

national**grid**

RIIO-T3

Redaction Explanatory Statement



**National Grid Electricity
Transmission's Business Plan**

December 2024

Redaction Explanatory Statement to accompany our published RIIO-T3 Business Plan and supporting documents

The version of the National Grid Electricity Transmission Business Plan published on our website on 18 December 2024 reflects in as much detail as possible our final Business Plan and supporting documents that we submitted to Ofgem on 11 December 2024.

By publishing these documents, we want to be as open and transparent as possible to help stimulate constructive engagement with our stakeholders on the content of our Business Plan and supporting documents. However, given the nature of our business it has been necessary to redact certain confidential information from the documents we are publishing. This statement explains the reasons for our redactions.

Commercially Confidential information

Certain information contained within these documents is classified as “Commercially Confidential” to National Grid Electricity Transmission as it contains competitively sensitive information. This type of information identifies or could reveal the cost data of our assets, operational land or activities that we source from third party providers on a competitive basis (e.g. goods and services in relation to the construction, operation and maintenance of our network). This includes information relating to the development of new substations and substation extensions. Publishing this data would be prejudicial to the commercial interests of National Grid Electricity Transmission and, as a consequence of this, would be prejudicial to the interests of consumers.

Chapter 1 of the Competition Act 1998 prohibits the exchange of competitively sensitive information, therefore publishing any of this type of information would be unlawful.

Information of this nature has been redacted from the documents published.

Information has also been redacted from the documents published on the basis that it relates to our future potential contractors and suppliers, which have not yet been subject to a procurement process. Publishing this information would be prejudicial to the commercial interests of National Grid Electricity Transmission and therefore our customers and end consumers.

Strictly Confidential information

Certain information contained within these documents is classified as “Strictly Confidential” to National Grid Electricity Transmission as it is operationally sensitive information. This type of information identifies or relates to Critical National Infrastructure and/or sites, systems or processes that are used by National Grid Electricity Transmission for the safe, secure and reliable operation of the Electricity Transmission system. Publishing this information, which identifies or relates to system-critical sites, systems or processes (and proposed investments in relation to the relevant assets), would be prejudicial to the operational security of the Electricity Transmission system. Publication would prejudice the interests of consumers by potentially impacting the resilience and reliability of the service that consumers receive from us.

Information of this nature has been redacted from the documents published.

Third Party Information

Certain information contained within the documents published relates to or has been provided or produced by a third party.

Certain information within these documents has been produced by a third party. Information of this nature has been redacted from the documents being published today where we do not have the permission of the author to publish this information.

Certain information within these documents relates to a particular third-party individual or business that may not be in the public domain. This type of information could, for example, reveal the identity of a customer, their proposed project type, their planned connection dates or estimated construction costs. Publication of this information could impact on the customer's business case and underlying project economics and could be detrimental to the customer's economic interests.

Section 105 of the Utilities Act 2000 provides that such information cannot be disclosed by us save in limited circumstances or with the consent of the individual or person carrying on the business. Information of this nature has been redacted from the documents being published today where we do not have this consent.

Publications

Below is the full list of documents, including those that support our business plan, that have been published. This list highlights the documents that been provided in their entirety, have been partially redacted or have not been published.

In addition, for our Investment Decision Packs or Engineering Justification Papers, which are not Commercially or Strictly confidential in their entirety (such as those relating to our cyber security plan), we have produced high level summaries. These summaries are being provided as an alternative to a heavily redacted document because we consider it will provide stakeholders with a better understanding of the proposed investments and the key issues that we considered.

The table below provides a list of the supporting documents for our RIIO-T3 plan and their publication status.

