

Company Name **Scottish Hydro Electric Power Distribution (SHEPD)**

Quarterly Report Date: **7th October 2009**

<u>Description</u>	<u>Relevant</u>	<u>Relevant</u>	<u>Relevant</u>	<u>Relevant</u>	<u>Relevant</u>
	<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>Year</u>
	<u>t</u>	<u>t+1</u>	<u>t+2</u>	<u>t+3</u>	<u>t+4</u>
	2009/10	2010/11	2011/12	2012/13	2013/14
Base Demand Revenue Forecast (A)	209	210	212	216	222
Total Pass Through Forecast (B)	-46	-44	-44	-45	-46
Incentive Payments and Adjustments* (C)	4	6	7	5	5
Final Allowed Demand Revenue Latest Forecast (D) (being (A)+(B)+(C))	167	172	175	176	181
Final Collected Revenue Forecast (E)	169	172	175	176	181
Forecast Over / (Under) Recovery (F) (being (E)-(D))	2	0	0	0	0
Forecast overall % change to Demand Use of System Charges to Balance (F) (Assumption 1)		+2.96%	+1.69%	+0.57%	+2.84%

Commentary

- All £ figures are in money of the day
- Information provided to the nearest £m
- * Incentive Payments and Adjustments (being Incentive Payments Forecast less Correction Factor Forecast)

Assumptions

- It is assumed that there will be one set of price changes per year effective on 1st April

Figures shown are based on forecasts and assumptions made at time of publication and are subject to change.

Figures for 2010/11 and beyond are subject to the outcome of DPCR5 Final Proposals due to be published late this year

RPI - the table below shows the RPI assumptions used

	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>2012/13</u>	<u>2013/14</u>
RPI assumptions - April 2009	3.00%	-2.00%	0.00%	1.00%	2.00%
RPI assumptions - July 2009	3.82%	0.00%	0.00%	1.00%	2.00%
RPI assumptions - October 2009	3.82%	0.00%	0.00%	1.00%	2.00%