

March 2024 MOD0186

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Key Updates for Cadent's March 2024 MOD0186

2024/25 Final Charges have now been set with charging statements to be released at the end of March 2024. These charges are in line with the Final Charges issued on the 31st January 2024.

For the MOD0186 report, there is no update or changes to the assumptions made when setting 24/25 Final Charges for the year ended March 2024. We have not updated information for the Spring OBR publication.

Key changes were shared and updated as part of the December MOD186 submission. Therefore, this submission has minimal impact to revenues in FY 25 and FY 26.

The forecast provided on the subsequent slide looks further forward to the next two years under the RIIO2 price control period.

Movement in forecast Allowed Revenue

CADENT	24/25	25/26	TOTAL
MOD0186 - Dec '23	2,099.9	2,356.6	4,456.6
Adjustment term	4.1	7.3	11.4
MOD0186 - Mar '24	2,104.1	2,363.9	4,468.0
Movement	0.2%	0.3%	0.3%

Overview

• Adjustment term: The change in the adjustment term in future years is in relation to current year.



Appendix



CADENT GAS LTD - EAST OF ENGLAND NETWORK

Mar-24 MOD186

DESCRIPTION	LICENCE TERM	PRICE BASE	2021/22	2022/23	2023/24	2024/25	2025/26
TABLE 1: ALLOWED REVENUE & ARITHMETICAL PRICE CHANGE							
ALLOWED REVENUE (AS PUBLISHED)	ARt	NOMINAL	646.1	921.5	811.9	719.6	813.1

TOTAL LDZ & CUSTOMER CHARGES ARITHMETICAL PRICE CHANGE (EXCL SOLR)	%	(3.2)%	(1.2)%	6.2%	4.4%	8.5%
TOTAL ECN CHARGES ARITHMETICAL PRICE CHANGE	%	161.5%	61.4%	(42.5)%	(17.6)%	89.4%
TOTAL DISTRIBUTION CHARGES ARITHMETICAL PRICE CHANGE	%	1.3%	42.6%		(11.4)%	13.0%

BASE REVENUE (INCLUDING TAX ALLOWANCE)		18/19	594.7	747.8	649.2	591.1	601.2
TOTAL OUTPUT DELIVERY INCENTIVE	ODIt	18/19	-	0.6	2.5	3.1	3.2
BUSINESS PLAN INCENTIVE	BPIt	18/19	0.0	0.2	0.2	0.2	0.2
OTHER REVENUE ALLOWANCES	ORAt	18/19	5.5	4.7	5.2	14.4	14.5
OTHER REVENUE TOTAL (inc. SIU/Cross subsidy adj.)	CSUBt/DRSt	18/19	-	-	-	-	-
TOTAL CALCULATED REVENUE (FIXED 18/19 PRICES)	Rt	18/19	600.2	753.4	657.2	608.9	619.2
FORECAST INFLATION FACTOR; CPIH (AS PUBLISHED)	PIt / PI2018/19		1.053	1.119	1.241	1.292	1.314
INFLATION TRUE-UP TO NOMINAL PRICES		NOMINAL	31.5	89.6	158.5	177.7	194.4
INFLATION TRUE-UP TO NOMINAL PRICES TOTAL CALCULATED REVENUE NOMINAL (AS PUBLISHED)	Rt	NOMINAL	31.5 631.8	89.6 842.9	158.5 815.7	177.7 786.6	194.4 813.6
	Rt						
	Rt ADJt						
TOTAL CALCULATED REVENUE NOMINAL (AS PUBLISHED)		NOMINAL	631.8	842.9	815.7	786.6	
TOTAL CALCULATED REVENUE NOMINAL (AS PUBLISHED) ADJUSTMENT TERM (prior years movement in allowances)	ADJt	NOMINAL	631.8 (0.5)	842.9 48.4	815.7 (5.9)	786.6	

CADENT GAS LTD - LONDON NETWORK

Mar-24 MOD186

DESCRIPTION	LICENCE TERM	PRICE BASE	2021/22	2022/23	2023/24	2024/25	2025/26

TABLE 1: ALLOWED REVENUE & ARITHMETICAL PRICE CHANGE

ALLOWED REVENUE (AS PUBLISHED)	ARt	NOMINAL	468.4	651.1	514.5	519.1	567.4
TOTAL LDZ & CUSTOMER CHARGES ARITHMETICAL PRICE CHANGE (EXCL SOLR)		%	4.0%	5.6%	(10.6)%	16.7%	6.0%
TOTAL ECN CHARGES ARITHMETICAL PRICE CHANGE		%	78.7%	47.9%	(41.6)%	(14.5)%	89.9%
TOTAL DISTRIBUTION CHARGES ARITHMETICAL PRICE CHANGE		%	1.6%	39.0%		0.9%	9.3%

