

## **RIIO-2 Draft Determinations**

### **Summary charts of Ofgem's proposed adjustments of baseline totex**

In our Draft Determinations, we propose to set baseline totex allowances for all TOs only where we are satisfied of the need for and certainty of the proposed work, and where there is sufficient certainty of the efficient cost of the work.

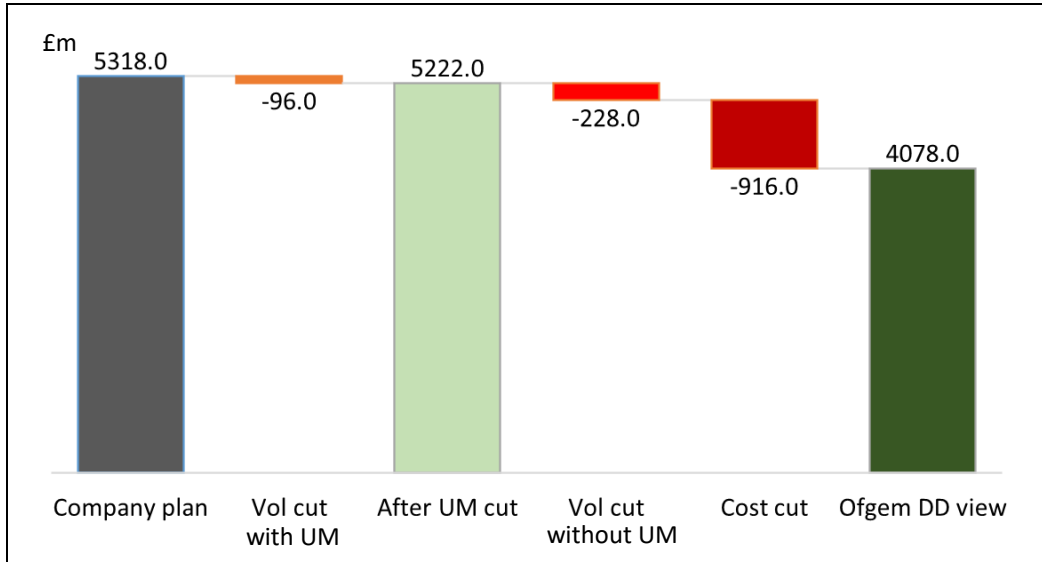
This note provides summary charts of the three steps of our adjustments from the baseline totex requested by the companies to our proposed allowances.

- The first step, labled "vol cut with UM" in the charts, is to move works from baseline to future decisions through uncertainty mechanisms when there is sufficient certainty,
- the second step, labled "vol cut no UM" in the charts, is to remove baseline works that we do not believe companies have provided convincing evidence of the needs case, and
- the third step, labled "cost cut" in the charts, is to reflect our view of efficient costs for works we propose to accept in the baseline.

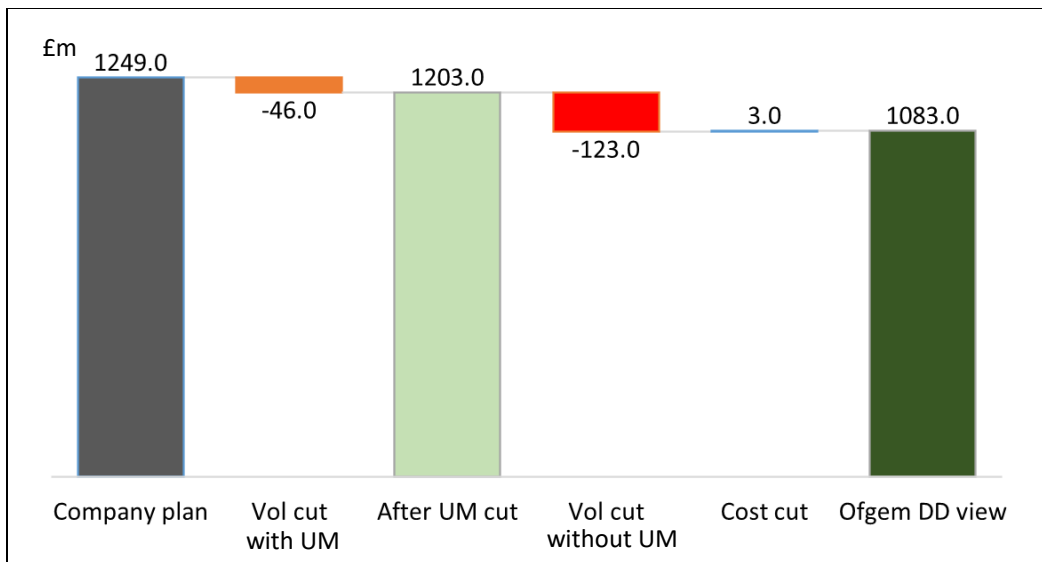
We hope these charts will be helpful to stakeholders in understanding our proposals. Relevant details of our assessment leading to these adjustments are provided in individual Company Annexes within the suite of RIIO-2 documents published as part of our Draft Determinations. For further details, please consult these documents or get in touch with us at [RIIO2@ofgem.gov.uk](mailto:RIIO2@ofgem.gov.uk).

