

- 14.14.2 The Onshore Transmission Owners' revenue ~~A Maximum Allowed Revenue (MAR) defined~~ for these activities and those associated with pre-vesting connections is set by the **Authority** at the time of the **Onshore** Transmission Owners' price control review for the succeeding price control period. **The Offshore Transmission Owners' revenue for these activities is set at the point of the asset transfer of its Offshore Transmission System. Transmission Network Use of System Charges are set to recover the Maximum Allowed Revenue as set by the Price Control this revenue. (where necessary, allowing for any K_t adjustment for under or over recovery in a previous year net of the income recovered through pre-vesting connection charges).**

Treatment of additional revenue adjustments associated with Income Adjusting Events

- 14.14.14 Under an **Offshore Transmission Licence** there is provision for an **Income Adjusting Event**. The effect of this is to adjust the allowed revenue which was set at the point of asset transfer.
- 14.14.15 For **Offshore Transmission Owners'** an adjustment (whether positive or negative) due to an **Income Adjusting Event** approved by the **Authority** in **Financial Year 't'** will need to be made to the **Offshore Transmission Owners'** revenue. The value (as approved by the **Authority**) of the **Income Adjusting Event** will be used to adjust the **Offshore Transmission Owners'** revenue for **Financial Year 't+1'** (unless otherwise approved by the **Authority**) following **Authority** approval in **Financial Year 't'** for recovery through the **Transmission Demand Residual** for **Financial Year 't+1'**. For the avoidance of doubt, if an **Income Adjusting Event** is approved by the **Authority** after 25 January in **Financial Year 't'**, the approved value will be used to adjust the **Offshore Transmission Owners'** revenue for **Financial Year 't+2'**, for recovery via the **Transmission Demand Residual** for **Financial Year 't+2'**.