	18/19	428.8	522.0	449.0	422.5	427.1
ODIt	18/19	-	1.0	1.7	2.4	2.8
BPIt	18/19	0.0	(0.0)	(0.0)	(0.0)	(0.0)
ORAt	18/19	3.2	2.6	2.9	8.1	8.2
CSUBt/DRSt	18/19	-	-	-	-	-
Rt	18/19	432.0	525.6	453.6	433.1	438.0
PIt / PI2018/19		1.0525	1.1189	1.2412	1.2919	1.3140
	NOMINAL	22.7	62.5	109.4	126.4	137.5
Rt	NOMINAL	454.6	588.0	563.0	559.5	575.6
ADJt	NOMINAL	0.8	35.1	(44.7)	(35.4)	-
Kt	NOMINAL	1.7	(2.3)	3.2	-	-
LARt	NOMINAL	11.3	30.3	(7.1)	(5.0)	(8.2)
ARt	NOMINAL	468.4	651.1	514.5	519.1	567.4
	BPIt ORAt CSUBt/DRSt Rt PIt / PI2018/19 Rt ADJt Kt LARt	ODIt 18/19 BPIt 18/19 ORAt 18/19 CSUBt/DRSt 18/19 Rt 18/19 PIt / PI2018/19 NOMINAL Rt NOMINAL ADJt NOMINAL Kt NOMINAL LARt NOMINAL	ODIt 18/19 - BPIt 18/19 0.0 ORAt 18/19 3.2 CSUBt/DRSt 18/19 - Rt 18/19 432.0 PIt / PI2018/19 1.0525 Rt NOMINAL 22.7 Rt NOMINAL 454.6 Kt NOMINAL 0.8 Kt NOMINAL 1.7 LARt NOMINAL 11.3	ODIt 18/19 - 1.0 BPIt 18/19 0.0 (0.0) ORAt 18/19 3.2 2.6 CSUBt/DRSt 18/19 - - Rt 18/19 - - NOMINAL 22.7 62.5 Rt NOMINAL 454.6 588.0 ADJt NOMINAL 0.8 35.1 Kt NOMINAL 1.7 (2.3) LARt NOMINAL 11.3 30.3	ODit 18/19 - 1.0 1.7 BPit 18/19 0.0 (0.0) (0.0) ORAt 18/19 3.2 2.6 2.9 CSUBt/DRSt 18/19 - - - Rt 18/19 - - - Plt/Pl2018/19 18/19 - - - NOMINAL 22.7 62.5 109.4 Rt NOMINAL 22.7 62.5 109.4 ADJt NOMINAL 0.8 35.1 (44.7) Kt NOMINAL 1.7 (2.3) 3.2 LARt NOMINAL 11.3 30.3 (7.1)	ODIt 18/19 - 1.0 1.7 2.4 BPIt 18/19 0.0 (0.0) (0.0) (0.0) ORAt 18/19 3.2 2.6 2.9 8.1 CSUBt/DRSt 18/19 - - - - Rt 18/19 432.0 525.6 453.6 433.1 Plt/Pl2018/19 1.0525 1.1189 1.2412 1.2919 NOMINAL 22.7 62.5 109.4 126.4 Rt NOMINAL 25.5 1.1189 1.2412 1.2919 ADIt NOMINAL 454.6 588.0 563.0 559.5 ADIt NOMINAL 0.8 35.1 (44.7) (35.4) Kt NOMINAL 1.7 (2.3) 3.2 - LARt NOMINAL 11.3 30.3 (7.1) (5.0)

CADENT GAS LTD - NORTH WEST NETWORK

Mar-24 MOD186

DESCRIPTION	LICENCE TERM	PRICE BASE	2021/22	2022/23	2023/24	2024/25	2025/26
TABLE 1: ALLOWED REVENUE & ARITHMETICAL PRICE CHANGE							
ALLOWED REVENUE (AS PUBLISHED)	ARt	NOMINAL	453.2	١	589.0	488.5	557.9
TOTAL LDZ & CUSTOMER CHARGES ARITHMETICAL PRICE CHANGE (EXCL SOLR)		%	(5.5)%	3.0%	7.4%	(2.0)%	10.0%
TOTAL ECN CHARGES ARITHMETICAL PRICE CHANGE		%	(4.1)%	22.5%	(28.2)%	(23.4)%	92.9%

