

# NGN Mod186 Pricing Statement

Movement from December 2018

**we are  
the network**

ALLOWED REVENUE		18/19	19/20	20/21	21/22	22/23
<b>DECEMBER</b>		409.5	436.1	448.3	448.3	
<b>Adjustments to Base Revenue via "MOD" (9/10 prices)</b>						
Totex Incentive - estimated GSOP removal from historic data				(0.3)		
Tax trigger - changes to special rate tax pool				1.3		
<b>"MOD" Adjustment</b>				<b>1.0</b>		
<b>Change in Inflation %</b>						
December (Based on HM Treasury Nov report)		3.4%	3.2%	3.2%		
March (Based on HM Treasury Feb report)		3.3%	2.9%	3.2%		
Difference		(0.1%)	(0.3%)	0.0%		
Cumulative change in inflation		(0.1%)	(0.4%)	(0.3%)		
£ impact on change in inflation (including changes in "Mod" above)			(0.0)	(1.1)		
£ Impact of changes in RPI on RPI true up (relating to 18/19)			(0.0)	(0.3)		
<b>Total base revenue changes</b>			<b>(0.0)</b>	<b>(0.4)</b>		
<b>Pass through changes:</b>						
Rates			(0.0)	(0.2)		
Shrinkage pass thru (gas price impact)			0.0	0.4		
Iresa / Octopus Energy SOLR 19/20			0.7			
<b>Total</b>			<b>0.7</b>	<b>0.2</b>		
K factor				0.5		
<b>MARCH</b>		409.5	436.8	448.6	448.6	448.6
<b>Difference</b>			<b>0.7</b>	<b>0.3</b>	<b>0.3</b>	<b>448.6</b>
<b>Total Price Change</b>						
<b>December</b>		(1.4%)	8.1%	5.7%	2.0%	
<b>March</b>		(1.4%)	7.8%	5.6%	2.0%	2.0%
<b>TOTAL PRICE CHANGE %</b>		<b>Difference</b>	<b>0.0%</b>	<b>(0.4%)</b>	<b>(0.1%)</b>	<b>2.0%</b>

GD2 years are illustrative only assuming flat revenues year on year. The final outcome could be significantly different to this.