
RIIO-GD3 Business Plan Data Template Commentary

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This document provides a template and instructions for providing supporting commentary for the RIIO-GD3 Business Plan data templates.

This document is for people who are filling out the RIIO-GD3 Business Plan data templates and this associated commentary template. It explains what information should be provided in the commentary, and where to find more information.

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1. Instructions and Guidance

Background

- 1.1 This document, the RIIO-GD3 Business Plan Data Templates Commentary (BPDTC), is a template for GDNs to provide additional information alongside the Business Plan Data Templates (BPDT), to help:
- identify, explain, and justify the main drivers of forecast expenditure and volume profile across the RIIO-GD3 price control period
 - explain any assumptions made in populating the tables and,
 - the allocation methodologies that have been applied, which haven't been detailed elsewhere in the business plan submission,
 - assist Ofgem in the process of navigating the data submission and supporting documentation.
- 1.2 This template should be read alongside the Business Plan data template instructions and guidance for RIIO-GD3, the RIIO-3 Business Plan guidance, and the RIIO-3 Sector Specific Methodology Decision.

Instructions

- 1.3 Alongside the submission of the RIIO-GD3 BPDT, GDNs must, to the best of their ability, complete this BPTDC template for each worksheet in the BPDT. For each worksheet, where appropriate, include commentary on the following:
- Please compare the current forecast across the RIIO-3 period and the latest information on the historic and forecast position across the RIIO-2 period and explain any material differences between them. Please include information in terms of run rates, trends, unit costs etc. and explain the reason for any material step change or difference.
 - Please summarise and explain the profile of the RIIO-3 information.
 - Please provide a justification for any unit cost/trend outliers, including any regional and/or site-specific factors and where there is material interaction with other areas of the BPDT.

- Please identify and explain the level of sensitivity within the forecasts used and clarify how uncertainty has been considered/tested. Indicate the materiality of these assumptions.
 - Explain the interactions with wider governmental policy.
 - Please explain the types of internal and external benchmarking exercise (where applicable) that have been undertaken to support the RIIO-3 forecasts (eg. internal tendered framework rates and/or international unit cost comparison).
 - Please reference areas of the BPDT submission that can be used to further evidence or substantiate the submission (eg. cells A:B of tab "X" of the BPDT or supporting document "Y").
 - Highlight any relevant additional information to aid Ofgem's understanding and interpretation of the information.
 - Where costs have been apportioned across one or more activities, the basis of apportionment must be provided in the cost commentary document. Please also give an indication of the robustness of those assumptions.
- 1.4 The BPDTC template is applicable to all worksheets in the final RIIO-GD3 BPDT, except for any cover, contents or summary sheets, and some finance, asset and other sheets, and all autopopulated worksheets. If GDNs consider it necessary or useful to provide supporting information on any worksheet we haven't requested commentary on, there is space for this at the end of this document. Each GDN must use reasonable endeavours to provide a commentary for each of the categories above. GDNs should report "n/a" where questions do not apply to the subject matter of the worksheet and should ignore any tables that do not apply to them.
- 1.5 The BPDTC must not exceed 3 pages in length for each worksheet. Where visual representations of information (e.g. waterfall diagrams) may aid understanding, these should be included and will not contribute to the 3-page limit.
- 1.6 Where information that is relevant for the BPDTC is located in the main Business Plan submission or supporting files (e.g. engineering justification, CBA etc.); directions to the relevant information must be clearly signposted in the BPDTC.

Where it is not possible to include all information as prescribed, GDNs will need to clearly explain the reasons why.

- 1.7 The appropriateness and materiality of the commentary provided should be at a level that minimises the need for Ofgem to ask supplementary questions.
- 1.8 GDNs should, to the fullest extent possible, ensure that the BPDTC contains all information relevant to Ofgem’s assessment of the plan. This includes providing a proportionate summary of the overall activity level experienced and costs incurred and expected by the GDN. The BPDTC must therefore provide overview information on the level of activity and costs across the RIIO-GD1 and RIIO-GD2 periods as well as the current BPDT forecasts for the RIIO-GD3 period. Where a variance is observed in the transition between price control periods, a succinct explanation of the material differences between them and factors driving the variation is required.
- 1.9 Tables marked with an asterisk are not required for draft submission.

2. Data Table Commentary

2.1 GDNs must provide commentary for each BPDT worksheet using the templates below. Commentary is not required for autopopulated worksheets.

