

Offshore Transmission Owners  
(OFTOs), preferred bidders and  
other interested parties

Direct Dial: 020 7901 7060  
Email: [Min.Zhu@ofgem.gov.uk](mailto:Min.Zhu@ofgem.gov.uk)

Date: 28 March 2014

Dear colleague,

**Regulatory instructions and guidance described by Amended Standard Condition  
E12 – D1 of the TR1 offshore transmission licence**

We have today directed changes to the TR1 RIGs. The modifying Direction and the updated TR1 RIGs are published alongside this letter. The effective date for the modifications to the RIGs is 01 April 2014.

The updated RIGs include minor amendments to make them easier for the Licensees to complete. We have also included an amendment to provide us with a breakdown of debt interest costs in the statement of comprehensive income and Cash flow sheets. Details of these modifications are contained in the Appendix.

For more information regarding this letter or the Direction, please contact in the first instance Neil Roberts, Senior Manager, Financial Analysis, by email on [Neil.Roberts@ofgem.gov.uk](mailto:Neil.Roberts@ofgem.gov.uk).

Yours faithfully

**Min Zhu**

**Associate Director, Offshore Transmission  
For and on behalf of the Authority**

## Appendix 1 Changes to the RIGs

### Cost Reporting Workbook

Worksheet	Change
<u>Log</u>	Sheet added. Copied from Revenue Reporting workbook and amendments for version 4 added. This sheet has been included so we can track all previous and any subsequent amendments to the Workbook.
<u>Sheet '2'</u>	Cell D7 – Format as yellow to indicate user input required. Cells E7 to X7 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '3'</u>	Cell D7 – Link to Cell D7 on sheet 2. Cells E7 to X7 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '4'</u>	Cell D7 – Link to Cell D7 on sheet 2. Cells E7 to X7 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '5'</u>	Cell D7 – Link to Cell D7 on sheet 2. Cells E7 to X7 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '6'</u>	Cell D7 – Link to Cell D7 on sheet 2. Cells E7 to X7 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '8'</u>	Cell D7 – Link to Cell D7 on sheet 2. Cells E7 to X7 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that. Row 42 – 'Interest Payable' split into 3 rows, namely: <ul style="list-style-type: none"> <li>○ 'Interest Payable – Sub Debt' (row 42)</li> <li>○ 'Interest Payable – Senior Debt' (row 43)</li> <li>○ 'Interest Payable – Bonds' (row 440)</li> </ul>
<u>Sheet '9'</u>	Cell D7 – Link to Cell D7 on sheet 2. Cells E7 to X7 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '10'</u>	Cell D7 – Link to Cell D7 on sheet 2. Cells E7 to X7 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that. Deleted row 16 'Interest Paid' and moved it to the 'Cash flow from financing activities' section as 3 new rows, namely: <ul style="list-style-type: none"> <li>○ 'Interest paid – Sub debt' (row 38)</li> <li>○ 'Interest paid – Senior debt' (row 39)</li> <li>○ 'Interest paid – Bonds' (row 40)</li> </ul>
<u>Sheet '11'</u>	Cell D7 – Link to Cell D7 on sheet 2. Cells E7 to X7 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be

	calculated from that.
<u>Sheet '12'</u>	Cell D7 – Link to Cell D7 on sheet 2. Cells E7 to X7 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.

### Revenue Reporting Workbook

<u>Sheet '1'</u>	Cell D8 – Format as yellow to indicate user input required. Cells E8 to Y8 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that. Cell B48 – 'Composite Circuit Rating'. Units changed from MW to kVA to correct error on previous RIGs. Cell E42 – 'OFTO Network Capacity (MW)'. Amend cell to format as yellow to indicate user input required rather than orange for Ofgem input. Cell E48 – 'Cell E48 – 'Composite Circuit Rating (kVA)'. Amend cell to format as yellow to indicate user input required rather than orange for Ofgem input.
<u>Sheet '2a'</u>	Cell D8 – Link to Cell D8 on sheet 1. Cells E8 to Y8 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '2b'</u>	Cell D8 – Link to Cell D8 on sheet 1. Cells E8 to Y8 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '2c'</u>	Cell D8 – Link to Cell D8 on sheet 1. Cells E8 to Y8 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '2d'</u>	Cell D8 – Link to Cell D8 on sheet 1. Cells E8 to Y8 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '2e'</u>	Cell D8 – Link to Cell D8 on sheet 1. Cells E8 to Y8 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '2f'</u>	Cell D8 – Link to Cell D8 on sheet 1. Cells E8 to Y8 – Add formula to increment by 1 from previous cell. This is so the user only has to enter the year once and all other years can be calculated from that.
<u>Sheet '3a'</u>	Cells I14 to I28 and I38 to I52 changed to yellow from orange to indicate they are to be completed by the OFTO and not Ofgem.
<u>Sheet '3c'</u>	Amended formula in cell L27 to include cell L14 (Excluded services) when calculating OFTOs total income.
<u>Sheet '6'</u>	Amended cell I11 to yellow from orange to indicate input is required from the OFTO and not Ofgem.