Senior debt interest rolled up (enter as +ve)	£m																				
Senior debt repaid (enter as -ve)	£m																				
Senior debt in issue - c/f	£m																				
Interest payments (enter as +ve)	£m																				

Senior debt - tranche 2

[Overwrite with name of tranche]

Interest rate (margin)	%																				
Amount issued	£m																				
Issue date	dd/mm/yy																				
Maturity	dd/mm/yy																				
LIBOR	%																				
Senior debt in issue - b/f (enter as +ve)	£m																				
Senior debt issued (enter as +ve)	£m																				
Senior debt interest rolled up (enter as +ve)	£m																				
Senior debt repaid (enter as -ve)	£m																				
Senior debt in issue - c/f	£m																				
Interest payments (enter as +ve)	£m																				

Senior debt - tranche 3

[Overwrite with name of tranche]

Interest rate (margin)	%																				
Amount issued	£m																				
Issue date	dd/mm/yy																				
Maturity	dd/mm/yy																				
LIBOR	%																				
Senior debt in issue - b/f (enter as +ve)	£m																				
Senior debt issued (enter as +ve)	£m																				
Senior debt interest rolled up (enter as +ve)	£m																				
Senior debt repaid (enter as -ve)	£m																				
Senior debt in issue - c/f	£m																				
Interest payments (enter as +ve)	£m																				

 <small>Making a positive difference for energy consumers</small>	OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2015-16
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10. Financing - senior debt
 Prepared by: For the year ending 31st March: 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036

Senior debt - tranche 4
 Overwrite with name of tranche

Interest rate (margin)	%																			
Amount issued	£m																			
Issue date	dd/mm/yy																			
Maturity	dd/mm/yy																			
LIBOR	%																			
Senior debt in issue - bff (enter as +ve)	£m		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior debt issued (enter as +ve)	£m																			
Senior debt interest rolled up (enter as +ve)	£m																			
Senior debt repaid (enter as -ve)	£m																			
Senior debt in issue - off	£m		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest payments (enter as +ve)	£m																			

Senior debt - tranche 5
 Overwrite with name of tranche

Interest rate (margin)	%																			
Amount issued	£m																			
Issue date	dd/mm/yy																			
Maturity	dd/mm/yy																			
LIBOR	%																			
Senior debt in issue - bff (enter as +ve)	£m		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior debt issued (enter as +ve)	£m																			
Senior debt interest rolled up (enter as +ve)	£m																			
Senior debt repaid (enter as -ve)	£m																			
Senior debt in issue - off	£m		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest payments (enter as +ve)	£m																			

Senior debt - total

Senior debt in issue - bff (enter as +ve)	£m		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior debt issued (enter as +ve)	£m																			
Senior debt interest rolled up (enter as +ve)	£m																			
Senior debt repaid (enter as -ve)	£m																			
Senior debt in issue - off	£m		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest payments (enter as +ve)	£m																			

Sheet '12' Financing – derivatives and other

 OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2015-16		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
		12. Financing - derivatives and other Prepared by: For the year ending 31st March: Name of preparer: 3 d.p. Reviewed by:																				
Derivatives Swap 1 Overwrite with description of swap <input type="checkbox"/> Reviewed																						
Swap type Swap underwriter(s) Fixed rate Floating rate Amount swapped Issue date Maturity Cash flows payable under swap (-ve) Cash flows receivable under swap (+ve) Net cash flow under swap Appropriate discount rate for swap 1 Present value of cashflow Fair value of swap 1																						
Swap types Interest rate swap RPI swap Other - please specify																						
Swap 2 Overwrite with description of swap Swap type Swap underwriter(s) Fixed rate Floating rate Amount swapped Issue date Maturity Cash flows payable under swap (-ve) Cash flows receivable under swap (+ve) Net cash flow under swap Appropriate discount rate for swap 2 Present value of cashflow Fair value of swap 2																						
Swap types Interest rate swap RPI swap Other - please specify																						
Swap 3 Overwrite with description of swap Swap type Swap underwriter(s) Fixed rate Floating rate Amount swapped Issue date Maturity Cash flows payable under swap (-ve) Cash flows receivable under swap (+ve) Net cash flow under swap Appropriate discount rate for swap 3 Present value of cashflow Fair value of swap 3																						
Swap types Interest rate swap RPI swap Other - please specify																						
Other derivative 1 Overwrite with description of derivative Fair value																						
Other derivative 2 Overwrite with description of derivative Fair value																						
Other instrument 1 Overwrite with description of instrument Fair value																						
Other instrument 2 Overwrite with description of instrument Fair value																						
Other instrument 3 Overwrite with description of instrument Fair value																						

Sheet '13' Tax

 Making a positive difference for energy consumers	OFFSHORE TRANSMISSION - Reporting pack
	Project: Demo sands
	OFTO: [Offshore transmission operator 1]
	Year: 2015-16

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13. Tax

Prepared by:

Reviewed by:

Reviewed

The licensee should provide a copy of the CT600 (or successor form) they have most recently submitted to HMRC. We accept that this means there will be a delay between the period to which the return relates and its eventual submission. Screenshots covering this document should be provided below also.

