



Northern Powergrid

DCUSA Schedule 20

Cost Information Review Pack

Kara Burke

Regulatory Charges Lead

25 June 2026

Contents

- **Page 3** *Overview of forecast changes*
- **Page 4** *Passthrough*
- **Page 5** *Incentives*
- **Page 6** *Other Calculated Revenue Terms*
- **Page 7** *Indexation, Recovered Revenue and Prior Year Correction*
- **Page 9** *Appendix 1 – Overview of forecast changes – Northeast*
- **Page 10** *Appendix 1 – Overview of forecast changes - Yorkshire*
- **Page 11** *Appendix 2 – Table 2 Sensitivities*

Overview of forecast changes – Northern Powergrid

Term	Price Base	May-26 Forecast						Variance to Prior Forecast					
		2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4	2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4
Fast money	£m 20/21 prices	129.1	149.1	153.5	161.5	173.0	170.3	-	-	-	-	-	
Depreciation	£m 20/21 prices	251.3	247.3	245.8	242.3	238.5	235.0	-	-	-	-	-	
Return	£m 20/21 prices	150.9	161.7	168.7	164.5	173.5	183.2	-	-	-	-	-	
Pass-through	£m 20/21 prices	72.4	80.0	102.0	110.2	111.0	111.7	-0.5	-2.3	-2.1	-0.3	-0.3	
Base Revenue	£m 20/21 prices	603.7	638.1	670.1	678.5	695.9	700.2	-0.5	-2.3	-2.1	-0.3	-0.3	
Return Adjustment	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Equity issuance costs	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Business plan incentive	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Output delivery incentive	£m 20/21 prices	-17.4	2.9	10.7	-	-	-	-7.8	-	-	-	-	
Other revenue allowances	£m 20/21 prices	1.5	1.2	1.0	1.5	1.5	1.5	-0.7	-	-	-	-	
Directly Remunerated Services	£m 20/21 prices	-	-	-	-	-	-0.1	-	-	-	-	-	
Calculated revenue (before tax)	£m 20/21 prices	587.7	642.3	681.8	680.0	697.4	701.6	-9.0	-2.3	-2.1	-0.3	-0.3	
Tax allowance	£m 20/21 prices	20.7	27.2	34.3	26.6	21.4	16.0	-2.4	-1.6	-0.5	-	-	
Tax allowance adjustment	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Calculated revenue	£m 20/21 prices	608.5	669.5	716.0	706.5	718.9	717.7	-11.4	-3.9	-2.6	-0.3	-0.3	
Real to nominal prices conversion factor	scalar	1.372	1.412	1.439	1.468	1.490	1.512	-0.003	0.005	0.004	0.004	0.004	
Calculated revenue	£m nominal	834.7	945.0	1,030.7	1,037.3	1,071.2	1,085.5	-17.2	-2.3	-0.7	2.2	2.2	
Correction term	£m nominal	-175.1	-137.5	-57.2	-	-	-	0.2	-19.2	-18.9	-	-	
Forecasting penalty	£m nominal	-	-	-	-	-	-	-	-	-	-	-	
Legacy Allowed Revenue	£m nominal	4.3	4.7	5.0	-	-	-	-	-	-	-	-	
Allowed revenue	£m nominal	664.0	812.3	978.4	1,037.3	1,071.2	1,085.5	-17.0	-21.4	-19.6	2.2	2.2	
Recovered Revenue	£m nominal	792.3	866.2	994.3	1,037.3	1,071.2	1,085.5	0.3	-3.6	-3.8	2.2	2.2	
Revenue under/(over) recovery	£m nominal	-128.4	-53.9	-15.8	-	-	-	-17.3	-17.8	-15.8	-	-	

Passthrough (2020/21 prices)

