(b) in each relevant year beginning on or after 1 April 2021, the revenue derived by the licensee from the assistance for areas with high distribution costs scheme activity shall not exceed the assistance for areas with high distribution costs scheme amount for that relevant year as calculated in accordance with the following formula:

$$HBM_t = A_t + SA_t + (HBOC_t - HBK_t)$$

where

HBM_t	represents the assistance for areas with high distribution costs scheme amount in relation to the relevant year t.
A_t	represents the assistance amount in relation to the relevant year t.
SA_t	represents the Shetland assistance amount in relation to the relevant year t.
$HBOC_t$	represents the administration allowance in relation to the relevant year t.
HBK_t	represents the correction amount in relation to the relevant year t.".

3. After paragraph 2 insert—

"**2A.** For the purposes of paragraph 1 above, for the relevant year of the assistance for areas with high distribution costs scheme beginning on 1 April 2021, the Shetland assistance amount shall have the value specified in the Energy Act 2004 (Assistance for Areas with High Distribution Costs) Order 2005, and for each subsequent relevant year the Shetland assistance amount shall be derived from the following formula:

$$SA_t = SA_{t-1}\left(1 + \frac{RPI_t}{100}\right)$$

where

SA_{t-1}	represents the Shetland assistance amount in relation to the relevant year t-1.
RPI_t	has the meaning given in paragraph 2.".

4. In paragraph 5—

(a) in the definition of "assistance amount", after "made pursuant to" insert "paragraph 1 of",

(b) after the definition of "relevant year" insert—

""Shetland assistance amount"	means the amount payable by the licensee to a relevant distributor in any relevant year beginning on or after 1 April 2021 made pursuant to paragraph 1A of standard condition C22 (Assistance for areas with high distribution costs scheme: payments to a relevant distributor) and with the value specified in or calculated in accordance with paragraph 2A above.".