

All interested parties

Email: [AssetRiskResilience@ofgem.gov.uk](mailto:AssetRiskResilience@ofgem.gov.uk)

Date: 9 August 2023

Dear Stakeholders,

**Guaranteed Standards of Performance (GSOPs) – Final Decision and Statutory Instrument for Reliability GSOPs (Severe Weather Arrangements) and Connections GSOPs**

On 4 April 2023, we issued two statutory consultations relating to our proposals on the Guaranteed Standards of Performance for Distribution Network Operators. We sought views on our proposed approach to implementing the immediate recommendations from the Review of Severe Weather Arrangements for Electricity Customers<sup>1</sup>, amending the Electricity (Standards of Performance) Regulations 2015 (the “Reliability GSOPs”), and sought views on our proposals to amend the Electricity (Connection Standards of Performance) Regulations 2015 (the “Connection GSOPs”) to give effect to our decisions in the RIIO-ED2 Final Determinations.<sup>2</sup>

This letter forms our final decision on those consultations.

The Electricity (Standards of Performance) Amendment Regulations 2023 (the “Amendment Regulations”) were made on 31 July 2023. The Amendment Regulations are published here: <http://www.legislation.gov.uk/id/uksi/2023/887>.

The Amendment Regulations will come into force as follows:

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<sup>1</sup> [Statutory consultation on amendments to the Electricity \(Standards of Performance\) Regulations 2015 | Ofgem](#)

<sup>2</sup> [Statutory consultation on proposed amendments to the Electricity \(Connection Guaranteed Standards of Performance\) Regulations 2015 | Ofgem](#)

Regulation 2, containing the amendments to the Reliability GSOPs, to implement the immediate recommendations from the Review of Severe Weather Arrangements for Electricity Customers, will come into force on 1 September 2023.

Regulation 3, containing the amendments to the Connection GSOPs, giving effect to our decisions in the RIIO-ED2 Final Determinations, will come into force on 1 October 2023.

#### Responses to our consultation

We received 12 responses to the consultation on the proposed amendments to the Reliability GSOPs and 11 responses to the consultation to the Connection GSOPs. Based on the responses that we received, we did not make any fundamental changes to the Statutory Instrument, nor did we make any changes to the key policy proposals that underpinned the draft regulations as published. We are satisfied the changes made remain in line with the substantive policy that underpinned the draft Statutory Instrument. We have made small changes to the text of the Statutory Instrument following consultation responses, to correct errors and some further changes to improve clarity. An overview of the changes are explained in an annex to this letter. We have also published on our website the issues log which contains our responses to the points raised by the respondents to both consultations.

Any questions regarding this decision letter should be directed to Faysal Mahad,  
[AssetRiskResilience@ofgem.gov.uk](mailto:AssetRiskResilience@ofgem.gov.uk)

Kind regards,

Jourdan Edwards,

**Deputy Director, Onshore Networks**

**Signed on behalf of the Authority and authorised for that purpose by the Authority**

## **Annex – Overview of Changes**

### **Electricity (Standards of Performance) Regulations 2015**

The DNOs raised queries on potential discrepancies regarding the threshold values which set out the average daily interruptions thresholds<sup>3</sup> for Categories 1 and 2 storms . We conducted a data validation exercise with DNOs, to address and eliminate discrepancies in the threshold values in the draft SI. Accordingly, the table in Part 3 of Schedule 2 was amended to reflect the updated threshold values.

### **Electricity (Connection Standards of Performance) Regulations 2015**

We modified the effective date of the amendments to the Connection GSOPs. The amendments to the Connection GSOPs will come into effect on 1 October 2023, one month later than the amendments to the Reliability GSOPs, to allow for the necessary changes to the RIIO-ED2 Regulatory Instructions and Guidance, extending the effects of amendments to non-contestable demand connection and distributed generation connection services.

### **Across both the Reliability and Connection GSOPs**

In deriving new payment levels for 2023/24, we have changed the starting point for inflation adjustment from 2015 to 2019, catering for the fact that the existing payment levels in the regulations were set for price level at the mid-point of RIIO-ED1, 2019. For the Electricity (Standards of Performance) Regulations 2015, this change will mean the initial payments going forward will be £80 and the maximum payment cap, per loss of power supply, will be £2,000.

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<sup>3</sup> For an event to be considered as Severe Weather it must be more than 8 times the daily average number of faults in a 24-hour period. The average daily number of faults is defined in the Electricity Supply Regulations (2015) in Schedule 2, Part 3.