Area	Term	Price Base		May-26 Forecast						Variance to Prior Forecast					
				2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
				t-1	t	t+1	t+2	t+3	t+4	t-1	t	t+1	t+2	t+3	t+4
Northeast	Licence Fee Payments	£m 20/21 prices	LFt	1.9	1.7	1.7	1.6	1.6	1.6	0.2	-	-	-	-	
	Prescribed Rates	£m 20/21 prices	RBt	18.4	23.2	23.1	25.8	25.8	25.8	-	-0.1	-0.1	-0.1	-0.1	
	Pass-through Transmission Connection Point Charges	£m 20/21 prices	TBt	8.7	8.8	9.3	9.4	9.7	10.0	-	-0.1	-	-	-	
	Smart Meter Communication Licensee Costs	£m 20/21 prices	SMCt	1.3	1.4	8.6	8.6	8.6	8.6	-	-	-	-	-	
	Smart Meter Information Technology Costs	£m 20/21 prices	SMITt	0.9	0.9	0.6	0.5	0.5	0.5	-0.1	-	-	-	-	
	Ring Fence Costs	£m 20/21 prices	RFt	-	-	-	-	-	-	-	-	-	-	-	
	Supplier of Last Resort Net Costs	£m 20/21 prices	SLRt	-0.4	-1.8	-	-	-	-	-	-	-	-	-	
	Valid Bad Debt Claims	£m 20/21 prices	IBDA	-	-	-	-	-	-	-	-	-	-	-	
	Pension Scheme Established Deficit repair expenditure	£m 20/21 prices	EDEt	-	-	-	-	-	-	-	-	-	-	-	
	Total	£m 20/21 prices	PTt	31.0	34.3	43.4	46.0	46.3	46.5	0.2	-0.2	-0.1	-0.1	-0.1	-
Yorkshire	Licence Fee Payments	£m 20/21 prices	LFt	2.8	2.5	2.5	2.3	2.3	2.3	0.3	-	-	-	-	
	Prescribed Rates	£m 20/21 prices	RBt	25.4	32.0	31.7	35.3	35.3	35.3	-	-0.1	-0.1	-0.1	-0.1	
	Pass-through Transmission Connection Point Charges	£m 20/21 prices	TBt	10.7	10.9	11.5	13.6	14.1	14.6	-1.0	-2.0	-1.9	-	-	
	Smart Meter Communication Licensee Costs	£m 20/21 prices	SMCt	1.9	2.0	12.4	12.4	12.4	12.4	-	-	-	-	-	
	Smart Meter Information Technology Costs	£m 20/21 prices	SMITt	0.9	0.9	0.6	0.5	0.5	0.5	-0.1	-	-	-	-	
	Ring Fence Costs	£m 20/21 prices	RFt	-	-	-	-	-	-	-	-	-	-	-	
	Supplier of Last Resort Net Costs	£m 20/21 prices	SLRt	-0.6	-2.6	-	-	-	-	-	-	-	-	-	
	Valid Bad Debt Claims	£m 20/21 prices	IBDA	-	-	-	-	-	-	-	-	-	-	-	
	Pension Scheme Established Deficit repair expenditure	£m 20/21 prices	EDEt	0.1	-	-	-	-	-	0.1	-	-	-	-	
	Total	£m 20/21 prices	PTt	41.3	45.7	58.7	64.2	64.7	65.2	-0.6	-2.1	-2.0	-0.2	-0.2	-

- Aligned to provisional actuals for 2025/26.
- Exit charges aligned to latest forecast.
- Connections Reform passthrough costs included on Pension Deficit row as doesn't currently have its own row.
- Minor variance in later years due to change in indexation from 2020/21 to nominal (no change in nominal costs).

Incentives (2020/21 prices)

Area	Term		May-26 Forecast						Variance to Prior Forecast					
			2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4	2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4
Northeast	Time To Connect	TTCt	-0.2	-	0.2	-	-	-	-0.2	-	-	-	-	
	Broad Measure of Customer Service	BMCSt	-0.3	1.2	1.4	-	-	-	-1.1	-	-	-	-	
	Interruptions	IQt	-6.9	-	1.6	-	-	-	-1.3	-	-0.1	-	-	
	Major Connections	MCt	-	-	-	-	-	-	-	-	-	-	-	
	Consumer Vulnerability	CVIt	-	-	1.9	-	-	-	-	-	-	-	-	
	Distribution System Operator	DSOIt	1.1	1.1	1.1	-	-	-	-	-	-	-	-	
	Total	ODIt	-6.4	2.3	6.2	-	-	-	-2.6	-	-0.1	-	-	-
Yorkshire	Time To Connect	TTCt	0.1	-	0.3	-	-	-	0.1	-	-	-	-	
	Broad Measure of Customer Service	BMCSt	-0.3	1.6	2.0	-	-	-	-1.4	-	-	-	-	
	Interruptions	IQt	-12.3	-2.5	-	-	-	-	-3.9	-	-	-	-	
	Major Connections	MCt	-	-	-	-	-	-	-	-	-	-	-	
	Consumer Vulnerability	CVIt	-	-	0.7	-	-	-	-	-	-	-	-	
	Distribution System Operator	DSOIt	1.5	1.5	1.5	-	-	-	-	-	-	-	-	
	Total	ODIt	-11.0	0.6	4.5	-	-	-	-5.2	-	-	-	-	-

- Aligned to provisional actuals for 2025/26, driving variance in Time to Connect, Broad Measure of Customer Service and Interruptions.

