

To:
National Energy System Operator Limited

Date: 30 April 2025

Dear Company Secretary,

Proposal to modify the NESO Regulatory Instructions and Guidance ("RIGs") and the Regulatory Reporting Pack ("RRP") for RIIO-2

We¹ propose to make modifications to the RIIO-2 RIGs document and the RIIO-2 RRP data templates for National Energy System Operator ("NESO").

RIGs and RRP

The RIGs and RRP are the principal means by which we collect cost, volume, allowed expenditure and output delivery information from licensees to monitor performance against their RIIO-2 objectives and hold them to account.

As part of the enclosed Notices, we provide the following documents with proposed modifications [marked up]:

- RIIO-2 ESO - Regulatory Instructions and Guidance: Version 3.2; and,
- RIIO-2 ESO - Regulatory Reporting Template: Version 3.2.

Proposed modifications

We are proposing a number of modifications to the RIGs and RRP to reflect the transition from National Grid Electricity System Operator to NESO, the new ESO and GSP licences and new RRP tables.

Timeline

If we implement the proposed modifications to the RIGs and RRP, they will take effect at the same time as our decision, which we expect will be in June 2024.

We welcome representations on our proposed modifications by 28 May 2025, and the details for responding are contained in the enclosed Notice.

Yours faithfully,

David Beaumont
Head of NESO Framework Development
Institutions for Net Zero, Energy Systems Management and Security
Duly authorised on behalf of the
Gas and Electricity Markets Authority

30 April 2025

¹ References to 'the Authority', 'GEMA', 'Ofgem', 'we', 'us' and 'our' are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets. Ofgem is the office of the Authority which supports GEMA.

National Energy System Operator Limited

(a "Licensee")

Notice under Part A of Condition G3 (Regulatory Instructions and Guidance) of the Electricity System Operator Licence and the Gas System Planner Licence.

The Gas and Electricity Markets Authority (the "Authority")² hereby gives notice under Part A of Condition G3 as follows:

Proposal to modify the Regulatory Instructions and Guidance

1. The Authority proposes to modify the Regulatory Instructions and Guidance (the "RIGs") in accordance with Condition G3 of the ESO Licence and GSP Licence. The RIGs are the primary means by which the Authority directs the Licensee to collect and provide information to the Authority, to enable it to administer the Condition of the Licences and, where not referenced in the Licences, the RIIO-ESO Business Plan 2 Final Determinations³.
2. Part A of Condition G3 of the ESO Licence and GSP Licence sets out the process for issuing and modifying the RIGs. In accordance with Condition G3, the Authority hereby gives notice to the Licensee that it proposes to modify the RIGs in the manner indicated in the documents that can be accessed on its website, published alongside this Notice.
3. The proposed modifications refer specifically to information required to be submitted to the Authority on or before 31 August 2025 in relation to:
 - RIIO-2 ESO – Regulatory Instructions and Guidance: Version 3.1
 - RIIO-2 ESO Regulatory Reporting Template: Version 3.1
4. The purpose of the proposed modifications is to update the RIGs and RRP to reflect the transition from NGESO to NESO, the new ESO and GSP licences and the new RRP tables.
5. The Authority proposes that these modifications should take effect at the same time as our decision, which we expect will be in June 2025.
6. The Licensee must complete and return the Regulatory Reporting Pack referred to above as part of the 2024/25 RIGs process.

Further information

7. Copies of this Notice and other documents referred to in it are available on the Ofgem website (www.ofgem.gov.uk).

² The "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports the Authority in its day to day work.

³ [Business Plan 2 Final Determinations - Electricity System Operator | Ofgem](#)

8. Any representations on the proposed modifications must be made on or before 28 May 2025 by email to NESORegulation@ofgem.gov.uk
9. Our normal practice is to publish responses on our website. We prefer to receive responses in an electronic form for publication on our website. However, if you do not wish for your response to be made public then you should clearly mark your response as "not for publication".

David Beaumont
Head of NESO Framework Development
Institutions for Net Zero, Energy Systems Management and Security
Duly authorised on behalf of the
Gas and Electricity Markets Authority

30 April 2025