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Your Ref:
Our Ref: 78/13
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Date: 9 May 2013

Dear colleagues,

RIIO-T1 and GD1: Draft Regulatory Instructions and Guidance (RIGs)

Introduction

The RIGs is the principal means by which we collect data from Network Owners in order to monitor performance against their price control objectives and hold them to account.

In October 2012 we consulted on a draft set of RIGs for both Transmission Owners (TOs) and Gas Distribution Networks (GDNs) which would apply for the period 2013-2021. Since then we have published our final proposals for both price controls and had meetings with the TOs and GDNs to develop a robust set of RIGs.

The purpose of this consultation is to seek stakeholder comments on the form and content of the RIGs and how we intend to monitor performance over the RIIO period.

Legal Framework

The RIIO-T1 and GD1 reporting requirements have been consolidated into single licence conditions for electricity transmission, gas transmission and gas distribution. The licence conditions set out the scope, content and governance arrangements for the RIGs.

Supporting documents

We are consulting on the RIGs for electricity transmission, gas transmission, and gas distribution licensees respectively. The documents describe in detail why we are collecting particular data, how individual tables should be completed and the associated information required by us:

- RIIO-T1 Electricity Transmission Price Control – Draft Regulatory Instructions and Guidance: Version 1
- RIIO-T1 Gas Transmission Price Control – Draft Regulatory Instructions and Guidance: Version 1
- RIIO-GD1 Gas Distribution Price Control – Draft Regulatory Instructions and Guidance: Version 1

We are also consulting on the reporting templates for each sector setting out the tables that we expect each licensee to complete on an annual basis.

- RIIO-T1 Electricity Transmission Costs and Outputs Reporting Templates

- RIIO-T1 Gas Transmission Costs and Outputs Reporting Templates
- RIIO-GD1 Gas Distribution Costs and Outputs Reporting Templates
- RIIO-T1 NGET Revenue Reporting Templates
- RIIO-T1 SHE Transmission Revenue Reporting Templates
- RIIO-T1 SPTL Revenue Reporting Templates
- RIIO-T1 NGGT Revenue Reporting Templates
- RIIO-GD1 Gas Distribution Revenue Reporting Templates

These documents are available on Ofgem's website (www.ofgem.gov.uk).

Outstanding Issues

There are two areas that need further discussion and development with licensees; these are in the area of what data is published and the RIGS commentary, and how this fits in with the overall annual reporting. These will be developed by Ofgem and the licensees in the coming months.

Timetable

The RIGs came into force in April 2013 and the first time we would expect TOs and GDNs to submit information to us would be 31 July 2014 for reporting on 2013/14, except where indicated otherwise.

Responses

Ofgem would welcome any comments on the form and content of the RIGs and in particular the following questions.

1. Do respondents' agree with the proposed structure of RIGs documents?
2. We would welcome specific comments on individual tables within the reporting templates.
3. We would welcome respondents' views on the data that we should require licensees to publish to help network users, investors, and other stakeholders.
4. We welcome respondents' views on the overall principles governing data.

Responses, to be received by Ofgem by 7 June 2013, should be sent to: Martin Rodgers (Transmission) or Mick Watson (Gas Distribution), Email address: martin.rodgers@ofgem.gov.uk / mick.watson@ofgem.gov.uk

Any questions should, in the first instance, be directed to Martin Rodgers (telephone 020 7901 7273) or Mick Watson (telephone 020 7901 7416).

Yours sincerely,

Paul Branston
Acting Head of Cost and Outputs

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