Other Calculated Revenue Terms (2020/21 prices)

Area	Term		May-26 Forecast						Variance to Prior Forecast					
			2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4	2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4
Northeast	Fast money	FMt	58.9	66.0	69.1	69.1	74.2	74.4	-	-	-	-	-	
	Depreciation	DPNt	108.6	107.0	105.7	103.2	101.0	99.2	-	-	-	-	-	
	Return	RTNt	63.9	68.4	71.3	68.9	72.4	76.2	-	-	-	-	-	
	Return Adjustment	RTNAt	-	-	-	-	-	-	-	-	-	-	-	
	Equity issuance costs	EICt	-	-	-	-	-	-	-	-	-	-	-	
	Business plan incentive	BPIt	-	-	-	-	-	-	-	-	-	-	-	
	Other revenue allowances	ORAt	0.6	0.5	0.4	0.6	0.6	0.6	-0.3	-	-	-	-	
	Directly Remunerated Services	DRSt	-	-	-	-	-	-	-	-	-	-	-	
	Tax allowance	TAXt	9.8	14.1	16.2	12.3	10.2	8.3	-0.8	-0.7	-0.2	-	-	
	Total		241.8	255.9	262.6	254.2	258.4	258.7	-1.1	-0.7	-0.2	-	-	-
Yorkshire	Fast money	FMt	70.2	83.1	84.5	92.4	98.8	95.9	-	-	-	-	-	
	Depreciation	DPNt	142.7	140.3	140.1	139.1	137.5	135.8	-	-	-	-	-	
	Return	RTNt	87.1	93.4	97.5	95.5	101.1	107.0	-	-	-	-	-	
	Return Adjustment	RTNAt	-	-	-	-	-	-	-	-	-	-	-	
	Equity issuance costs	EICt	-	-	-	-	-	-	-	-	-	-	-	
	Business plan incentive	BPIt	-	-	-	-	-	-	-	-	-	-	-	
	Other revenue allowances	ORAt	0.9	0.7	0.6	0.9	0.9	0.9	-0.4	-	-	-	-	
	Directly Remunerated Services	DRSt	-	-	-	-	-	-	-	-	-	-	-	
	Tax allowance	TAXt	10.9	13.2	18.1	14.3	11.2	7.8	-1.6	-0.9	-0.2	-	-	
	Total		311.8	330.6	340.7	342.2	349.5	347.3	-2.1	-0.9	-0.2	-	-	-

- Other Revenue Allowances aligned to provisional actuals for 2025/26 for NIA.
- All other rows remain aligned to latest business forecasts as submitted in the December 2025 PCFM, with tax reflecting all other updates.

Indexation

Term	May-26 Forecast						Variance to Prior Forecast					
	2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4	2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4
Price Index	403.5	415.2	423.4	431.9	438.3	444.9	-0.7	1.4	1.2	1.1	1.1	
Indexation %	3.79%	2.89%	1.98%	1.99%	1.50%	1.50%	-0.19%	0.54%	-0.05%	-0.05%	0.00%	

- Indexation is aligned to the final 2025/26 value and the March 2026 OBR forecast for all other years.

Recovered Revenue and Prior Year Correction (Nominal)

Area	Term	May-26 Forecast						Variance to Prior Forecast					
		2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4	2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4
Northeast	Allowed Revenue	288.4	354.6	436.6	440.7	454.0	461.6	-5.5	-5.3	-2.9	0.9	1.0	
	Recovered Revenue	344.8	368.8	437.9	440.7	454.0	461.6	-0.6	-1.8	-1.7	0.9	1.0	
	Over/Under-Recovery	56.4	14.1	1.2	-	-	-	4.8	3.5	1.2	-	-	
	Prior Year Correction	-78.9	-60.4	-15.0	-	-	-	0.1	-5.5	-3.7	-	-	-
Yorkshire	Allowed Revenue	375.5	457.6	541.8	596.6	617.3	623.8	-11.5	-16.1	-16.7	1.2	1.3	
	Recovered Revenue	447.5	497.4	556.4	596.6	617.3	623.8	1.0	-1.9	-2.1	1.2	1.3	
	Over/Under-Recovery	71.9	39.8	14.6	-	-	-	12.5	14.3	14.6	-	-	
	Prior Year Correction	-96.1	-77.0	-42.2	-	-	-	0.2	-13.7	-15.2	-	-	-

- Recovered revenue is updated for actual revenue invoiced in May 2026 and updated forecasts.
- Variance in prior year correction reflects changes to allowed revenues and recovered revenues as mentioned previously.

