

Beta reflections

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nationalgrid

Beta - a “tricky little fellow”

Importance of beta

- Risk proxy
- Investor perception
- Why 3 to 5% does not equal 3 to 4%

Imperative of evidence

- Look at all evidence
- Respect regulatory precedent
- UKRN discounted

Imperfect Indepen approach

- Impact of de-levering / relevering
- Do we actually have a RAV premium?
- Circularity and double counting

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“Decide on a number and stick to it unless there is good reason to the contrary”