

July 2015 Mod186 Pricing Statement

Movement from April



Key movements from April

ALLOWED REVENUE		13/14	14/15	15/16	16/17	17/18	18/19
APRIL		395.3	411.9	421.2	412.0	405.2	425.3
Adjustments to Base Revenue via "MOD" (9/10 prices)							
Cost of debt movement			(0.0)	0.3	0.2	(0.4)	(0.1)
Totex Incentive Mechanism				(0.3)	0.3	3.0	1.2
Repex Tier 2a				(0.0)	0.3	0.0	0.0
Changes to Shrinkage allowances					(0.3)	(0.1)	(0.1)
"MOD" Total			(0.0)	0.0	0.5	2.5	1.1
Change in Inflation %							
April		2.88%	2.08%	1.55%	2.75%	3.20%	3.15%
July		2.88%	1.96%	1.43%	2.55%	3.05%	3.15%
Difference			(0.1%)	(0.1%)	(0.2%)	(0.2%)	0.0%
£ impact on change in inflation			0.0	(0.0)	(1.8)	(1.9)	(2.1)
£ Impact of changes in RPI on RPI true up					(0.4)	(0.9)	0.0
Total base revenue changes					(1.7)	(0.2)	(1.0)
Exit Capacity Incentive (Indicative view)					(0.0)	2.4	1.4
Pass through changes			(0.0)		(0.0)	0.0	(0.7)
Network Innovation			0.3		(0.0)	(0.0)	(0.0)
K factor					0.2	(0.2)	(0.0)
JULY		395.3	412.2	421.2	410.6	407.1	424.8
Difference			0.3		(1.4)	1.9	(0.5)
PRICE CHANGE % IMPACT							
Total Price Change	April	5.1%	4.9%	6.1%	1.2%	1.3%	8.1%
Total Price Change	July	5.1%	4.9%	6.1%	0.8%	2.1%	7.5%
TOTAL PRICE CHANGE %	Difference		0.0%		(0.4%)	0.8%	(0.6%)
CUSTOMER BILL IMPACT							
Customer Bill Impact							
Average Customer Bill	April (14/15 prices)	132.4	135.5	138.2	131.0	125.0	126.7
Average Customer Bill	July (14/15 prices)	132.2	135.5	138.3	130.7	125.9	127.2
Difference in Customer Bill £		(0.2)		0.0	(0.3)	1.0	0.5