

# Decision

## Consolidated Segmental Statements guidance update

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| Publication date: | 30 October 2025 |
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| Response deadline: | 24 October 2025 |
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## Foreword

This document sets out the decisions to modify the guidance in relation to the publication of Consolidated Segmental Statements (CSS). This is required by Electricity Supply Standard Licence Condition (ES SLC) 19A.9, and the Gas Supply Standard Licence Condition (GS SLC) 19A.9.

The effect of these modifications is to aid those relevant licensees that are required to publish a CSS by reducing ambiguity on the details required, whilst improving comparability between publications and encourage more transparency of profitability in the market.

These modifications to the Guidance will take effect from 00:01 31 October 2025 and will apply to those relevant licensees (as defined by ES SLC 19A and GS SLC 19A) that are publishing their CSS on or after this date.

# 1. Introduction

This section sets out the context for our decision and informs stakeholders about the steps we have taken to arrive at our decision.

## Context and related publications

1. Modifications to the Electricity Supply Standard Licence Condition (ES SLC) 19A.9, and the Gas Supply Standard Licence Condition (GS SLC) 19A.9 came into effect from 29 March 2024. This expanded the CSS reporting obligation to cover a wider proportion of the domestic and non-domestic market, providing greater transparency of supplier profitability.
  2. These license conditions were accompanied by a published guidance to support those that were to meet the reporting requirements. However, since this was introduced, we have found that there is a lack of consistency between how Relevant Licensees (as defined by ES SLC 19A and GS SLC 19A) have approached their CSS. This could further impact comparisons between them. This means interested parties would not be fully informed on how suppliers differ in particular around their cost categorisations in the sector. This has been highlighted by individual Relevant Licensees through their interactions with Ofgem.
  3. Further, we have found that licensees have at points found the previous guidance vague, and as such, have requested clarification on how to assign particular costs when completing their CSS submissions. This update thus also attempts to make it easier to complete a CSS.
- 1.1 For the avoidance of doubt, the modifications laid out here would be relevant to the guidance for CSS as referenced in the standard license conditions for the supply of **both** gas and electricity.

## Related publications

- Consultation (September 2025): [Consolidated Segmental Statements guidance update | Ofgem](#)
- CSS Guidance version March 2024 (prior to October 2025 modification decision): [Consolidated Segmental Statements Guidance.pdf](#)
- Standard License conditions 19A (Electricity Supply SLC):
  - <https://epr.ofgem.gov.uk/c/9wgWVKeHRymQ3pBbiptyqA/p/0196c209-4e4c-4e2b-92ae-525b634f2f51/wvp/267f0474-139a-4f84-aed0-68ff3e3a34df>
- Condition 19A. Financial information reporting (Gas Supply SLC)
  - <https://epr.ofgem.gov.uk/c/xy42ijGNQHGZlwVFYcixCw/p/b30b97ae-de90-43e3-9526-3833c110b0fe/wvp/2cb50e75-f7c0-4260-b632-24337ad1a752>

## Decision-making stages

### Consultation stages

|                | Details                                                                                                                                                                                       | Deadline                                |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| <b>Stage 1</b> | Publication of proposed modifications to the CSS Guidance. Stakeholder views were invited from:<br><br>4. supply licensees and their parent company where they have one<br>5. consumer groups | Consultation opened: 26 September 2025  |
| <b>Stage 2</b> | Consultation period closed. Responses were collected and reviewed.                                                                                                                            | Deadline for responses: 24 October 2025 |
| <b>Stage 3</b> | Decision to modify the CSS Guidance published, following stakeholder feedback.                                                                                                                | Decision published: 30 October 2025     |
| <b>Stage 4</b> | Revised CSS Guidance takes effect, applying to licensees publishing on or after this date.                                                                                                    | Effective from: 00:01 31 October 2025   |

- 1.2 Being mindful of the timing of the consultation decision and any modifications could impact those obliged suppliers that were due to publish in October, we have supported any reasonable deadline extensions requested.

## 2. Decision to modify the CSS Guidance

We outline our decision to modify the CSS Guidance, following our consideration of stakeholder feedback to the recent consultation (covering September- October 2025).