Questions?

We welcome the opportunity to discuss the information contained within this presentation, or any other use of system charging related matters, on a bilateral basis.

Contact me at kara.burke@northernpowergrid.com or 07872 819787

For general UoS charges enquiries: uos.charges@northernpowergrid.com

For DUoS Billing enquiries: duos.billing@northernpowergrid.com

For Residual Band enquiries: TCR@northernpowergrid.com

Appendix 1 – Overview of forecast changes - Northeast

Term	Price Base	May-26 Forecast						Variance to Prior Forecast					
		2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		t-1	t	t+1	t+2	t+3	t+4	t-1	t	t+1	t+2	t+3	t+4
Fast money	£m 20/21 prices	58.9	66.0	69.1	69.1	74.2	74.4	-	-	-	-	-	
Depreciation	£m 20/21 prices	108.6	107.0	105.7	103.2	101.0	99.2	-	-	-	-	-	
Return	£m 20/21 prices	63.9	68.4	71.3	68.9	72.4	76.2	-	-	-	-	-	
Pass-through	£m 20/21 prices	31.0	34.3	43.4	46.0	46.3	46.5	0.2	-0.2	-0.1	-0.1	-0.1	
Base Revenue	£m 20/21 prices	262.3	275.7	289.3	287.2	293.8	296.3	0.2	-0.2	-0.1	-0.1	-0.1	
Return Adjustment	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Equity issuance costs	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Business plan incentive	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Output delivery incentive	£m 20/21 prices	-6.4	2.3	6.2	-	-	-	-2.6	-	-0.1	-	-	
Other revenue allowances	£m 20/21 prices	0.6	0.5	0.4	0.6	0.6	0.6	-0.3	-	-	-	-	
Directly Remunerated Services	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Calculated revenue (before tax)	£m 20/21 prices	256.5	278.5	296.0	287.9	294.5	296.9	-2.7	-0.2	-0.1	-0.1	-0.1	
Tax allowance	£m 20/21 prices	9.8	14.1	16.2	12.3	10.2	8.3	-0.8	-0.7	-0.2	-	-	
Tax allowance adjustment	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Calculated revenue	£m 20/21 prices	266.4	292.5	312.1	300.2	304.6	305.2	-3.5	-0.9	-0.4	-0.1	-0.1	
Real to nominal prices conversion factor	scalar	1.372	1.412	1.439	1.468	1.490	1.512	-0.003	0.005	0.004	0.004	0.004	
Calculated revenue	£m nominal	365.4	412.9	449.3	440.7	454.0	461.6	-5.5	0.2	0.8	0.9	1.0	
Correction term	£m nominal	-78.9	-60.4	-15.0	-	-	-	0.1	-5.5	-3.7	-	-	
Forecasting penalty	£m nominal	-	-	-	-	-	-	-	-	-	-	-	
Legacy Allowed Revenue	£m nominal	2.0	2.2	2.3	-	-	-	-	-	-	-	-	
Allowed revenue	£m nominal	288.4	354.6	436.6	440.7	454.0	461.6	-5.5	-5.3	-2.9	0.9	1.0	
Recovered Revenue	£m nominal	344.8	368.8	437.9	440.7	454.0	461.6	-0.6	-1.8	-1.7	0.9	1.0	
Revenue under/(over) recovery	£m nominal	-56.4	-14.1	-1.2	-	-	-	-4.8	-3.5	-1.2	-	-	