Product type	Name	Published in Full	Published Redacted	Not Published	Comments
Main docs	_NGET_Business Plan 2024_Main Document		✓		
Main docs	NGET_Strategic Summary	✓			
Main docs - Appendix	NGET_Business Plan 2024_Appendix 2 - Yonder Consulting - Stakeholder priority outcomes	✓			
Main docs - Appendix	NGET_Business Plan 2024_Appendix 3 - MINTEL Consulting - Consumer environmentalism	✓			
Main docs - Appendix	NGET_Business Plan 2024_Appendix 4 - Sustainability First - Rapid Review	✓			
Main docs - Appendix	NGET_Business Plan 2024_Appendix 5 - Yonder Consulting - Consumer Affordability	✓			
Annex	A01_NGET_Environmental Action Plan		✓		
Annex	A02_NGET_Climate Resilience Strategy		✓		
Annex	A03_NGET_Workforce and Supply Chain Resilience Strategy		✓		
Annex	A04_NGET_NIS_R Cyber Resilience Business Plan & Associated Documents			✓	Strictly Confidential Information
Annex	A05_NGET_Digitalisation Strategy and Action Plan		✓		
Annex	A06_NGET_Independent Stakeholder Group Statement	✓			
Annex	A07_NGET_Stakeholder Engagement and Decision Log	✓			
Annex	A08_NGET_ET Load Strategy		✓		
Annex	A09_NGET_Innovation Annex		✓		
Annex	A10_NGET_Network Asset Management Strategy		✓		
Annex	A11_NGET_Assurance Statement		✓		
Annex	A12_NGET_Finance Annex		✓		
Annex Appendix	Size of inflation linked GBP bond market			✓	Commercially Confidential information
Annex Appendix	Benefits of a 'Baa1'/'BBB+' debt rating over 'Baa2'/'BBB'	✓			
Annex Appendix	GBP inflation linked debt issued since 2019			✓	Commercially Confidential information
Annex Appendix	Evidence of RIIO-ET3 asset lives			✓	Commercially Confidential information
Annex Appendix	Frontier Economics, Cost of Equity for T3	✓			
Annex Appendix	Oxera, T3 cost of equity- CAPM parameters	✓			
Annex Appendix	Updated cost of equity cross check evidence	✓			
Annex Appendix	Oxera, Review of the regulatory regimes for European comparators to strengthen the use of the European beta data	✓			
Annex Appendix	KPMG, RIIO-ET3 Relative Risk Assessment			✓	Commercially Confidential information
Annex Appendix	KPMG Risk Assessment Transmittal letter			✓	Commercially Confidential information

Product type	Name	Published in Full	Published Redacted	Not Published	Comments
Annex Appendix	Oxera, RIIO-3 risks and investability topics	✓			
Annex Appendix	Oxera, Evaluation of the ARP-DRP framework	✓			
Annex Appendix	Additional workings to support the BPFM (BPFM & B PDT Supporting File)			✓	Commercially Confidential information
Annex Appendix	Regulator's call option on investments at RIIO-3			✓	Commercially Confidential information
Annex Appendix	KPMG, Implicit call on capital Transmittal letter			✓	Commercially Confidential information
Annex Appendix	PwC, Identifying and quantifying risk for PC26			✓	Commercially Confidential information
Annex	A13_NGET_IT and Telecoms Strategy		✓		
Annex	A14_NGET_Cost Assessment and Benchmarking Approach			✓	Commercially Confidential information
Annex Appendix	A14_1_Section 2.2.3- Cost Estimation - Ofgem second meeting#, NGET 24			✓	Commercially Confidential information
Annex Appendix	A14_2_Section 2.3 - 2.5- T3 IT Financial Assurance Reportv2, Gartner for NGET 24			✓	Commercially Confidential information
Annex Appendix	A14_3_Section 2.6- Pay Benchmarking Report, Korn Ferry for NGET 24			✓	Commercially Confidential information
Annex Appendix	A14_4_Section 2.7- Rapid OFGEM Assessment, Hackett for NGET 24			✓	Commercially Confidential information
Annex Appendix	A14_5_Section 3- Ongoing Efficiency at RIIO3, Frontier Economics for NGET 24			✓	Commercially Confidential information
IDP	Asset Health Investment Decision Packs (19 IDPs)			✓	Strictly Confidential
IDP	Customer-Driven Investment Decision Packs (25 IDPs)			✓	Third Party Information
IDP	NGET_Atypical_EJP_T3 - SF6			✓	High Level Summary Published
IDP	NGET_Atypical_EJP_Commercial Fleet Replacement			✓	High Level Summary Published
IDP	NGET_Atypical_EJP_Energy Efficiency			✓	High Level Summary Published
IDP	NGET_Atypical_EJP_UIOLI Provision for Emerging Low Carbon Opportunities			✓	High Level Summary Published
IDP	NGET_Atypical_EJP_Community Benefit Framework			✓	High Level Summary Published
IDP	NGET_Major Project_EJP_NEWX-WIMB HUS-NEWX HURS LITT Decommissioning			✓	High Level Summary Published
IDP	NGET_Major Project_EJP_Gretna Harker Moffat OHL			✓	High Level Summary Published
IDP	NGET_Major Project_EJP_Feckenham Ironbridge OHL			✓	High Level Summary Published