**We welcome stakeholder views on the following:**

- Q1. Do you agree with our minded to approach to modify the Guidance to provide clarifications?
- Q2. Do the proposed modifications make it clear what constitutes a properly prepared CSS?
- Q3. What are your views on the modifications proposed?
- Q4. Are there any other options that would better facilitate the policy intent of CSS?

### What did we consult on?

- 2.1 This decision paper is following our CSS consultation published on 26 September 2025 where we set out our final proposals to revise the CSS Guidance.
- 2.2 Our proposals considered modifications to (1) select wording of the existing Guidance to reduce ambiguity, where it was perceived as unclear/vague (2) specific categorisation for costs and revenue where appropriate to support consistent and comparable publications, (3) marginal disclosure requirements to improve transparency on differences in presentation between the CSS information compared to the respective financial statements (to help users).
- 2.3 The specific modifications and justifications can be found in the following link, within the published consultation communication link, also shared below:
  - 1. [modification-of-consolidated-segmental-statements-review.pdf](#)
  - 2. [Consolidated Segmental Statements guidance update | Ofgem](#)
- 2.4 The consultation prompted stakeholders' views on the following questions:
  - 1. Do you agree with our minded to approach to modify the Guidance to provide clarifications?
  - 2. Do the proposed modifications make it clear what constitutes a properly prepared CSS?
  - 3. What are your views on the modifications proposed?
  - 4. Are there any other options that would better facilitate the policy intent of CSS?
- 2.5 We received seven responses to our CSS Guidance modification consultation. Five stakeholders expressed clear support for the proposed modifications, while

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two provided mixed feedback with constructive suggestions. No stakeholders were unsupportive of the minded to position for updating the guidance.

### Summary of stakeholder feedback

- 2.6 One supplier responded positively to all questions and in support of the modifications, welcoming improved clarity and consistency. Another responded on an exception basis with constructive suggestion for improvement to one question, but implied acceptance to the other questions.
- 2.7 Five suppliers overall were broadly supportive of the intent and proposed modifications. However, categorised as mixed feedback, given their suggestions to further improve on specific drafting points, treatment of defunct government schemes, reconciliation methodology, and presentation format. Please refer to Ofgem response paragraphs 2.19 onward for the specific issues and our response.
- 2.8 No suppliers responded negatively.
- 2.9 Where no feedback was received, we have interpreted this as tacit agreement with the proposed modifications. These stakeholders, while affected by the modifications, did not engage substantively with the consultation. No further engagement is anticipated beyond responding to any specific queries or support requests.
- 2.10 A summary of stakeholder feedback is presented in the table below. Ofgem's responses to key themes raised are outlined in Section 2.19 onwards.

|                                                                                         | Supportive                                        | Unsupportive | Mixed |
|-----------------------------------------------------------------------------------------|---------------------------------------------------|--------------|-------|
| Do you agree with our minded approach to modify the Guidance to provide clarifications? | Centrica<br>EDF<br>ScottishPower<br>Tilix<br>Drax |              |       |
| Do the proposed modifications make it clear what constitutes a properly prepared CSS?   | Centrica<br>EDF<br>ScottishPower<br>Tilix         |              | Drax  |

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|                                                                                    | Supportive                                | Unsupportive | Mixed                                 |
|------------------------------------------------------------------------------------|-------------------------------------------|--------------|---------------------------------------|
| what are your views on the modifications proposed?                                 | Centrica<br>EDF<br>ScottishPower<br>Tilix |              | Drax<br>OVO                           |
| Are there any other options that would better facilitate the policy intent of CSS? | Centrica                                  |              | EDF<br>ScottishPower<br>Tilix<br>Drax |

## Responses

### Specific Licensee responses

- 2.11 **Centrica:** Supported all proposed modifications and emphasised the importance of consistency and comparability. Welcomed clearer reconciliation and mandatory adherence to guidance
- 2.12 **EDF:** Agreed with the modifications and welcomed clarification on environmental and social tariffs. Requested removal of outdated schemes and suggested refinement of guidance language.
- 2.13 **ScottishPower:** Supported the intent and proposed drafting improvements to enhance clarity. Offered feedback to further improve on suggested modifications and clearer treatment of discounts and "other revenue".
- 2.14 **Drax:** Raised clarification concerns on select points drafted, classification of EBRs/EBDS, and the impact of international accounting standards.
- 2.15 **OVO:** Supported the modifications but requested further clarification on metering cost categorisation due to inconsistent treatment across suppliers.
- 2.16 **E.ON:** Did not respond directly to consultation questions but provided detailed commentary. Recommended stronger enforcement and audit mechanisms, suggested integrating the pro forma into guidance, and called for clearer cost allocation and reconciliation expectations.