Sheet '14' Statement of comprehensive income

OFFSHORE TRANSMISSION - Reporting pack																							
 Project: Demo saads OFTO: [Offshore transmission operator 1] Year: 2015-16																							
Index																							
14. Statement of comprehensive income		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
Prepared by:	For the year ending 31st March:																						
Name of preparer:	GAAP used (UK or IFRS)																						
Reviewed by:	Accounting treatment																						
Name of reviewer:	Other accounting treatment (if applicable)																						
<input type="checkbox"/> Reversed	Convention: (debit)/credit	3 d.p.																					
	Revenue	€m																					
	Other operating income	€m																					
	Operating costs																						
	Depreciation of operational assets	€m																					
	Depreciation of non-operational assets	€m																					
	IFRIC 12 amortisation	€m																					
	O&M costs	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Insurance costs	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Decommissioning costs	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	SPV costs	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Replacement costs	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Bid costs	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Other costs	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total operating costs	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Operating profit	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Interest income and similar income																						
	Finance income from IFRIC 12 debtor	€m																					
	Finance income from lease unguarantee	€m																					
	Interest receivable	€m																					
	Other investment income	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Interest expense and other finance costs																						
	Interest payable - Sub debt	€m																					
	Interest payable - Senior debt	€m																					
	Interest payable - Bond	€m																					
	Other finance costs	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Profit before taxation	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Taxation																						
	Current Tax - current year	€m																					
	Current Tax - prior year adjustments	€m																					
	Deferred Tax - current year	€m																					
	Deferred Tax - prior year adjustments	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Profit for the year	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Other comprehensive income																						
	Net (loss)/gain taken to equity in respect of cash flow hedge	€m																					
	Tax on items taken directly to or transferred from equity	€m																					
	Impact of change in tax rate on deferred tax	€m																					
	Total comprehensive income for the year	€m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Minor items																						
	Exceptional items																						
	Overwrite with description of exceptional	€m																					
	Overwrite with description of exceptional	€m																					
	Overwrite with description of exceptional	€m																					
	Overwrite with description of exceptional	€m																					
	Overwrite with description of exceptional	€m																					
	Fair value gains/losses																						
	Fair value gain/(loss) on ruzsp 1	€m																					
	Fair value gain/(loss) on ruzsp 2	€m																					
	Fair value gain/(loss) on ruzsp 3	€m																					
	Overwrite with description of FV gain/loss	€m																					
	Overwrite with description of FV gain/loss	€m																					
	Overwrite with description of FV gain/loss	€m																					

Sheet '15' Statement of financial position



OFFSHORE TRANSMISSION – Reporting pack
 Project: **Dumna round**
 OFTO: **[Offshore transmission operator 1]**
 Year: **2015-16**

