

June 2018 Mod186 Pricing Statement

Movement from March 18



Key movements from March 18

ALLOWED REVENUE		16/17	17/18	18/19	19/20	20/21	21/22
MARCH		411.3	409.2	409.5	436.9	440.6	440.6
Change in Inflation %							
March (Based on HM Treasury Feb report)		2.1%	3.6%	3.4%	3.0%	3.0%	
June (Based on HM Treasury May report)		2.1%	3.6%	3.3%	3.0%	3.1%	
Difference			(0.0%)	(0.1%)		0.0%	
Cumulative change in inflation			(0.0%)	(0.1%)	(0.1%)	(0.1%)	
£ impact on change in inflation (including changes in "Mod" above)					(0.4)	(0.4)	
£ Impact of changes in RPI on RPI true up (relating to 17/18)					(0.1)	(0.3)	
Total base revenue changes					(0.5)	(0.8)	
Pass through changes:							
Exit Capacity					0.0	(0.1)	
Shrinkage pass thru (gas price impact)					0.3	0.4	
Total					0.3	0.4	
K factor - forecast under collection in 18/19, recovered in 20/21					(0.3)	1.4	
JUNE		411.3	409.2	409.5	436.4	441.7	441.7
Difference					(0.5)	1.1	1.1
Total Price Change	March	4.3%	(3.5%)	(1.4%)	8.5%	3.7%	2.0%
Total Price Change	June	4.3%	(3.5%)	(1.4%)	8.7%	4.1%	2.0%
TOTAL PRICE CHANGE %	Difference		(0.0%)	(0.0%)	0.2%	0.4%	(0.0%)

21/22 is illustrative only assuming flat revenues year on year. The final outcome could be significantly different to this.

This also excludes any potential cost increase as a result of implementing Mod621