



# Price Control for Northern Ireland's Gas Transmission Networks GT22

Annex 5 – Post Efficiency Allowances  
May 2022



## About the Utility Regulator

The Utility Regulator is the independent non-ministerial government department responsible for regulating Northern Ireland's electricity, gas, water and sewerage industries, to promote the short and long-term interests of consumers.

We are not a policy-making department of government, but we make sure that the energy and water utility industries in Northern Ireland are regulated and developed within ministerial policy as set out in our statutory duties.

We are governed by a Board of Directors and are accountable to the Northern Ireland Assembly through financial and annual reporting obligations.

We are based at Queens House in the centre of Belfast. The Chief Executive leads a management team of directors representing each of the key functional areas in the organisation: Corporate Affairs, Markets and Networks. The staff team includes economists, engineers, accountants, utility specialists, legal advisors and administration professionals.



### Our mission

To protect the short- and long-term interests of consumers of electricity, gas and water.



### Our vision

To ensure value and sustainability in energy and water.



### Our values

- Be a best practice regulator: transparent, consistent, proportionate, accountable and targeted.
- Be professional – listening, explaining and acting with integrity.
- Be a collaborative, co-operative and learning team.
- Be motivated and empowered to make a difference.



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# 1. PTL Post Efficiency Allowance

**Table 1 – PTL Post Efficiency Allowances**

| Cost Category          | GT22 Request (£m) | UR Final Determination by Year |              |              |              |              | Total FD Allowance | % FD Allowance |
|------------------------|-------------------|--------------------------------|--------------|--------------|--------------|--------------|--------------------|----------------|
|                        |                   | 2022-23 (£m)                   | 2023-24 (£m) | 2024-25 (£m) | 2025-26 (£m) | 2026-27 (£m) |                    |                |
| Administration         | <b>4.78</b>       | 0.93                           | 0.91         | 0.90         | 0.86         | 0.86         | <b>4.46</b>        | 93.3%          |
| Asset Replacement      | <b>4.88</b>       | 2.46                           | 0.43         | 0.25         | 0.19         | 0.05         | <b>3.38</b>        | 69.3%          |
| Planned Maintenance    | <b>9.56</b>       | 1.78                           | 1.81         | 1.49         | 1.76         | 1.73         | <b>8.57</b>        | 89.6%          |
| Unplanned Maintenance  | <b>0.97</b>       | 0.19                           | 0.18         | 0.18         | 0.18         | 0.18         | <b>0.92</b>        | 94.1%          |
| System Operation (TSO) | <b>6.19</b>       | 1.11                           | 1.10         | 1.11         | 1.10         | 1.09         | <b>5.50</b>        | 88.8%          |
| System Operation (GMO) | <b>4.14</b>       | 0.85                           | 0.78         | 0.80         | 0.73         | 0.74         | <b>3.90</b>        | 94.2%          |
| Uncontrollable Costs   | <b>27.34</b>      | 5.45                           | 5.48         | 5.47         | 5.47         | 5.47         | <b>27.34</b>       | 100.0%         |
| <b>Grand Total</b>     | <b>57.86</b>      | <b>12.76</b>                   | <b>10.70</b> | <b>10.20</b> | <b>10.29</b> | <b>10.11</b> | <b>54.06</b>       | <b>93.4%</b>   |

*All figures are in March 2021 prices.*



## 2. BGTL Post Efficiency Allowance

Table 2 – BGTL Post Efficiency Allowances

| Cost Category          | GT22 Request (£m) | UR Final Determination by Year |              |              |              |              | Total FD Allowance | % FD Allowance |
|------------------------|-------------------|--------------------------------|--------------|--------------|--------------|--------------|--------------------|----------------|
|                        |                   | 2022-23 (£m)                   | 2023-24 (£m) | 2024-25 (£m) | 2025-26 (£m) | 2026-27 (£m) |                    |                |
| Administration         | <b>1.89</b>       | 0.35                           | 0.35         | 0.35         | 0.35         | 0.35         | <b>1.76</b>        | 93.1%          |
| Asset Replacement      | <b>3.55</b>       | 0.74                           | 0.88         | 0.45         | 0.15         | 0.05         | <b>2.27</b>        | 64.0%          |
| Planned Maintenance    | <b>6.26</b>       | 1.38                           | 1.31         | 0.92         | 1.08         | 1.00         | <b>5.70</b>        | 91.1%          |
| Unplanned Maintenance  | <b>0.56</b>       | 0.11                           | 0.11         | 0.11         | 0.10         | 0.10         | <b>0.53</b>        | 94.1%          |
| System Operation (TSO) | <b>0.94</b>       | 0.15                           | 0.15         | 0.15         | 0.15         | 0.15         | <b>0.75</b>        | 79.2%          |
| System Operation (GMO) | <b>0.00</b>       | 0.00                           | 0.00         | 0.00         | 0.00         | 0.00         | <b>0.00</b>        | 0.0%           |
| Uncontrollable Costs   | <b>4.57</b>       | 0.91                           | 0.91         | 0.91         | 0.91         | 0.91         | <b>4.57</b>        | 100.0%         |
| <b>Grand Total</b>     | <b>17.78</b>      | <b>3.65</b>                    | <b>3.71</b>  | <b>2.90</b>  | <b>2.76</b>  | <b>2.57</b>  | <b>15.58</b>       | <b>87.6%</b>   |

