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Dear Colleague

Update on the regulatory instructions and guidance (RIGs) for DPCR5

As part of the recent electricity distribution price control review (DPCR5) we have undertaken a review of the information that DNOs provide in order that we can monitor performance against their price control obligations and to inform future price controls. The information we require from the DNOs is set out in the RIGs. There are currently four separate RIGs documents for: cost reporting, revenue reporting, quality of service and distributed generation incentive, the innovation funding incentive and registered power zones. As a result of our proposals for DPCR5 it was clear that we would need to collect new types of data from the DNOs including on environmental and network output related matters for example. The DNOs raised concerns that an increase in the number of RIGs documents could make reporting unwieldy and could potentially result in duplication of information that they provide.

Having reviewed the reporting obligations we decided to have three RIGs documents to cover the next price control period, as follows:

- Cost and revenue reporting (CRR) - which will include all data of a financial nature and combines the current cost and revenue reporting obligations. It will also include, for example, the incentive revenue associated with our environmental proposals,
- Network asset data and performance reporting (NADPR) - which will include data associated with the physical network, CIs, CMLs, volumes of connections etc. It will cover our new output measures associated with network investment including Health Indices and Fault Indices. It will also include, for example, the output related data associated with our environmental proposals, including the Business Carbon Footprint (BCF), and
- Customer service reporting (CSR) - which includes the customer related standards and measures.

As part of the review of RIGs we will also review the reporting requirements to ensure that there is no duplication or gaps in the information that we are providing for and we are working with the DNOs to undertake this review.

We have set up three working groups with the DNOs to assist us in developing the three RIGs. Our initial task has been to develop a first draft of the spreadsheets that DNOs will need to complete to meet their reporting requirements. The NADPR and CRR working groups have met to develop the RIGs spreadsheets and the NADPR group in particular has

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made good progress towards a first draft of the spreadsheets. We decided that a CSR working group meeting was not required at this stage as the customer service reporting requirements could either be developed internally or were being developed in other working group meetings.

On 18 December we will be issuing the latest draft of the RIGs spreadsheets. By late January we intend to have a first draft of the RIGs document together with a full set of draft RIGs spreadsheets which we will develop with the DNOs through the relevant working groups, where possible through emails rather than through meetings. We will circulate the RIGs documents and spreadsheets to the other working group members, i.e. we will circulate for example the NADPR RIGs to the CRR and CSR working group members, to enable the members to ensure that there is no duplication in the reporting requirements. We will also circulate the RIGs document to the licence drafting working group members to ensure that they are satisfied with the reporting requirements.

We hope to publish the draft RIGs in late February to enable the DNOs to have a draft of the RIGs to review alongside their draft licence conditions, which will by that time be going through the statutory consultation stage. We will publish the final version of the RIGs by the end of March. In summary the timetable is as follows:

Mid December	Full set of 1 st draft spreadsheets for RIGs
Late January	First draft of RIGs document circulated to DNO working groups
Late February	Publish the draft RIGs
Late March	Close of consultation and publication of final version of RIGs

Please do not hesitate to contact me or Chris Watts on 020 7901 7333 if you have any queries or issues relating to this letter.

Yours sincerely



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