### Consumer groups & other parties

- 2.17 **Tilix:** Endorsed transparency and suggested open data formats. Did not find the process burdensome and advocated for machine-readable publication formats.

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### **Ofgem response**

- 2.18 Ofgem acknowledges the support for the proposed modifications and appreciates the constructive feedback received. In response, we will:
- 2.19 Update the guidance to remove currently defunct schemes to streamline.
- 2.20 At this stage, we do not intend to make further additional material modifications to the proposed modified guidance. In future CSS cycles, we will consult on further modifications to improve the Guidance, which may incorporate harmonising the pro forma and guidance, alongside other structural improvements, to support further clarity and consistency where still needed. We remain committed to ensuring the CSS guidance and supporting materials continue to evolve in line with overall market needs and stakeholder input – potentially including those recommendations for refinements raised by stakeholders in response to consultation questions.

### 3. Final decision summary and next steps

#### Modifications accepted

Given the positive feedback from stakeholders on the four questions for our decision – refining the guidance with our suggestions, Ofgem has decided to continue with their minded to position. If still required, any additional points raised will be considered in future updates to the CSS Guidance, with appropriate consultation.

#### Our decision

- 3.1 Following the consultation and review of stakeholder feedback, Ofgem has decided to implement the proposed modifications as set out in Consolidated Segmental Statements Guidance 2025: for Consultation. We consider that these modifications meet the stated aim of improving clarity and consistency in supplier reporting, support transparency of profitability, and ensure comparability across the market. The decision reflects stakeholder input and balances regulatory expectations with practical implementation to achieve the stated policy aim.
- 3.2 We have chosen not to pursue the additional considerations raised by some of the stakeholders on further refinement of the guidance at this stage. While individual stakeholders highlighted some further potential refinements, we consider that the core modifications we have proposed have met the intended aims whilst strike a balance between clarifications and drafting to improve consistency. Which was accepted in consultation responses and proportionate adjustments to the Guidance. Stakeholders, recommendations for other clarification points may require subsequent consultation in the future once Ofgem has been able to assess the benefits to consistency and clarity following the proposed modifications.
- 3.3 For the response that focused on stronger enforcement, this was out of scope for any guidance update.
- 3.4 And for the response that recommended moving away from PDFs, whilst the authority supports machine-readable documents, we have to weigh this against the processes that are in place that allow for accessibility.

#### Implementation

- 3.5 The revised CSS Guidance will come into effect at 00:01 on 31 October 2025. We expect obliged suppliers publishing from this date onwards to adhere to the revised guidance.
- 3.6 For those obliged suppliers that were due to publish in October or November and may be impacted by the timing of the modifications, Ofgem is working with them to provide appropriate extensions to allow for consideration of the modifications.

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- 3.7 Suppliers that have published prior to this effective date will remain subject to the prevailing CSS Guidance at the time of their publication (version issued March 2024 [Consolidated Segmental Statements Guidance.pdf](#)). They will not be required to restate their submissions as a result of this decision.

### **General feedback**

- 3.8 We believe that consultation is at the heart of good policy development. We are keen to receive your comments about this decision. We would also like to get your answers to these questions:

1. Do you have any comments about the quality of this document?
2. Do you have any comments about its tone and content?
3. Was it easy to read and understand? Or could it have been better written?
4. Are its conclusions balanced?
5. Did it make reasoned recommendations?
6. Do you have any further comments?

- 3.9 Please send your feedback to [stakeholders@ofgem.gov.uk](mailto:stakeholders@ofgem.gov.uk)