All figures are in March 2021 prices.



### 3. WTL Post Efficiency Allowance

Table 3 – WTL Post Efficiency Allowances

| Cost Category          | GT22 Request (£m) | UR Final Determination by Year |              |              |              |              | Total FD Allowance | % FD Allowance |
|------------------------|-------------------|--------------------------------|--------------|--------------|--------------|--------------|--------------------|----------------|
|                        |                   | 2022-23 (£m)                   | 2023-24 (£m) | 2024-25 (£m) | 2025-26 (£m) | 2026-27 (£m) |                    |                |
| Administration         | <b>4.10</b>       | 0.76                           | 0.73         | 0.74         | 0.75         | 0.75         | <b>3.73</b>        | 91.0%          |
| Asset Replacement      | <b>1.04</b>       | 0.21                           | 0.07         | 0.05         | 0.05         | 0.00         | <b>0.39</b>        | 37.2%          |
| Planned Maintenance    | <b>9.34</b>       | 1.58                           | 1.50         | 1.46         | 1.68         | 1.99         | <b>8.21</b>        | 87.9%          |
| Unplanned Maintenance  | <b>1.29</b>       | 0.14                           | 0.14         | 0.12         | 0.10         | 0.10         | <b>0.60</b>        | 46.8%          |
| System Operation (TSO) | <b>1.66</b>       | 0.30                           | 0.29         | 0.29         | 0.29         | 0.29         | <b>1.46</b>        | 87.8%          |
| System Operation (GMO) | <b>0.00</b>       | 0.00                           | 0.00         | 0.00         | 0.00         | 0.00         | <b>0.00</b>        | 0.0%           |
| Uncontrollable Costs   | <b>1.91</b>       | 0.38                           | 0.38         | 0.38         | 0.38         | 0.38         | <b>1.91</b>        | 100.0%         |
| <b>Grand Total</b>     | <b>19.35</b>      | <b>3.38</b>                    | <b>3.13</b>  | <b>3.04</b>  | <b>3.25</b>  | <b>3.51</b>  | <b>16.31</b>       | <b>84.3%</b>   |

All figures are in March 2021 prices.



## 4. MEL Total Post Efficiency Allowance

Table 4 – MEL Post Efficiency Allowances

| Cost Category          | GT22 Request (£m) | UR Final Determination by Year |              |              |              |              | Total FD Allowance | % FD Allowance |
|------------------------|-------------------|--------------------------------|--------------|--------------|--------------|--------------|--------------------|----------------|
|                        |                   | 2022-23 (£m)                   | 2023-24 (£m) | 2024-25 (£m) | 2025-26 (£m) | 2026-27 (£m) |                    |                |
| Administration         | <b>10.77</b>      | 2.04                           | 2.00         | 1.99         | 1.96         | 1.96         | <b>9.95</b>        | 92.4%          |
| Asset Replacement      | <b>9.47</b>       | 3.42                           | 1.39         | 0.74         | 0.39         | 0.10         | <b>6.04</b>        | 63.8%          |
| Planned Maintenance    | <b>25.16</b>      | 4.73                           | 4.62         | 3.88         | 4.52         | 4.72         | <b>22.47</b>       | 89.3%          |
| Unplanned Maintenance  | <b>2.82</b>       | 0.44                           | 0.43         | 0.41         | 0.38         | 0.38         | <b>2.05</b>        | 72.5%          |
| System Operation (TSO) | <b>8.80</b>       | 1.55                           | 1.54         | 1.55         | 1.54         | 1.52         | <b>7.71</b>        | 87.6%          |
| System Operation (GMO) | <b>4.14</b>       | 0.85                           | 0.78         | 0.80         | 0.73         | 0.74         | <b>3.90</b>        | 94.2%          |
| Uncontrollable Costs   | <b>33.83</b>      | 6.75                           | 6.78         | 6.77         | 6.77         | 6.77         | <b>33.83</b>       | 100.0%         |
| <b>Grand Total</b>     | <b>94.99</b>      | <b>19.79</b>                   | <b>17.54</b> | <b>16.13</b> | <b>16.29</b> | <b>16.19</b> | <b>85.94</b>       | <b>90.5%</b>   |

All figures are in March 2021 prices.



