

# March 2016 Mod186 Pricing Statement

Movement from December 15



## Key movements from December 15

ALLOWED REVENUE	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21
<b>DECEMBER</b>	<b>395.3</b>	<b>412.2</b>	<b>421.2</b>	<b>411.6</b>	<b>411.4</b>	<b>422.7</b>	<b>441.8</b>	<b>456.0</b>
Cost of debt £ movement					0.0	0.1	0.1	0.1
<b>Change in Inflation %</b>								
December	2.88%	1.96%	1.28%	2.33%	3.08%	3.30%	3.30%	3.30%
March	2.88%	1.96%	1.16%	1.92%	2.75%	3.18%	3.12%	3.20%
Difference			(0.1%)	(0.4%)	(0.3%)	(0.1%)	(0.2%)	(0.1%)
£ impact on change in inflation					(3.4)	(4.4)	(4.8)	(5.4)
£ Impact of changes in RPI on RPI true up					(0.4)	(1.8)	0.0	0.0
<b>Total base revenue changes</b>					<b>(3.8)</b>	<b>(6.2)</b>	<b>(4.7)</b>	<b>(5.3)</b>
<b>Incentive changes:</b>								
Customer				(0.0)	(0.0)	(0.0)	(0.1)	(0.1)
Shrinkage/Leakage					(0.0)	(0.1)	(0.2)	(0.2)
Exit					(0.0)	(0.0)	(0.0)	(0.0)
<b>Total</b>				<b>(0.0)</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>
<b>Pass through changes:</b>								
Rates					0.0	(1.2)	(0.1)	(0.0)
Pension Deficit					(0.0)	(0.2)	(0.1)	(0.1)
Exit Capacity					0.0	(0.9)	(0.9)	0.1
Shrinkage					(0.4)	(1.0)	(1.3)	(1.2)
<b>Total</b>					<b>(0.3)</b>	<b>(3.3)</b>	<b>(2.4)</b>	<b>(1.2)</b>
Network Innovation					(0.0)	(0.0)	(0.0)	(0.0)
K factor				(0.0)	0.7	0.6	0.0	0.0
<b>MARCH</b>	<b>395.3</b>	<b>412.2</b>	<b>421.2</b>	<b>411.6</b>	<b>407.9</b>	<b>413.6</b>	<b>434.4</b>	<b>449.3</b>
<b>Difference</b>				<b>(0.0)</b>	<b>(3.5)</b>	<b>(9.1)</b>	<b>(7.4)</b>	<b>(6.7)</b>

<b>Total Price Change</b>	<b>December</b>	<b>5.1%</b>	<b>4.9%</b>	<b>6.1%</b>	<b>4.3%</b>	<b>3.0%</b>	<b>5.9%</b>	<b>7.4%</b>	<b>6.6%</b>
<b>Total Price Change</b>	<b>March</b>	<b>5.1%</b>	<b>4.9%</b>	<b>6.1%</b>	<b>4.2%</b>	<b>2.2%</b>	<b>4.6%</b>	<b>8.0%</b>	<b>6.9%</b>
<b>TOTAL PRICE CHANGE %</b>	<b>Difference</b>				<b>(0.1%)</b>	<b>(0.7%)</b>	<b>(1.3%)</b>	<b>0.5%</b>	<b>0.2%</b>