	18/19	414.0	521.0	458.8	408.5	413.2
ODIt	18/19	-	0.1	2.3	2.3	2.4
BPIt	18/19	0.0	(0.0)	(0.0)	(0.0)	(0.0)
ORAt	18/19	3.7	3.1	3.5	9.6	9.7
CSUBt/DRSt	18/19	-	-	-	-	-
Rt	18/19	417.7	524.2	464.5	420.4	425.3
PIt / PI2018/19		1.0525	1.1189	1.2412	1.2919	1.3140
	NOMINAL	21.9	62.3	112.0	122.7	133.5
Rt	NOMINAL	439.6	586.6	576.5	543.1	558.8
		(2.0)	22.0	12	(54.4)	
	-				(34.4)	-
Kt	NOMINAL	1.7	2.6	11.8	-	-
LARt	NOMINAL	13.9	17.5	(0.6)	(0.3)	(0.9)
			L			
	BPIt ORAt CSUBt/DRSt Rt PIt/PI2018/19 Rt ADJt Kt	ODit 18/19 BPit 18/19 ORAt 18/19 CSUBt/DRSt 18/19 Rt 18/19 Plt / Pl2018/19 NOMINAL Rt NOMINAL ADJt NOMINAL Kt NOMINAL	ODit 18/19 - BPit 18/19 0.0 ORAt 18/19 3.7 CSUBt/DRSt 18/19 - Rt 18/19 - Plt / Pl2018/19 1.0525 NOMINAL 21.9 Rt NOMINAL 439.6 ADJt NOMINAL (2.0) Kt NOMINAL 1.7	ODit 18/19 - 0.1 BPit 18/19 0.0 (0.0) ORAt 18/19 3.7 3.1 CSUBt/DRSt 18/19 - - Rt 18/19 - - Pit / Pi2018/19 18/19 - - NOMINAL 21.9 62.3 - Rt NOMINAL 439.6 586.6 Kt NOMINAL (2.0) 33.9 Kt NOMINAL 1.7 2.6	ODIt 18/19 - 0.1 2.3 BPIt 18/19 0.0 (0.0) (0.0) ORAt 18/19 3.7 3.1 3.5 CSUBt/DRSt 18/19 - - - Rt 18/19 417.7 524.2 464.5 PIt / PI2018/19 1.0525 1.1189 1.2412 NOMINAL 21.9 62.3 112.0 Rt NOMINAL 439.6 586.6 576.5 ADJt NOMINAL (2.0) 33.9 1.2 Kt NOMINAL 1.7 2.6 11.8	ODIt 18/19 0.1 2.3 2.3 BPIt 18/19 0.0 (0.0) (0.0) (0.0) ORAt 18/19 3.7 3.1 3.5 9.6 CSUBt/DRSt 18/19 - - - - Rt 18/19 417.7 524.2 464.5 420.4 PIt / PI2018/19 1.0525 1.1189 1.2412 1.2919 NOMINAL 21.9 62.3 112.0 122.7 Rt NOMINAL 439.6 586.6 576.5 543.1 ADJt NOMINAL (2.0) 33.9 1.2 (54.4) Kt NOMINAL (2.0) 33.9 1.2 (54.4)

Mar-24 MOD186

DESCRIPTION	LICENCE TERM	PRICE BASE	2021/22	2022/23	2023/24	2024/25	2025/26

TABLE 1: ALLOWED REVENUE & ARITHMETICAL PRICE CHANGE

ALLOWED REVENUE (AS PUBLISHED)	ARt	NOMINAL	338.1	484.0	415.0	376.9	425.6
TOTAL LDZ & CUSTOMER CHARGES ARITHMETICAL PRICE CHANGE (EXCL SOLR)		%	(7.0)%	3.8%	0.4%	8.2%	9.0%
TOTAL ECN CHARGES ARITHMETICAL PRICE CHANGE		%	30.0%	39.4%	(43.4)%	(7.2)%	92.2%
TOTAL DISTRIBUTION CHARGES ARITHMETICAL PRICE CHANGE		%	(3.9)%	43.1%	(14.2)%	(9.2)%	12.9%

BASE REVENUE (INCLUDING TAX ALLOWANCE)		18/19	318.6	398.4	343.6	311.5	315.7
TOTAL OUTPUT DELIVERY INCENTIVE	ODIt	18/19	-	0.1	1.1	1.8	1.8
BUSINESS PLAN INCENTIVE	BPIt	18/19	0.0	(0.0)	(0.0)	(0.0)	(0.0)
OTHER REVENUE ALLOWANCES	ORAt	18/19	2.7	2.3	2.6	7.0	7.1
OTHER REVENUE TOTAL (inc. SIU/Cross subsidy adj.)	CSUBt/DRSt	18/19	-	-	-	-	-
TOTAL CALCULATED REVENUE (FIXED 18/19 PRICES)	Rt	18/19	321.3	400.8	347.3	320.2	324.6
FORECAST INFLATION FACTOR; CPIH (AS PUBLISHED)	Plt / Pl2018/19		1.0525	1.1189	1.2412	1.2919	1.3140
INFLATION TRUE-UP TO NOMINAL PRICES		NOMINAL	16.9	47.6	83.8	93.5	101.9
TOTAL CALCULATED REVENUE NOMINAL (AS PUBLISHED)	Rt	NOMINAL	338.2	448.5	431.0	413.7	426.5
ADJUSTMENT TERM (prior years movement in allowances)	ADJt	NOMINAL	(1.6)	28.5	(16.6)	(35.9)	-
CORRECTION TERM; K FACTOR	Kt	NOMINAL	1.4	0.9	1.4	-	-
LEGACY REVENUE	LARt	NOMINAL	0.1	6.1	(0.9)	(0.9)	(0.9)
ALLOWED REVENUE (AS PUBLISHED)	ARt	NOMINAL	338.1	484.0	415.0	376.9	425.6