

To licensees:

Electricity North West Limited
 Northern Powergrid: Northeast
 Northern Powergrid: Yorkshire
 SP Energy Networks: Distribution
 SP Energy Networks: Manweb
 Scottish and Southern Energy Power Distribution: Scottish Hydro Electric Power Distribution
 Scottish and Southern Energy Power Distribution: Southern Electric Power Distribution
 UK Power Networks: London Power Networks
 UK Power Networks: South East Power Networks
 UK Power Networks: Eastern Power Networks
 National Grid Electricity Distribution (West Midlands) plc
 National Grid Electricity Distribution (East Midlands) plc
 National Grid Electricity Distribution (South Wales) plc
 National Grid Electricity Distribution (South West) plc
 National Grid Gas Plc (NTS)
 Cadent Gas Limited
 Northern Gas Networks Limited
 Scotland Gas Networks plc
 Southern Gas Networks plc
 Wales & West Utilities Limited
 National Grid Electricity Transmission Plc
 SP Transmission Limited
 Scottish Hydro Electric Transmission Plc
 National Grid Electricity System Operator Limited

Date: 7 August 2023

Direction under Special Condition 9.5 (Digitalisation) of the Electricity Distribution Licence, Electricity Transmission Licence and Gas Transporter Licence and Special Condition 2.11 of the Electricity System Operator to amend and issue the Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance

1. The Gas and Electricity Markets Authority (the Authority)¹ issues this direction, under the following Special Licence Conditions (SpCs), to put into effect the Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance under the RIIO-2 Licences listed below.

Licence Condition	Associated Document	Industry Sector
SpC 9.5	<ul style="list-style-type: none"> • Data Best Practice Guidance • Digitalisation Strategy and Action Plan Guidance 	Electricity Transmission

¹ The terms “the Authority”, “we” and “us” are used interchangeably in this document.

SpC 9.5 SpC 9.5	<ul style="list-style-type: none"> • Data Best Practice Guidance • Digitalisation Strategy and Action Plan Guidance 	Electricity Distribution
SpC 9.5	<ul style="list-style-type: none"> • Data Best Practice Guidance • Digitalisation Strategy and Action Plan Guidance 	Gas Transmission
SpC 9.5	<ul style="list-style-type: none"> • Data Best Practice Guidance • Digitalisation Strategy and Action Plan Guidance 	Gas Distribution
SpC 2.11	<ul style="list-style-type: none"> • Data Best Practice Guidance • Digitalisation Strategy and Action Plan Guidance 	Electricity System Operator

The Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance applicable to SpC 9.5 of the RIIO-2 Electricity Distribution Licence are issued in accordance with the common procedure set out at SpC 1.3 of the RIIO-2 Electricity Distribution Licence.

- Each of the companies to whom this direction is addressed is the holder of a licence granted or treated as granted under section 6(1)(b), 6(1)(c) of the Electricity Act 1989 or section 7 of the Gas Act 1986.
- On 28 February 2023, as part of the consultation on Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance the Authority published on its website the text of the proposed Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance and stated that representations must be made on or before 15 April 2023.
- We received 24 representations, which we have carefully considered. We have placed all non-confidential representations on our website. Our response to these representations is set out in our decision document which can be found in the zip file located [here](#).
- We have made changes to the proposed text of the Data Best Practice Guidance as a result of the consultation responses which are detailed in full in our decision document, to be found [here](#). We have not made further changes to the proposed text of the Digitalisation Strategy and Action Plan Guidance. The full text of the Data Best Practice Guidance and the Digitalisation Strategy and Action Plan Guidance as well as a track change version compared with those published on 15 November 2021 can be found [here](#).
- The reason for this direction is to give effect to our decision in the RIIO-ED2 Final Determinations² to assist licensees when handling their data and to amend the existing Data Best Practice Guidance and Digitalisation Strategy Action Plan Guidance for licensees holding an Electricity Transmission Licence, Gas Transporter Licence or an Electricity Systems Operator’s Licence in response to

² [RIIO-ED2 Final Determinations | Ofgem](#)

developments in the digital energy sector and our reasons for these amendments are set out in our consultation document³ and decision document.⁴

7. This direction is our notice of reasons for the purposes of section 49A of the Electricity Act 1989 and section 38A of the Gas Act 1986.
8. Now the Authority pursuant to the provisions of SpCs set out in paragraph 1 hereby directs that the Data Best Practice Guidance and the Digitalisation Strategy and Action Plan Guidance are issued and will have effect from 7 August 2023.

³ [Consultation on updates to Data Best Practice Guidance and Digitalisation Strategy and Action Plan Guidance | Ofgem](#)

⁴ <https://www.ofgem.gov.uk/publications/decision-updates-data-best-practice-guidance-and-digitalisation-strategy-and-action-plan-guidance>