		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
15. Statement of financial position																						
Prepared by:	As of financial year:																					
Name of project:	GRAB year (UK or IFRS):																					
Reviewed by:	Consent: (tick/insert)																					
Name of reviewer:	Signature:																					
Assets																						
<i>Non-current assets</i>																						
Offshore transmission assets	£m																					
Offshore substation	£m																					
Onshore substation	£m																					
Other operational assets	£m																					
Non-operational assets	£m																					
IPRUC 12 financial asset	£m																					
IPRUC 12 intangible asset	£m																					
Intangible intangible	£m																					
Intangible	£m																					
Deferred tax assets	£m																					
Derivative financial instruments	£m																					
Other please specify	£m																					
Total non-current assets	£m																					
<i>Current assets</i>																						
Cash and cash equivalents	£m																					
Trade and other receivables	£m																					
Inventory	£m																					
Deferred tax assets	£m																					
Derivative financial instruments	£m																					
Other please specify	£m																					
Total current assets	£m																					
Total assets	£m																					
Equity and liabilities																						
<i>Equity attributable to owners of the parent</i>																						
Ordinary shares	£m																					
Share premium	£m																					
Reserves	£m																					
Retained earnings	£m																					
Other reserves - please specify	£m																					
Other reserves - please specify	£m																					
Total equity	£m																					
<i>Non-current liabilities</i>																						
Subordinated debt	£m																					
Senior debt	£m																					
Debt	£m																					
Other borrowings - please specify	£m																					
Other borrowings - please specify	£m																					
Deferred tax liabilities	£m																					
Provisions for other liabilities and charges	£m																					
Other - please specify	£m																					
Total non-current liabilities	£m																					
<i>Current liabilities</i>																						
Bank overdrafts	£m																					
Trade and other payables	£m																					
Current income tax liabilities	£m																					
Subordinated debt	£m																					
Senior debt	£m																					
Debt	£m																					
Other borrowings - please specify	£m																					
Other borrowings - please specify	£m																					
Derivative financial instruments	£m																					
Provisions for other liabilities and charges	£m																					
Other - please specify	£m																					
Total current liabilities	£m																					
Total equity and liabilities	£m																					
Notes items																						
Cash resources available	£m																					
Debt service reserve account	£m																					
Maintenance reserve account	£m																					
Contingency reserve account	£m																					
Transmission reserve account	£m																					
Performance reserve account	£m																					
Other - please specify	£m																					
Other - please specify	£m																					
Other - please specify	£m																					
Other cash held in reserve account	£m																					
Total cash	£m																					
* should reconcile to balance sheet																						

Sheet '16' Cash flow statement

 Making a positive difference for energy consumers	OFFSHORE TRANSMISSION - Reporting pack	Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2015-16
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		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
16. Cash flow statement																						
Prepared by:	For the year ending 31st March:																					
Name of preparer:	Convention: inflow/(outflow)																					
	GAAP used (UK or IFRS)																					
Reviewed by:																						
Name of reviewer:																						
<input type="checkbox"/> Reviewed																						
	Cash flows from operating activities																					
	Cash receipts - TRS	£m																				
	Cash receipts - other operations	£m																				
	Cash payments - operating costs	£m																				
	Income tax paid	£m																				
	Other cash flow - please specify	£m																				
	Other cash flow - please specify	£m																				
	Net cash generated from operating activities	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Cash flows from investing activities																					
	Purchases of property, plant and equipment (PPE)	£m																				
	Proceeds from sale of PPE	£m																				
	Interest received	£m																				
	Other cash flow - please specify	£m																				
	Other cash flow - please specify	£m																				
	Net cash generated from investing activities	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Cash flows from financing activities																					
	Proceeds from issuance of ordinary shares	£m																				
	Proceeds from issuance of convertible bonds	£m																				
	Proceeds from issuance of redeemable preference shares	£m																				
	Proceeds from borrowings	£m																				
	Repayment of sub-debt	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Repayment of senior debt	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Repayment of bonds	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Interest paid - Sub debt	£m																				
	Interest paid - Senior debt	£m																				
	Interest paid - Bond	£m																				
	Dividends paid to company's shareholders	£m																				
	Dividends paid to holders of redeemable preference shares	£m																				
	Dividends paid to minority interests	£m																				
	Other cash flow - please specify	£m																				
	Other cash flow - please specify	£m																				
	Net cash used in financing activities	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Net (decrease)/increase in cash and cash equivalents	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Cash and cash equivalents at beginning of year	£m																				
	Cash and cash equivalents at end of year	£m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sheet '17' Financial ratios

 <small>Making a positive difference for energy consumers</small>	OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2015-16
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17. Financial ratios

			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Prepared by:	For the year ending 31st March:	3 d.p.																					
Name of preparer	Summary		n/a																				
Reviewed by:	Interest cover	times	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Name of reviewer	Annual debt service cover ratio (ADSCR)	times	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<input type="checkbox"/> Reviewed	Loan Life Cover Ratio (LLCR)	times	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Min annual debt service cover ratio	times	-																				
	Min loan life cover ratio	times	-																				
	Covenants																						
	Min annual debt service cover ratio	times																					
	Min loan life cover ratio	times																					
	Other covenant 1 - please specify	times																					
	Other covenant 2 - please specify	times																					
	Ratios																						
	Annual debt service cover ratio	times																					
	Loan life cover ratio	times																					
	Other covenant 1 - please specify	times																					
	Other covenant 2 - please specify	times																					
	Transfer value and subsequent capex																						
	Transfer value (enter as +ve)	£m																					
	Additions (enter as +ve)	£m																					
	Disposals (enter as -ve)	£m																					