## Gas Distribution

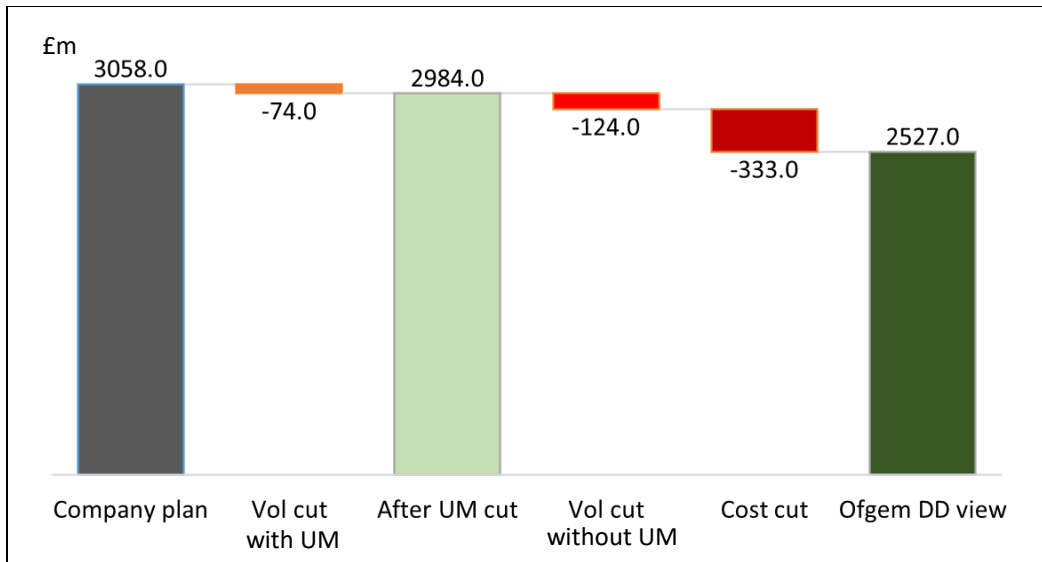
### Cadent



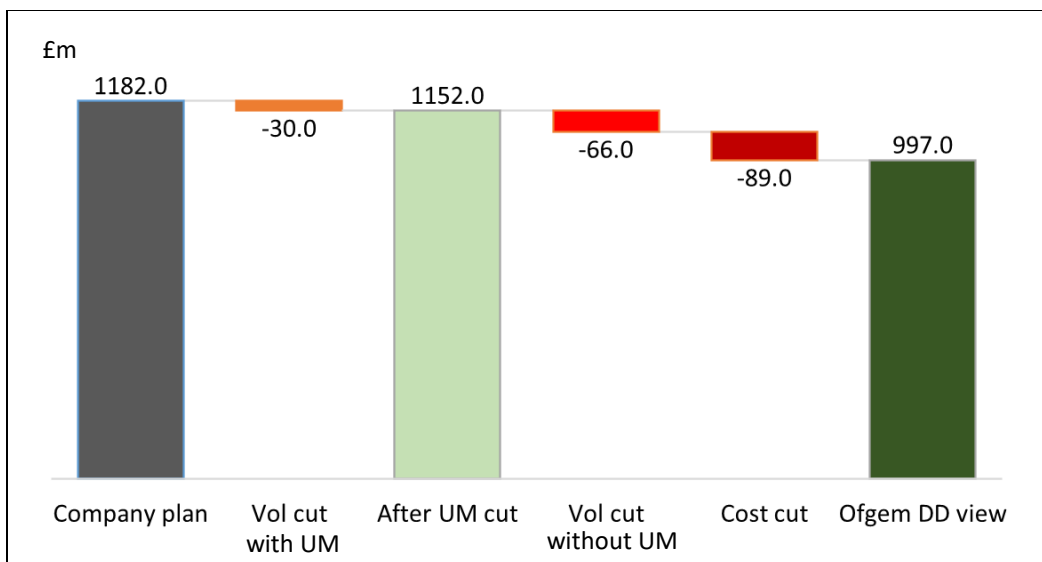
### NGN



SGN

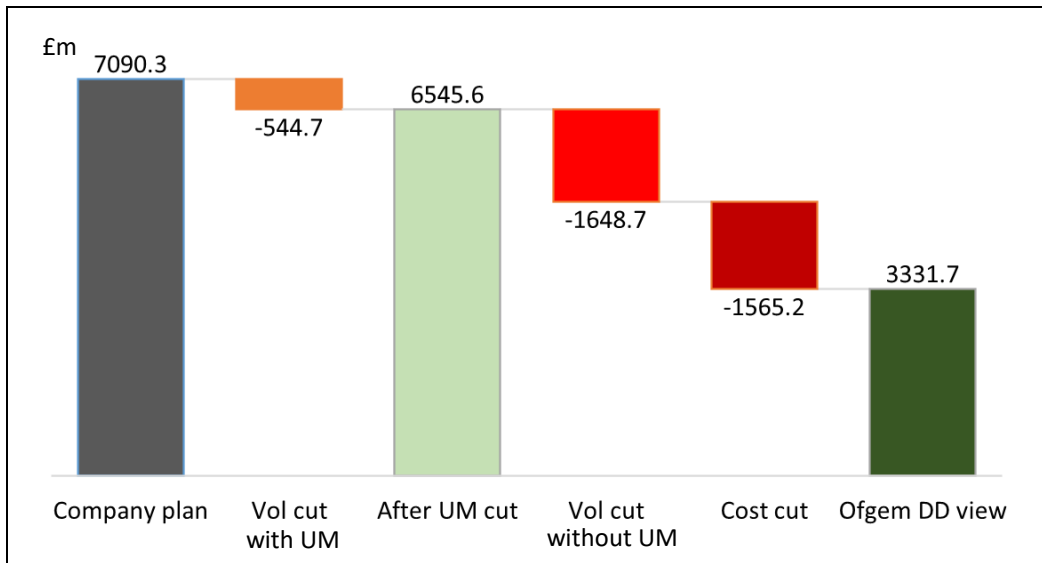


WWU

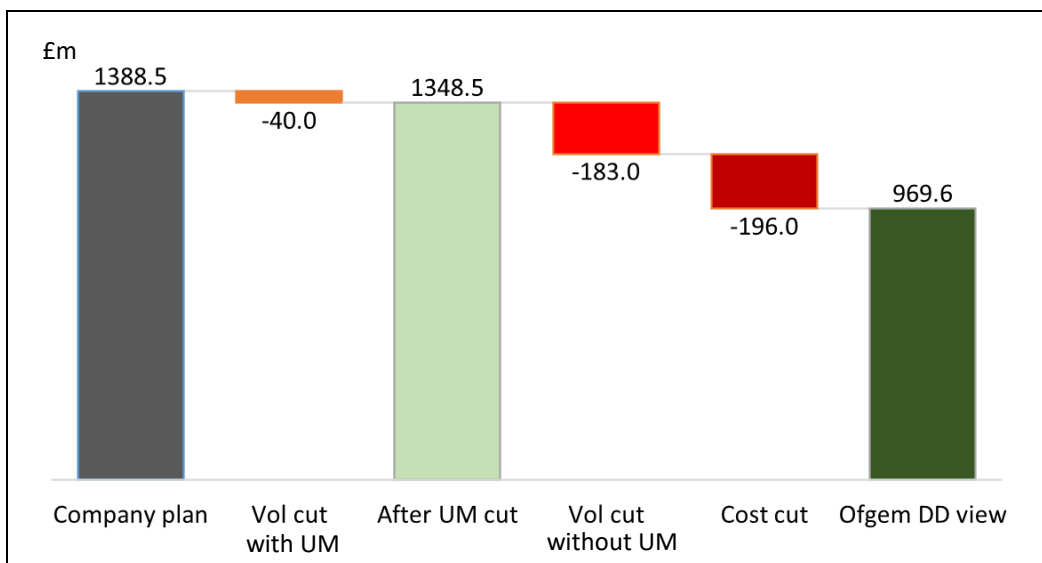


