

Legal Notice

This paper forms part of Wales & West Utilities Limited Regulatory Business Plan. Your attention is specifically drawn to the legal notice relating to the whole of the Business Plan, set out on the inside cover of The WWU Business Plan. This is applicable in full to this paper, as though set out in full here.

Commitment	Cost	Financial Benefit	Social Benefit	Net Present Value	Net Benefit per £ spent
2C2: Enhanced GSOPs	£0	£408,259	£0	£320,586	

Commitment	Cost	Financial Benefit	Social Benefit	Net Present Value	Net Benefit per £ spent
0	£0	£0	£0	£0	

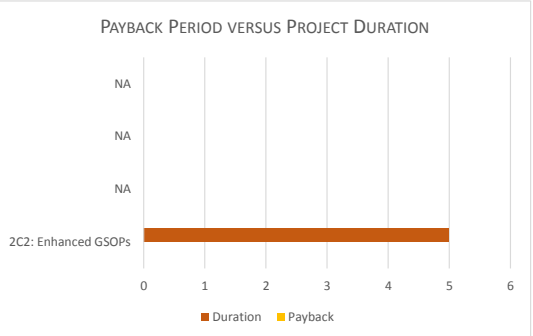
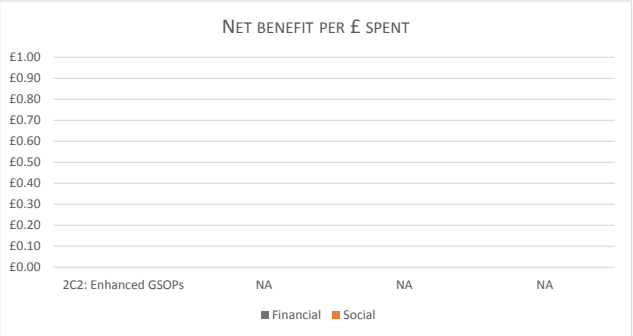
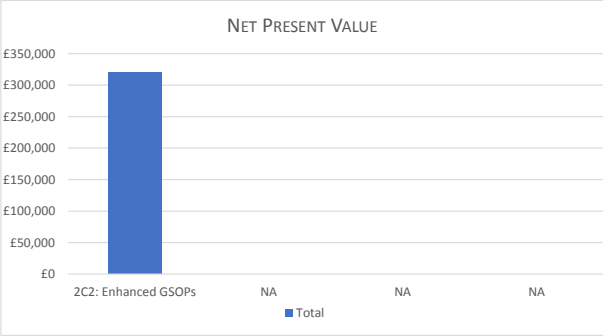
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NPV type	Total
NPV timeframe	5 year



Number of years				Net Present Value			Net benefit per £ spent			Rank
	Name	Duration	Paybac	Financial	Social	Total	Financial	Social	Total	
Project 1	2C2: Enhanced GSOPs	5	0	£320,586	£0	£320,586				
Project 2	NA									
Project 3	NA									
Project 4	NA									



Name of Service	2C2: Enhanced GSOPs
Summary of Service	Commitment to pay a higher level of compensation than statutory and voluntary payments
Overview of stakeholders	
Financial assumptions	Comparison of GSOP 2018/19 to Ofgem proposed minimum GD2 (GSOP tab) Calculations show annual voluntary connections GSOP payments of £12,720 per annum based upon 2018/19 performance
Social assumptions	
Unquantifiable / other	
Discount rate (WACC)	4.14%
Social discount rate	3.50%
Year 1	2021
Number of years	5
Number of stakeholders in Year 1	2,400,000

Additional number of stakeholders per year							2,400,000	2,400,000	2,400,000	2,400,000	2,400,000							
Cumulative number of stakeholders per year							2,400,000	4,800,000	7,200,000	9,600,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000		
Fill out for all costs and benefits							1	2	3	4	5							
Name							Start year	End year	Attribution (%)	Drop off (%)	Success (%)	Proxy	2021	2022	2023	2024	2025	
Input: Service costs	No costs - excluded from TOTEX												£ -	£ -	£ -	£ -	£ -	
Total costs per year												£ -	£ -	£ -	£ -	£ -		
Input: Financial benefits	GSOP payments above minimum requirements												£ 68,932	£ 68,932	£ 68,932	£ 68,932	£ 68,932	
	Voluntary connections GSOP												£ 12,720	£ 12,720	£ 12,720	£ 12,720	£ 12,720	
Total (societal) financial benefits per year												£ 81,652	£ 81,652	£ 81,652	£ 81,652	£ 81,652		
Input: Social benefits																		
Output: PV per year	Financial PV per year												£ 69,422	£ 66,662	£ 64,012	£ 61,467	£ 59,023	
	Social PV per year												£ -	£ -	£ -	£ -	£ -	
	Total PV per year												£ 69,422	£ 66,662	£ 64,012	£ 61,467	£ 59,023	
Output: Net present value	Net Present Value (NPV)												£69,422					£320,586
	Net Present Social Value (NPSV)												£0					£0
	Total NPV												£69,422					£320,586
Output: Ratios	Net financial benefit per £ spent																	
	Net social benefit per £ spent																	
	Total economic benefit per £ spent																	
Output: Payback period	Payback period NPV												0					
	Payback period NPSV												0					
	Payback period Total NPV												0					
Data	PV of costs per year												£0	£0	£0	£0	£0	
	Total PV costs												£0					£0
	Net Financial benefit per year												£81,652	£81,652	£81,652	£81,652	£81,652	
	Net social benefit per year												£0	£0	£0	£0	£0	
	Total net benefit per year												£81,652	£81,652	£81,652	£81,652	£81,652	
	Cumulative Net Financial benefit												£81,652	£163,303	£244,955	£326,607	£408,259	
	Cumulative Net social benefit												£0	£0	£0	£0	£0	
	Cumulative benefit (Net of costs)												£81,652	£163,303	£244,955	£326,607	£408,259	
Financial benefit (Net of costs)												£81,652	£81,652	£81,652	£81,652	£81,652		
Social benefit												£0	£0	£0	£0	£0		

Table provided by WWU

2018/19 actual				Total	With Ofgem proposed
GSoP1	Supply Restoration	£17,490	£26,756	£44,246	£23,891.34
GSoP2	Reinstatement of customer's premises	£12,800	£13,275	£26,075	£17,664.00
GSoP3	Priority domestic customers	£408	£270	£678	£558.96
GSoP4	Provision of standard connection quotations =<275kWh per hour	£1,830	£1,710	£3,540	£2,196.0
GSoP5	Provision of non-standard connection quotations =<275kWh per hour	£3,740	£3,720	£7,460	£4,488.0
GSoP6	Provision of non-standard connection quotations > 275kWh per hour	£420	£420	£840	£504.0
GSoP7	Accuracy of quotations	0	0	£0	£0.0
GSoP8	Response to land enquiries	£380	£150	£530	£456.0
GSoP9	Offering a date for commencement and substantial completion of connection works (=<275kWh per hour)	£1,820	£1,734	£3,554	£2,184.0
GSoP10	Offering a date for commencement and substantial completion of connection works (> 275kWh per hour)	£320	£320	£640	£384.0
GSoP11	Substantial completion on agreed date	£45,200	£41,838	£87,038	£54,240.0
GSoP12	Payments	£340	£300	£640	£476.0
GSoP13	Notification of planned supply interruptions	£340	£1,175	£1,515	£432.0
GSoP14	Response to complaints	£300	£140	£440	£360.0
Total		£85,218	£91,548	£176,766	£107,834.30
					£68,931.70