Narrative description of ADSCR calculation

Narrative description of LLCR calculation

Narrative description of Other covenant 1 - please specify calculation

Narrative description of Other covenant 2 - please specify calculation

Sheet '18' Reconciliation of internally consistent figures

 Making a positive difference for energy consumers	OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2015-16
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18. Reconciliation of internally consistent figures

Prepared by: For the year ending 31st March: 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036

Name of reviewer: **Checks that spreadsheet is internally consistent**

Reviewed by: **Interest payable** ✓

Name of reviewer: **Balance sheet**

Reviewed

Total assets = total liabilities + equity ✓

Balance sheet agrees to cash flow statement ✓

Total debt agrees to financing tab ✓

Intercompany debt balances ✓

Cash reserves agree to balance sheet ✓

Ratios

ADSCR ✓

LLCR ✓

Other covenant 1 - please specify ✓

Other covenant 2 - please specify ✓

References

Interest payable

As per income statement £m -

As per financing tabs

Sub-debt interest payments £m -

Senior debt interest payments £m -

Bond coupon payments £m -

Balance sheet

Total assets £m -

Total equity and liabilities £m -

Cash and cash equivalents as per balance sheet £m -

Cash and cash equivalents as per cash flow statement £m -

Total debt as per financing tabs £m -

Total debt as per balance sheet £m -

HoldCo receivable £m -

OFTO payable £m -

Cash as per balance sheet £m -

Cash as per summary of cash reserves £m -

Sheet '19' Reconciliation



OFFSHORE TRANSMISSION - Reporting pack

Project: **Demo sands**
OFTO: **[Offshore transmission operator 1]**
Year: **2015-16**

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19. Reconciliation to statutory accounts

Prepared by:

Name of reviewer Last statutory accounts made up to:

31 December 2012

All reconciling items must be explained

Reviewed by:

3 d.p. As per cost reporting template Attributable to last statutory accounts Attributable to the statutory accounts for the year to 31/12/2013 Indexation adjustment Total items included in cost return but not in stats (-ve) Total items included in stats but not in cost return (+ve) Total agrees to cost reporting template

Name of reviewer

Reviewed

Revenue	£m	-						✓
Operating costs	£m	-						✓
Other operating income	£m	-						✓
Operating profit	£m	-						✓
Profit before taxation	£m	-						✓
Taxation	£m	-						✓
Profit for the year	£m	-						✓
Total comprehensive income for the year	£m	-						✓
Cash receipts - TRS	£m	-						✓
Net cash generated from operating activities	£m	-						✓

N.B. 'stats' in cells H10 and I10 refers to the statutory accounts

Appendix 6

Sulphur hexafluoride reporting

 OFFSHORE TRANSMISSION - Reporting pack Project: Demo sands OFTO: [Offshore transmission operator 1] Year: 2015-16		20. Sulphur hexafluoride reporting																					
		relevant year	t	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Prepared by:		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
Name of reviewer:																							
Reviewed by:																							
<input type="checkbox"/> Reviewed	SF ₆ Bank	kg																					
	SF ₆ Emissions	kg																					
	SF ₆ Emitted as a Percentage of SF ₆ Bank	%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Appendix 8

Glossary

ADSCR

Annual debt service cover ratio

Authority

The Gas and Electricity Markets Authority

C

Capex

Capital expenditure - amounts which a company spends on assets which are expected to be used over several years.

CT600

CT600 is the reference number for the corporation tax return which companies in the UK must complete and submit to HMRC.

G

GAAP

Generally accepted accounting principles - this is the generic name for a set of accounting rules. There are various national GAAPs (including UK GAAP) as well as the international standards (IFRS).

H

HoldCo

A name used to refer to the holding company of the licensee - i.e. the licensee's immediate parent company if that company has no other activities.

HMRC

Her Majesty's Revenue and Customs - the tax authorities in the UK.

I

IFRS

International Financial Reporting Standards

L

[Licence](#)

Offshore electricity transmission licence

[LIBOR](#)

London Interbank Offered Rate

[LLCR](#)

Loan life cover ratio

O

[O&M](#)

Operations and maintenance

[Ofgem](#)

Office of Gas and Electricity Markets

[OFTO](#)

Offshore transmission owner

S

[SPV](#)

Special purpose vehicle - a company, or other legal entity, set up specifically for carrying out a single activity.

[SF₆](#)

The chemical symbol for Sulphur hexafluoride, a gas that is used as both an insulating and arc extinction medium in electrical plant.

R

[RIGs](#)

Offshore transmission owner regulatory instructions and guidance

T

[TRS](#)

Tender revenue stream

[TR1 / TR2 / TR3 / TR4 / TR5](#)

Tender Round 1 / 2 / 3 / 4 / 5