## Transmission

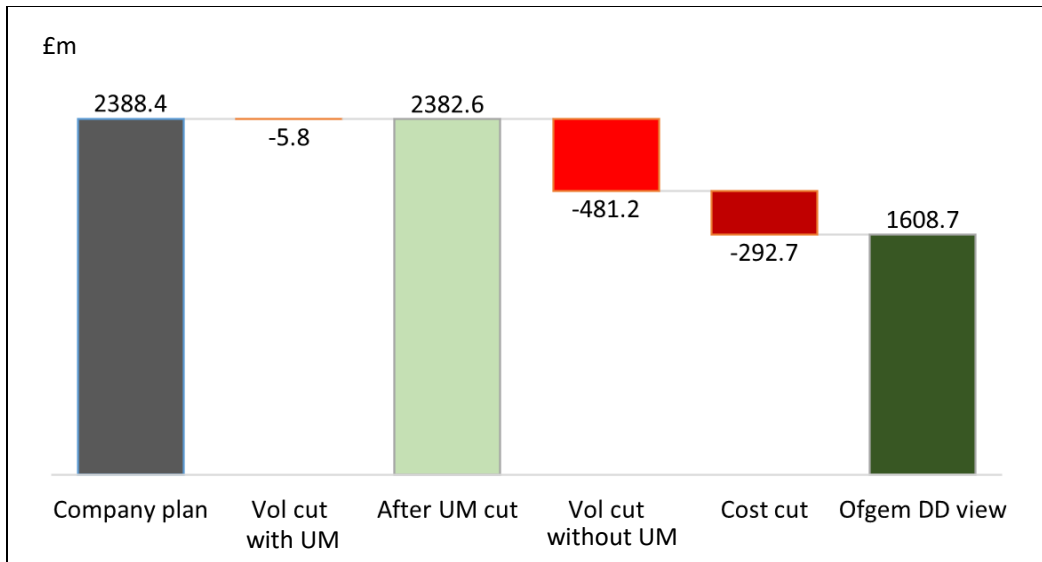
NGET



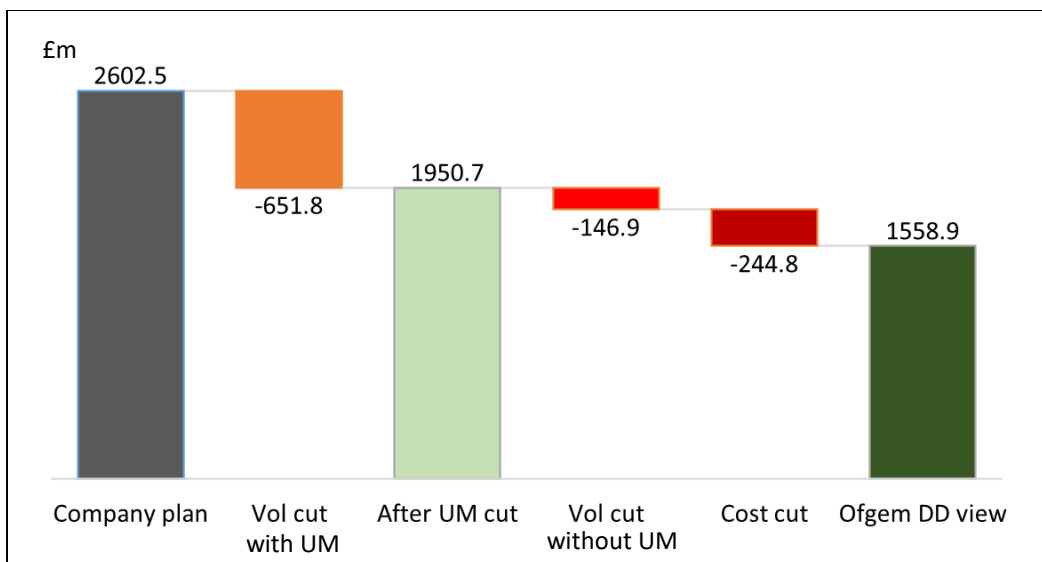
SPT



### SHET



### NGGT



*NB In NGGT's case, our assessment of some cost areas integrated the second and third steps adjustments. For these cost areas, we have not sought to separate the two steps in the chart above but instead have counted the combined adjustments as part of the "Cost cut" step.*