1. The Onshore Transmission Owners’ revenue 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 this revenue.

**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’.

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