

Information for stakeholders already participating in the Spring 2022 disclosure arrangements

1. In May 2022 we published a consultation on the True-up process for COVID-19 related costs¹ which was accompanied by a disclosure process.² Earlier this month we published a letter which set out that we had decided to delay the COVID-19 True-up decision until February 2023 and that we would be issuing a consultation in autumn 2022, to consult on our methodology after we received feedback from stakeholders proposing an alternative methodology to calculate the COVID-19 True-up allowance.³
2. This letter sets out the disclosure arrangements for this consultation, **for stakeholders who did participate in the COVID-19 True-up consultation disclosure round in Spring 2022.**⁴

Context

3. In May 2022, we published a consultation on the True-up process for COVID-19 related costs. Given that our proposals relied on detailed modelling and analysis, we disclosed the key Models and Data that underpinned our proposals alongside the consultation via a confidentiality ring, in order for stakeholders to fully understand them (the **"Spring 2022 disclosure arrangements"**).
4. In our August 2022 letter titled 'notice to delay COVID-19 True-up decision and work on debt-related costs' we outlined that we would be issuing a consultation in the autumn, to consult with stakeholders on our methodology and gather feedback which will help inform our decision in February 2023 on the True-up process for COVID-19 related costs.

¹ Ofgem (2022), Price cap – consultation on the true-up process for COVID-19 costs.

<https://www.ofgem.gov.uk/publications/consultation-true-process-covid-19-costs>

² Ofgem (2022), Price cap - Disclosure arrangements for Spring 2022 consultations.

<https://www.ofgem.gov.uk/publications/price-cap-disclosure-arrangements-spring-2022-consultations>

³ Ofgem (2022), Price cap – notice to delay COVID-19 true-up decision and work on debt-related costs.

<https://www.ofgem.gov.uk/publications/price-cap-notice-delay-covid-19-true-decision-and-work-debt-related-costs>

⁴ Ofgem (2022), Price cap - Disclosure arrangements for Spring 2022 consultations.

<https://www.ofgem.gov.uk/publications/price-cap-disclosure-arrangements-spring-2022-consultations>

5. We are offering an extension to the Confidentiality Ring for the Spring 2022 disclosure arrangements, so that the disclosed Model and Data may be used to review the Autumn 2022 consultation and subsequent decision. As part of this, we will also provide to participants a revised schedule to include the COVID-19 True-up Model and Data as well as a redefined Permitted Purpose.
6. If this does not apply to you, then you will find separate guidance for '*Information for stakeholders not currently in the Spring 2022 disclosure arrangements*' on our website.

Participating in the Autumn 2022 disclosure arrangements

7. We will contact designated stakeholder contacts from the Spring 2022 disclosure arrangements directly in due course to outline the process to extend your participation. Should you have any queries about this email, please contact us at retailpriceregulation@ofgem.gov.uk.

Questions and Answers for existing participants

8. We recognise that circumstances may have changed since the previous disclosure. To address this, we have outlined some likely questions and answered them with our expectations below.
9. For any further questions, please do not hesitate to contact us at retailpriceregulation@ofgem.gov.uk.
10. **Q1: We have an Authorised Adviser who has left the team/organisation and is no longer working on the disclosed materials. Can we appoint someone else?**
 - We recognise that this a situation which may arise. We will take a pragmatic approach, where possible and consider these requests on the basis that the Authorised Adviser has left the team/organisation and will no longer be working on the disclosure materials.
 - We will require the new Authorised Advisers to submit the relevant undertakings. The undertakings can be found on our website.
11. **Q2: We instructed Advisers in May 2022 but will instruct another Firm for the Autumn 2022 disclosure – what do we do?**
 - Please let us know if this will be the case. If you instruct a new firm to act as your adviser then it will have to follow the process laid out in the '*Information for stakeholders not currently in the disclosure arrangements*' guidance document and

submit to us a Compliance Document for review, alongside the relevant Firm/Adviser undertakings.

12. For clarity, the submission dates that will be required are as follows:

Deadline	Activity
As soon as possible	Register interest by emailing retailpriceregulation@ofgem.gov.uk .
By Wednesday 24 August 2022	Provide a draft Compliance Document for review by Ofgem. Provide names, roles, and contact details (email addresses) for proposed Advisers.
By Thursday 1 September 2022	Provide signed undertakings.

13. We will disclose a revised version of the Disclosed Model and Data for the Autumn 2022 consultation.

14. To be clear, where there are revised files, we will make available the files disclosed in May 2022 as well as any revised versions in Autumn 2022.

15. Q3: When will the revised COVID-19 True-up Model and Data be available?

- We will disclose an updated version of the COVID-19 True-up Model and Data which includes the data from the second COVID-19 True-up request for information, and a version of the COVID-19 True-up Model & Data using the alternative methodology on the date of publication. If you are a new Firm and have registered to the Disclosed COVID-19 True-up Model and Data, we will disclose this to you on the publication day too.

Contact

16. All correspondence and expressions of interest should be sent to

retailpriceregulation@ofgem.gov.uk

Yours faithfully,

Adrian Leaker

Head of Price Cap Policy