

Glossary

Term	Definition
BSC	Business Support Costs
BPI	Business Plan Incentive – incentive mechanism to encourage DNOs to submit ambitious business plans that contained the information GEMA required to undertake a robust assessment of the DNOs’ business plans
CA Intervention	The application by Citizens Advice for permission to intervene in the appeal dated 24 April 2023
CAI	Closely Associated Indirects that relate to operational expenditure (opex) incurred on network design, policy, project management and engineering staff, as well as operational training and vehicles and transport.
CA Skeleton	Skeleton argument by Citizens Advice dated 2 June 2023
CC	The Competition Commission
CMA	The Competition and Markets Authority
CMA70	Energy Licence Modification Appeals: Competition and Markets Authority Rules (The Rules)
CMA71	Energy Licence Modification Appeals: Competition and Markets Authority Guide (The Guidance)
Common Scenario	NPg described this as a common decarbonisation scenario for the purposes of GEMA’s cost assessment based on the 2022 ‘System Transformation NGESO Future Energy Scenario’
DDA	Demand Driven Adjustment – adjustment of the outcome of the totex benchmarking
Decision	GEMA’s decision published on 3 February 2023 to proceed with modifications to each of NPgN’s and NPgY’s distribution licence conditions to give effect to the FD .
DNO	Electricity distribution network operator – an operator which holds an electricity distribution licence under section 6(1)(c) EA89 . NPgN and NPgY each holds such a licence.
EA89	Electricity Act 1989
EV	Electric vehicle

Term	Definition
FES	Electricity System Operator's (NGESO) Future Energy Scenarios
FD	Final determinations in GEMA's RIIO-2 price control process, published on 3 November 2022
Frontier	Frontier Economics Ltd; economic advisors to NPg
GEMA	The Gas and Electricity Markets Authority
GEMA Response	Response by GEMA , dated 24 April 2023, to the NoA
GEMA Skeleton	Skeleton argument by GEMA dated 2 June 2023
HP	Heat pump
Intervener	Citizens Advice
LCT	Low carbon technology – technologies such as those used in EV or HP
Licence(s)	an electricity distribution licence under section 6(1)(c) EA89
LOI	a joint List of Issues that NPg and GEMA submitted to the CMA on 30 May 2023
LRE	Load Related Expenditure – capital expenditure on new assets to accommodate changes in the level or pattern of electricity supply and demand
Main Party Hearing	The hearing of the Parties , also attended by Citizens Advice, held at the CMA office in Canary Wharf, London on 12 June 2023
MPH Transcript	Transcript of the Main Party Hearing held on 12 June 2023
NoA	The Notice of Appeal by NPgN and NPgY dated 2 March 2023
NPg	NPgN and NPgY collectively
NPgN	Northern Powergrid (Northeast) Plc
NPgY	Northern Powergrid (Yorkshire) Plc
NPg Reply	Reply by NPg on 15 May 2023 to GEMA Response

Term	Definition
NPg Skeleton	Skeleton argument by NPg dated 2 June 2023
Ofgem	The Office of Gas and Electricity Markets
Parties	Collectively NPgN , NPgY and GEMA
Provisional Determination	The CMA's provisional determination issued on 28 July 2023 to NPg, GEMA and Citizens Advice
RAV	Regulatory Asset Value; it is the value ascribed to the capital employed in a licensee's regulated business
RIIO	Revenue = Incentives + Innovation + Output
RIIO-2	The latest iteration of GEMA's updated regulatory framework, encompassing the RIIO-ED2 price control for the period 1 April 2023 to 31 March 2028.
Secondary Reinforcement	Expenditure associated with the reinforcement of assets on the secondary networks (ie the lower voltage networks)
Submitted costs	Costs submitted by each DNO in its business plan. Unless the context otherwise requires, references to 'submitted costs' are to submitted costs after GEMA has made normalisation adjustments.
TOs	Transmission Operators
Totex	Total expenditure (an allowance for each DNO 's total expenditure that is set by GEMA at the time of the price control review)