

**IN THE MATTER OF AN APPEAL UNDER SECTION 11C ELECTRICITY ACT 1989**

**BETWEEN**

**NORTHERN POWERGRID (NORTHEAST) PLC (NPgN)  
NORTHERN POWERGRID (YORKSHIRE) PLC (NPgY)  
(together NPg)**

**Appellants**

**and**

**GAS AND ELECTRICITY MARKETS AUTHORITY (GEMA)**

**Respondent**

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**ORDER OF THE CMA**

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**UPON** the application brought by NPg on 2 March 2023 for permission to appeal GEMA's decision of 3 February 2023 to proceed with modifications to the special conditions under the appellants' respective electricity distribution licences to give effect to the RIIO-ED2 price control determinations (the '**Decision**')

**AND UPON** the CMA granting permission to appeal to NPg on 30 March 2023

**AND UPON** the CMA granting permission to Citizens Advice to intervene on 26 April 2023

**AND UPON** the CMA considering the grounds of appeal and the representations and submissions of the parties and the intervener

**AND UPON** the CMA issuing its determination in these proceedings on 21 September 2023 (the '**Final Determination**')

**IT IS ORDERED THAT:**

1. The appeal in respect of Ground 1 (misallocation of allowances between cost categories) is allowed.
2. The appeal in respect of Ground 2 (BPI Stage 4 reward) is dismissed and the Decision is confirmed to that extent.

3. The CMA remits back to GEMA for reconsideration and determination the matter of the allocation of NPgN's and NPgY's total efficient modelled costs.
4. Costs are reserved.

Kip Meek

*CMA Group Chair*

Made: 21 September 2023