Appendix 1 – Overview of forecast changes - Yorkshire

Term	Price Base	May-26 Forecast						Variance to Prior Forecast					
		2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4	2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4
Fast money	£m 20/21 prices	70.2	83.1	84.5	92.4	98.8	95.9	-	-	-	-	-	
Depreciation	£m 20/21 prices	142.7	140.3	140.1	139.1	137.5	135.8	-	-	-	-	-	
Return	£m 20/21 prices	87.1	93.4	97.5	95.5	101.1	107.0	-	-	-	-	-	
Pass-through	£m 20/21 prices	41.3	45.7	58.7	64.2	64.7	65.2	-0.6	-2.1	-2.0	-0.2	-0.2	
Base Revenue	£m 20/21 prices	341.4	362.5	380.7	391.2	402.1	403.9	-0.6	-2.1	-2.0	-0.2	-0.2	
Return Adjustment	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Equity issuance costs	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Business plan incentive	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Output delivery incentive	£m 20/21 prices	-11.0	0.6	4.5	-	-	-	-5.2	-	-	-	-	
Other revenue allowances	£m 20/21 prices	0.9	0.7	0.6	0.9	0.9	0.9	-0.4	-	-	-	-	
Directly Remunerated Services	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Calculated revenue (before tax)	£m 20/21 prices	331.2	363.8	385.8	392.1	403.0	404.7	-6.2	-2.1	-2.0	-0.2	-0.2	
Tax allowance	£m 20/21 prices	10.9	13.2	18.1	14.3	11.2	7.8	-1.6	-0.9	-0.2	-	-	
Tax allowance adjustment	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Calculated revenue	£m 20/21 prices	342.1	377.0	403.9	406.4	414.2	412.5	-7.9	-3.0	-2.2	-0.2	-0.2	
Real to nominal prices conversion factor	scalar	1.372	1.412	1.439	1.468	1.490	1.512	-0.003	0.005	0.004	0.004	0.004	
Calculated revenue	£m nominal	469.3	532.1	581.4	596.6	617.3	623.8	-11.7	-2.4	-1.5	1.2	1.3	
Correction term	£m nominal	-96.1	-77.0	-42.2	-	-	-	0.2	-13.7	-15.2	-	-	
Forecasting penalty	£m nominal	-	-	-	-	-	-	-	-	-	-	-	
Legacy Allowed Revenue	£m nominal	2.4	2.5	2.7	-	-	-	-	-	-	-	-	
Allowed revenue	£m nominal	375.5	457.6	541.8	596.6	617.3	623.8	-11.5	-16.1	-16.7	1.2	1.3	
Recovered Revenue	£m nominal	447.5	497.4	556.4	596.6	617.3	623.8	1.0	-1.9	-2.1	1.2	1.3	
Revenue under/(over) recovery	£m nominal	-71.9	-39.8	-14.6	-	-	-	-12.5	-14.3	-14.6	-	-	

Appendix 2 – Table 2 Sensitivities

- We have not included any sensitivities in Table 2 in May 2026, as we are not aware of any potential future updates that are not already included in the allowed revenue.

Appendix 3 - Variance to Charge Setting Assumptions - Northeast

Term	Price Base	May-26 Forecast						Variance to Charge Setting Assumptions					
		2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4	2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4
Fast money	£m 20/21 prices	58.9	66.0	69.1	69.1	74.2	74.4	-	-	-	-	-	
Depreciation	£m 20/21 prices	108.6	107.0	105.7	103.2	101.0	99.2	-	-	-	-	-	
Return	£m 20/21 prices	63.9	68.4	71.3	68.9	72.4	76.2	-	-	-	-	-	
Pass-through	£m 20/21 prices	31.0	34.3	43.4	46.0	46.3	46.5	0.2	-0.2	-0.1	-0.1	-0.1	
Base Revenue	£m 20/21 prices	262.3	275.7	289.3	287.2	293.8	296.3	0.2	-0.2	-0.1	-0.1	-0.1	
Return Adjustment	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Equity issuance costs	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Business plan incentive	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Output delivery incentive	£m 20/21 prices	-6.4	2.3	6.2	-	-	-	-2.6	-	-0.1	-	-	
Other revenue allowances	£m 20/21 prices	0.6	0.5	0.4	0.6	0.6	0.6	-0.3	-	-	-	-	
Directly Remunerated Services	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Calculated revenue (before tax)	£m 20/21 prices	256.5	278.5	296.0	287.9	294.5	296.9	-2.7	-0.2	-0.1	-0.1	-0.1	
Tax allowance	£m 20/21 prices	9.8	14.1	16.2	12.3	10.2	8.3	-0.8	-0.7	-0.2	-	-	
Tax allowance adjustment	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Calculated revenue	£m 20/21 prices	266.4	292.5	312.1	300.2	304.6	305.2	-3.5	-0.9	-0.4	-0.1	-0.1	
Real to nominal prices conversion factor	scalar	1.372	1.412	1.439	1.468	1.490	1.512	-0.003	0.005	0.004	0.004	0.004	
Calculated revenue	£m nominal	365.4	412.9	449.3	440.7	454.0	461.6	-5.5	0.2	0.8	0.9	1.0	
Correction term	£m nominal	-78.9	-60.4	-15.0	-	-	-	0.1	-5.5	-3.7	-	-	
Forecasting penalty	£m nominal	-	-	-	-	-	-	-	-	-	-	-	
Legacy Allowed Revenue	£m nominal	2.0	2.2	2.3	-	-	-	-	-	-	-	-	
Allowed revenue	£m nominal	288.4	354.6	436.6	440.7	454.0	461.6	-5.5	-5.3	-2.9	0.9	1.0	
Recovered Revenue	£m nominal	344.8	368.8	437.9	440.7	454.0	461.6	-0.6	-1.8	-1.7	0.9	1.0	
Revenue under/(over) recovery	£m nominal	-56.4	-14.1	-1.2	-	-	-	-4.8	-3.5	-1.2	-	-	