Totex Data Tables

S1.02 RPE & OE

Commentary

Finance Data Tables

F2.00 BPFM Inputs*

Commentary

F2.01 BP Tax Inputs*

Commentary

F2.02 Liquidity Licensee*

Commentary

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F2.03 Liquidity Group*

Commentary

F2.04 Liquidity Group Structure*

Commentary

F2.05 BP Disposals 1*

Commentary

F2.06 BP Disposals 2*

Commentary

Debt Data Tables

F3.00 Debt for BPFM*

Commentary

F3.01 Financial Summary (TWA)*

Commentary

F3.02 Financial Summary (YE)*

Commentary

F3.03 Fixed Rate Debt*

Commentary

F3.04 Floating Rate Debt*

Commentary

F3.05 Inflation Linked Debt*

Commentary

F3.06 Debt Dataset*

Commentary

Opex Data Tables

C4.00 Opex Cost Matrix

Commentary

C4.01 Emergency

Commentary

C4.02 Maintenance

Commentary

CV4.03 SIU

Commentary

C4.04 Business Support Group

Commentary

CV4.05 BS Allocations

Commentary

C4.06 IT & Telecoms Group

Commentary

C4.07 Property Management Group

Commentary

CV4.08 Training & Apprentices

Commentary

C4.09 CEO & Corporate

Commentary

CV4.10 LP Gasholders

Commentary

CV4.11 Land Remediation

Commentary

CV4.12 Shrinkage

Commentary

CV4.13 Gas Theft

Commentary

CV4.14 Street Works

Commentary

CV4.15 Smart Metering

Commentary

Capex Data Tables

CV5.01 LTS Storage & Entry

Commentary

CV5.02 Reinforcement (<7 barg)

Commentary

CV5.03 Reinforcement > £0.5m

Commentary

CV5.04 Governors

Commentary

CV5.05 Connections

Commentary

C5.06 Other Capex

Commentary

C5.07 Other Capex > £0.5m

Commentary

CV5.08 Vehicles

Commentary

CV5.09 Physical Security

Commentary

C5.10 Capitalised Overheads

Commentary

Repex Data Tables

C6.00 Repex Cost Matrix

Commentary

CV6.01 Mains Tier 1

Commentary

CV6.02 Mains Tier 2A

Commentary

CV6.03 Mains Tier 2B

Commentary

CV6.04 Mains Tier 3

Commentary

CV6.05 Mains Tier Other

Commentary

CV6.06 Mains Diversions

Commentary

CV6.07 Mains Decommissioned

Commentary

CV6.08 Repex Services

Commentary

CV6.09 Risers

Commentary

V6.10 Dynamic Growth

Commentary

CV6.11 Iron Stubs

Commentary

CV6.12 Robotic Intervention

Commentary

Memo Data Tables

M8.00 Drivers

Commentary

M8.02 LTS & Entry

Commentary

M8.03 Capacity & Storage

Commentary

M8.04 Distribution Network

Commentary

M8.05 Capacity & Demand

Commentary

M8.06 Capacity Output

Commentary

M8.07 Reliability

Commentary

M8.08 PRE, Reports & Repairs

Commentary

M8.09 Safety

Commentary

M8.10 Disconnections

Commentary

M8.11 FTE

Commentary

M8.12 Standard Occupational Classification*

Commentary

M8.13 Company Specific Factors

Commentary

M8.14 Bespoke & Uncertain

Commentary

M8.15 Re-Opener Pipeline

Commentary

M8.16 Related Party Transactions

Commentary

M8.17 Environment

Commentary

M8.18 NIS-R Cyber Resilience

Commentary

M8.19 Data & Digitalisation

Commentary

M8.20 List of Buildings

Commentary

M8.22 FES

Commentary

M8.23 Climate Resilience*

Commentary

M8.24 Vulnerability*

Commentary

Innovation Data Tables

C9.00 Innovation

Commentary

C9.01 Innovation - NIA

Commentary

C9.02 Innovation - NIC

Commentary

C9.03 Innovation - CNIA

Commentary

C9.04 Innovation - SIF

Commentary

Additional Commentary

2.2 GDNs should include additional supporting commentary on the BPDT where they consider it necessary to aid Ofgem’s understanding of the BPDT submission. Please insert any additional commentary below using headings and commentary boxes.

Additional commentary

Commentary