



Making a positive difference
for energy consumers

To all electricity transmission, electricity distribution and
gas transport licensees

Direct Dial: 0207 901 3193

Email: joe.draissey@ofgem.gov.uk

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**Direction under various Special Conditions to create additional Re-opener
application windows for licensees Cyber OT, Cyber IT and Non-Operational IT
Capex Re-opener allowances**

1. The Gas and Electricity Markets Authority ('the Authority')¹ is issuing this Direction to create eight new additional Re-opener application windows in which different licensees can apply for changes to their Cyber OT, Cyber IT, and Non-Operational IT Capex Re-opener allowances.
2. The Special Condition licences (SpC) establish various Re-openers. Re-openers are a type of RIIO uncertainty mechanism that allow the Authority to adjust a licensee's allowances, outputs and delivery dates in response to changing circumstances during the price control period. The specific SpCs include fixed periods where licensees can apply to the Authority for changes to their allowances. However, for each Re-opener covered by this Direction, the Authority may allow licensees to apply *"during such other periods as the Authority may direct"*.
3. In December 2022, we requested that licensees delayed some of their re-opener applications from winter 2022 to summer 2023 to enable internal resources to be re-deployed to more critical areas if needed over the winter period. Specifically, on 22 December 2022, Jourdan Edwards, Deputy Director Onshore Networks, emailed each of the gas transporter and electricity transmission² licensees informing them that *"We consider we should delay work on some less critical RIIO-2 re-openers with*

¹ The terms "the Authority", "we" and "us" are used interchangeably in this document

² Electricity Distribution licensees were not included as they did not have any re-opener mechanisms during the winter 2022 period.

*minimal consumer impact, easing resource pressures to help respond us all respond to external market events. This will ensure we, Ofgem and us all as an industry, focus on areas most likely to protect consumers in coming months". Additionally, for Cyber, Jourdan stated "we are considering triggering an additional re-opener window in Q3 2023 due to the Enhanced Profile roll-out. We intend to engage with Regulatory Managers and NIS Responsible Officers on timing and our rationale via E3CC."*³

4. We now need to direct new re-opener windows to enable licensees to submit their delayed re-opener applications. Since 22 December 2022, we have informally consulted with relevant licensees on proposed dates for new re-opener periods to ensure the best quality information is available for the Re-opener applications and to maximise consumer benefit. Following this engagement with licensees, we have decided on directing the following Re-opener application windows as outlined in paragraph 5, which are suitable for licensees.
5. The Authority hereby directs the following additional Re-opener application windows for each licensee:
 - a. For electricity transmission licensees:
 - i. Cyber OT Re-opener (SpC 3.2.12): Between 25 October 2023 and 31 October 2023
 - ii. Cyber IT Re-opener (SpC 3.3.12): Between 25 October 2023 and 31 October 2023
 - iii. Non-operational IT Capex Re-opener (SpC 3.7.7c): Between 28 August 2023 and 15 September 2023
 - b. For electricity distribution licensees:
 - i. Cyber OT Re-opener (SpC 3.2.44c): Between 25 October 2023 and 31 October 2023
 - ii. Cyber IT Re-opener (SpC 3.2.52c): Between 25 October 2023 and 31 October 2023
 - c. For gas transporter (covering both gas transmission and gas distribution) licensees:
 - i. Cyber OT Re-opener (SpC 3.2.12): Between 25 January 2024 and 31 January 2024
 - ii. Cyber IT Re-opener (SpC 3.3.12): Between 25 January 2024 and 31 January 2024
 - iii. Non-operational IT Capex Re-opener (SpC 3.7.7c): Between 28 August 2023 and 15 September 2023

³ Energy Sector Cyber Security Group (E3CC)

6. There is no new Non-operational IT Capex Re-opener period for electricity distribution licensees, as there was no existing period that needed to be moved or changed.
7. This document constitutes notice of the Authority's reasons for the direction for the purposes of s.49A of the Electricity Act 1989 and s.38A Gas Act 1986.

Yours sincerely,

Jourdan Edwards

Interim Deputy Director, Onshore Networks

For and on behalf of the Authority