Appendix 3 - Variance to Charge Setting Assumptions - Yorkshire

Term	Price Base	May-26 Forecast						Variance to Charge Setting Assumptions					
		2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4	2025/26 t-1	2026/27 t	2027/28 t+1	2028/29 t+2	2029/30 t+3	2030/31 t+4
Fast money	£m 20/21 prices	70.2	83.1	84.5	92.4	98.8	95.9	-	-	-	-	-	
Depreciation	£m 20/21 prices	142.7	140.3	140.1	139.1	137.5	135.8	-	-	-	-	-	
Return	£m 20/21 prices	87.1	93.4	97.5	95.5	101.1	107.0	-	-	-	-	-	
Pass-through	£m 20/21 prices	41.3	45.7	58.7	64.2	64.7	65.2	-0.6	-2.1	-2.0	-0.2	-0.2	
Base Revenue	£m 20/21 prices	341.4	362.5	380.7	391.2	402.1	403.9	-0.6	-2.1	-2.0	-0.2	-0.2	
Return Adjustment	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Equity issuance costs	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Business plan incentive	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Output delivery incentive	£m 20/21 prices	-11.0	0.6	4.5	-	-	-	-5.2	-	-	-	-	
Other revenue allowances	£m 20/21 prices	0.9	0.7	0.6	0.9	0.9	0.9	-0.4	-	-	-	-	
Directly Remunerated Services	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Calculated revenue (before tax)	£m 20/21 prices	331.2	363.8	385.8	392.1	403.0	404.7	-6.2	-2.1	-2.0	-0.2	-0.2	
Tax allowance	£m 20/21 prices	10.9	13.2	18.1	14.3	11.2	7.8	-1.6	-0.9	-0.2	-	-	
Tax allowance adjustment	£m 20/21 prices	-	-	-	-	-	-	-	-	-	-	-	
Calculated revenue	£m 20/21 prices	342.1	377.0	403.9	406.4	414.2	412.5	-7.9	-3.0	-2.2	-0.2	-0.2	
Real to nominal prices conversion factor	scalar	1.372	1.412	1.439	1.468	1.490	1.512	-0.003	0.005	0.004	0.004	0.004	
Calculated revenue	£m nominal	469.3	532.1	581.4	596.6	617.3	623.8	-11.7	-2.4	-1.5	1.2	1.3	
Correction term	£m nominal	-96.1	-77.0	-42.2	-	-	-	0.2	-13.7	-15.2	-	-	
Forecasting penalty	£m nominal	-	-	-	-	-	-	-	-	-	-	-	
Legacy Allowed Revenue	£m nominal	2.4	2.5	2.7	-	-	-	-	-	-	-	-	
Allowed revenue	£m nominal	375.5	457.6	541.8	596.6	617.3	623.8	-11.5	-16.1	-16.7	1.2	1.3	
Recovered Revenue	£m nominal	447.5	497.4	556.4	596.6	617.3	623.8	1.0	-1.9	-2.1	1.2	1.3	
Revenue under/(over) recovery	£m nominal	-71.9	-39.8	-14.6	-	-	-	-12.5	-14.3	-14.6	-	-	

Thank you