

MOD 186

28 March 2023



Movements since 10 January 2023

		2021/22	2022/23	2023/24	2024/25	2025/26	Explanation
		£'m nominal					
Reported at the last DNCMF (10 January 2023)		444.9	611.7	573.5	548.6	549.7	
Business rates	↓	-	-	-	(4.0)	(2.1)	Updated business rates following latest rates review.
Shrinkage	↓	-	-	-	(26.9)	(7.6)	Updated to reflect revised shrinkage forecast costs for 2022/23 to 2025/26 based on a 4 week average for the month of February 2023.
Reported in the latest MOD186 (28 March 2023)		444.9	611.7	573.5	517.7	540.0	
Net Movement	↓	-	-	-	(30.9)	(9.7)	

Additional comments

- **Business rates**

These have been updated for 2023/24 to 2025/26 to reflect the latest position in respect of the rates review for these periods.

- **Shrinkage**

The updated shrinkage forecasts reflect a 4 week average for the month of February 2023. Volatility in wholesale gas prices remain and continue to impact Allowed Revenue across the price control.

Important notice

- This information is submitted in fulfilment of the UNC in that forecast allowed revenue must be shared (“the Forecasts”). No representation as to the accuracy of the Forecasts or any other information is made in this report. The Forecasts involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by the Forecasts. This document should not be relied on as a guide to future performance and should not be relied on by any person in deciding whether to undertake future investment.
- To adhere to the five year tariff forecast obligation under the UNC, we have included a forecast for the first year of GD3 price control. As discussions with Ofgem regarding GD3 have not yet begun we have no basis to include any forecasts, as a result WWU have taken the approach of rolling forward revenue levels from 2025/26 with an inflationary increase. This approach does not represent WWU's view of GD3 revenues. These revenues could be materially different to the figures quoted and any use of 2026/27 tariff forecast should be done so recognising this uncertainty.
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Thank you

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