

## Calculation of 'K' under RIIO-T1 & NTS Charging Methodology impacts



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## Overview

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- Key changes under RIIO-T1
- Impact on NTS Charging Methodology
- Next Step

## Key changes under RIIO

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From 1<sup>st</sup> April 2013 under RIIO:

- Different penal interest rate adjustment values
- Different under/over recovery levels for penal interest rate adjustments
- 2 year lag on 'k' adjustments to allowed revenue
- National Grid will raise a UNC Modification to ensure the NTS Charging Methodology reflects these arrangements.

## Key impact on NTS Charging Methodology

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- Changes are required to the charging methodology
  - Appendix B – Treatment Of Under/Over Recovery ‘K’
- There could possibly be other minor changes within Section Y

## Next Step

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- Further details will be provided at the next NTS CMF prior to raising a modification