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IDP	NGET_Major Project_EJP_East Claydon Enderby Patford OHL			✓	High Level Summary Published
IDP	NGET_Major Project_EJP_Barking West Ham OHL			✓	High Level Summary Published
IDP	NGET_Atypical_EJP_Network Operability			✓	High Level Summary Published
IDP	NGET_Major Project_EJP_Feckenham Hams Hall Drakelow OHL			✓	High Level Summary Published
IDP	NGET_Atypical_EJP_Reactive Compensation			✓	High Level Summary Published
IDP	Non Transmission Network Specific Investment Decision Packs (8 IDPs)			✓	Strictly Confidential
IDP	NGET_NN_Atypical EJP Customer and Stakeholder Experience Management			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP Construction Optimisation			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP Digital Twin and Power Systems			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP Enterprise Delivery Management			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP Operational Management			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP Enabling Data			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP Business Fundamentals Safety and Compliance Management			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP ERP Systems			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP HR Joiners to Leavers			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP Procurement Source to Pay			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP Strategy Regulation and Corporate Affairs			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP General Counsel			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP DPIT Delivery			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP DPIT Digital Workplace			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP DPIT Infrastructure			✓	High Level Summary Published

Product type	Name	Published in Full	Published Redacted	Not Published	Comments
IDP	NGET_NN_Atypical EJP DPIT Platform			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP_EV Chargers			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP_Development Clause Claims			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP Common Platforms			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP_Fixed Wire Testing			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP_Early Land Purchase			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP_Conversion of Wayleaves to Easements			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP_Didcot Stores Asset Health			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP_Didcot Stores New Build			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP_Eakring Training Centre			✓	High Level Summary Published
IDP	NGET_NN_Atypical EJP_Operational Estate			✓	High Level Summary Published
IDP	NGET_Major Project_EJP_BPPE OHL			✓	High Level Summary Published
IDP	NGET_Major Project_EJP_SCRE WRRE			✓	High Level Summary Published
IDP	NGET_Atypical_EJP_Landscape Enhancement Initiative			✓	High Level Summary Published
IDP	NGET_Atypical_EJP_Enhanced Ratings Strategy			✓	High Level Summary Published
EJP	Lead Portfolio EJP			✓	Strictly Confidential Information
EJP	Portfolio EJP Narrative Documents			✓	Strictly Confidential Information
EJP	Non-Lead Portfolio EJP			✓	Strictly Confidential Information
NARM	RIIO_ET3_BPDT_N_NARM-3_NGET_v1			✓	Commercially Confidential information
NARM	RIIO_ET3_BPDT_N_NARM-3_NGET_V1_Narrative			✓	Commercially Confidential information
BPFM	Financeability Analysis for NGET over RIIO-3 BPFM Ofgem Scenario Modelling			✓	Commercially Confidential information

Product type	Name	Published in Full	Published Redacted	Not Published	Comments
BPFM	Financeability Analysis for NGET over RIIIO-T3 Notional Stochastic Modelling Results			✓	Commercially Confidential information
BPFM	NGET_RIIIO_ET3 BPFM Ofgem Working Assumptions hard coded			✓	Commercially Confidential information
BPFM	NGET_RIIIO_ET3 BPFM Ofgem Working Assumptions BPDT linked			✓	Commercially Confidential information
BPFM	NGET_RIIIO_ET3 BPFM NGET Proposed Assumptions hard coded			✓	Commercially Confidential information
BPFM	NGET_RIIIO_ET3 BPFM NGET Proposed Assumptions BPDT linked			✓	Commercially Confidential information
BPFM	NGET_RIIIO_ET3 BPFM ScenarioRun_AllOutputData NGET Ofgem Working Assumptions hard coded			✓	Commercially Confidential information
BPFM	NGET_RIIIO_ET3 BPFM ScenarioRun_AllOutputData NGET Ofgem Working Assumptions BPDT linked			✓	Commercially Confidential information
BPFM	NGET_RIIIO_ET3 BPFM ScenarioRun_AllOutputData NGET Proposed Assumptions hard coded			✓	Commercially Confidential information
BPFM	NGET_RIIIO_ET3 BPFM ScenarioRun_AllOutputData NGET Proposed Assumptions BPDT linked			✓	Commercially Confidential information
BPFM	NGET_RIIIO_ET3_BPFM & BPDT Supporting File			✓	Commercially Confidential information
BPDT	NGET_RIIIO_T3_BPDT Accuracy letter			✓	Commercially Confidential information
BPDT	NGET_RIIIO_T3_BPDT Table			✓	Commercially Confidential information
BPDT	NGET_RIIIO_T3_BPDT Table - Fixed			✓	Commercially Confidential information
BPDT	NGET_RIIIO_ET3 BPDT_Commentary_IIGI Methodology Statement			✓	Commercially Confidential information
BPDT	NGET_RIIIO_T3_BPDT Commentary			✓	Commercially Confidential information