## 5. GNI (UK) Total Post Efficiency Allowance

Table 5 – GNI (UK) Post Efficiency Allowances<sup>1</sup>

| Cost Category          | GT22 Request (£m) | UR Final Determination by Year |              |              |              |              | Total FD Allowance | % FD Allowance |
|------------------------|-------------------|--------------------------------|--------------|--------------|--------------|--------------|--------------------|----------------|
|                        |                   | 2022-23 (£m)                   | 2023-24 (£m) | 2024-25 (£m) | 2025-26 (£m) | 2026-27 (£m) |                    |                |
| Administration         | <b>4.92</b>       | 0.98                           | 0.97         | 0.97         | 1.01         | 1.00         | <b>4.94</b>        | 100.3%         |
| Asset Replacement      | <b>6.19</b>       | 0.40                           | 1.06         | 1.17         | 1.25         | 0.54         | <b>4.42</b>        | 71.4%          |
| Planned Maintenance    | <b>18.34</b>      | 3.38                           | 3.77         | 3.21         | 3.59         | 3.87         | <b>17.83</b>       | 97.2%          |
| Unplanned Maintenance  | <b>2.95</b>       | 0.52                           | 0.51         | 0.51         | 0.53         | 0.53         | <b>2.60</b>        | 88.3%          |
| System Operation (TSO) | <b>2.78</b>       | 0.51                           | 0.51         | 0.53         | 0.53         | 0.53         | <b>2.61</b>        | 93.9%          |
| System Operation (GMO) | <b>4.96</b>       | 1.51                           | 0.97         | 0.63         | 0.57         | 0.54         | <b>4.20</b>        | 84.8%          |
| Uncontrollable Costs   | <b>8.11</b>       | 1.52                           | 1.59         | 1.61         | 1.68         | 1.70         | <b>8.11</b>        | 100.0%         |
| <b>Grand Total</b>     | <b>48.24</b>      | <b>8.82</b>                    | <b>9.38</b>  | <b>8.63</b>  | <b>9.17</b>  | <b>8.71</b>  | <b>44.71</b>       | <b>92.7%</b>   |

All figures are in March 2021 prices.

<sup>1</sup> Figures do not include any provision for Haynestown income.



## 6. GMO NI Total Post Efficiency Allowance

Table 6 – GMO NI Post Efficiency Allowances

| Cost Category                       | GT22 Request (£m) | UR Final Determination by Year |              |              |              |              | Total FD Allowance | % FD Allowance |
|-------------------------------------|-------------------|--------------------------------|--------------|--------------|--------------|--------------|--------------------|----------------|
|                                     |                   | 2022-23 (£m)                   | 2023-24 (£m) | 2024-25 (£m) | 2025-26 (£m) | 2026-27 (£m) |                    |                |
| GMO Staff Costs                     | <b>2.74</b>       | 0.52                           | 0.52         | 0.52         | 0.51         | 0.51         | <b>2.58</b>        | 94.1%          |
| GMO Administration                  | <b>0.67</b>       | 0.17                           | 0.14         | 0.14         | 0.09         | 0.10         | <b>0.63</b>        | 94.5%          |
| Contracts and Licences              | <b>5.25</b>       | 1.50                           | 0.96         | 0.63         | 0.58         | 0.54         | <b>4.21</b>        | 80.1%          |
| Network Code Development            | <b>0.52</b>       | 0.13                           | 0.09         | 0.11         | 0.07         | 0.09         | <b>0.49</b>        | 94.3%          |
| UK Compliance & European Engagement | <b>0.21</b>       | 0.04                           | 0.04         | 0.05         | 0.03         | 0.04         | <b>0.20</b>        | 94.1%          |
| <b>Total GMO Costs</b>              | <b>9.39</b>       | <b>2.36</b>                    | <b>1.75</b>  | <b>1.43</b>  | <b>1.29</b>  | <b>1.27</b>  | <b>8.10</b>        | <b>86.3%</b>   |

All figures are in March 2021 prices.