

Action Ref: TR0101

Example 1 – Pre Capacity Allocation

Funding – Impacts on funding and security

<ul style="list-style-type: none"> • 0% PARCA Applicant funded • 100% in Transportation charges • PARCA Applicant securitises full profile of Revenue Driver 		N	N+1	N+2	N+3
	Phasing	2%	5%	5%	5%
	Assumed cost profile	£2m	£5m	£5m	£5m
	Impact on Allowed Revenue / Recovered through capacity charges	£0.25m	£0.74m	£1.07m	£1.38m
	PARCA Applicant security requirements (for each year)	£2m	£7m	£12m	£17m
<ul style="list-style-type: none"> • 100% PARCA Applicant funded • No impact on Transportation charges • PARCA Applicant pays all costs on anticipated spend • A reconciliation of actual costs required 		N	N+1	N+2	N+3
	Phasing	2%	5%	5%	5%
	Assumed cost profile	£2m	£5m	£5m	£5m
	PARCA Applicant payments required (to fund the spend)	£2m	£5m	£5m	£5m
	PARCA Applicant Cumulative Liability	£2m	£7m	£12m	£17m