

# RIIO-ED1: Second informal consultation on licence drafting – Standard Licence Conditions

## Consultation

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### Overview

On 10 January 2014 we published 'Informal consultation on licence drafting - Standard Licence Conditions', seeking views on proposed changes to sixteen of the SLCs. These changes are required to implement the RIIO-ED1 price control review and were implemented in May 2014.

We are now consulting on our remaining proposed changes to the SLCs for RIIO-ED1. The revised SLCs will apply to all electricity distribution network operators (DNOs) from 1 April 2015.

## Context

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RIIO-ED1 is the first electricity distribution price control to reflect the new RIIO (Revenue = Incentives + Innovation + Outputs) model. In the RIIO-ED1 price control review we will set the outputs that the 14 electricity distribution network operators (DNOs) need to deliver for their consumers and the associated revenues they are allowed to collect. The RIIO-ED1 review covers an eight-year price control from 1 April 2015 to 31 March 2023.

Western Power Distribution's (WPD) price control was settled early and the required modifications to WPD's licences were finalised in May 2014 (apart from those relating to the close out of current price control schemes).<sup>1</sup> We also modified a number of the Standard Licence Conditions (SLCs)<sup>2</sup>, which apply to all DNOs and support the operation of the price control over its duration.

We are now consulting on a small number of additional changes to the SLCs applicable to all DNOs, including WPD's licensees. Most licence conditions are proposed to become active on 1 April 2015.

## Associated documents

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### Documents published alongside this consultation

- Supplementary annex 1: Draft RIIO-ED1 SLC licence changes
- Supplementary annex 2: Response template

### Other relevant documents

- [RIIO-ED1: Draft determinations consultation for the slow-track electricity distribution companies](#)
- [Open letter consultation on revised RIIO-ED1 business plans](#)
- [RIIO-ED1: Modifications to the standard conditions of the electricity distribution licences](#)
- [RIIO-ED1: Informal consultation on licence drafting–Standard Licence Conditions](#)
- [Strategy decision for RIIO-ED1 – Overview](#)
- [RIIO ED1 Glossary](#)

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<sup>1</sup> RIIO-ED1: Modifications to special conditions of the electricity distribution licences held by the four licensees owned by Western Power Distribution plc (WPD) - <https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-modifications-special-conditions-electricity-distribution-licences-held-four-licensees-owned-western-power-distribution-plc-wpd>

<sup>2</sup> RIIO-ED1: Modifications to the standard conditions of the electricity distribution licences - <https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-modifications-standard-conditions-electricity-distribution-licences>

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## Executive summary

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The price control settlement is implemented through the licence for the Distribution Network Operator (DNO). The licence comprises Standard Licence Conditions (SLCs), which are applicable to all DNOs, and Charge Restriction Conditions (CRCs), which are unique to each DNO.

In May 2014 we changed some of the SLCs, which apply to all electricity DNOs. This consultation contains the remaining draft SLCs which could not be finalised early. These will apply to all DNOs from 1 April 2015. The deadline for responding to this consultation is 24 October 2014.

In this consultation, we also provide an update on the development of some of the associated documents. These are ancillary documents to the licences which provide additional guidance on specific policy areas.

We are also conducting a parallel consultation explaining our current thinking on how the CRCs for the slow-track DNOs should be amended to implement their RIIO-ED1 price control settlement.

We intend to publish the licence modifications in February 2015. This will bring the relevant licence conditions (both SLCs and CRCs) into force from 1 April 2015.

# 1. Introduction

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## Chapter Summary

A guide to the purpose and structure of the document. It also provides an overview of our approach to licence drafting and our next steps in the licence development process.

## Purpose of this document

1.1. In this document we present our current thinking on the proposed changes to the remaining Standard Licence Conditions (SLCs) required to implement RIIO-ED1 which could not be finalised in May.<sup>3</sup> These are the final changes that will be made to the SLCs as part of the RIIO-ED1 price control review.

1.2. The purpose of this consultation is to seek views on whether our proposed licence drafting reflects the policy position set in the strategy decision and in the draft determinations published for all distribution network operators (DNOs).<sup>4</sup>

1.3. We have also published 'RIIO-ED1: Informal consultation on slow-track licence drafting – Charge Restriction Conditions', which we are consulting on in parallel. This contains our current thinking on the main changes we think are needed to the Charge Restriction Conditions (CRCs) for all slow-track DNOs to bring into force the RIIO-ED1 slow-track final determinations.

1.4. In December 2014, we will conduct the requisite 28-day statutory consultations. These will cover the residual changes to the SLCs and the slow-track companies' CRCs. We will publish our licence modification decisions in February 2015.

## Types of licence conditions

1.5. There are two types of licence condition in electricity distribution licences: SLCs and CRCs.

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<sup>3</sup> RIIO-ED1: Modifications to the standard conditions of the electricity distribution licences - <https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-modifications-standard-conditions-electricity-distribution-licences>

<sup>4</sup> Strategy decision for the RIIO-ED1 electricity distribution price control - <https://www.ofgem.gov.uk/publications-and-updates/strategy-decision-riio-ed1-overview> and the RIIO-ED1 Draft Determinations for fast-tracked Distribution Network Operators – Western Power Distribution - <https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-draft-determinations-fast-tracked-distribution-network-operators--western-power-distribution> RIIO-ED1: Draft determinations consultation for the slow-track electricity distribution companies - <https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-draft-determinations-consultation-slow-track-electricity-distribution-companies>

### **Standard Licence Conditions (SLCs)**

1.6. SLCs set out the duties and obligations applicable to all holders of an electricity distribution licence. They are shared conditions. The SLCs are grouped into two sections. Section A applies to all Electricity Distributors, both DNOs and Independent Distribution Network Operators (IDNOs). Section B applies only to DNOs. SLCs do not feed into the determination of the DNOs' allowed revenue – this is done through the CRCs.

### **Charge Restriction Conditions (CRCs)**

1.7. CRCs apply specifically to each licensee (ie each DNO has its own set). However, many conditions are similar or identical across the DNOs. Broadly, CRCs place obligations on companies that have an impact on their allowed revenue.

## **Approach to licence drafting for RIIO**

### **Licence Drafting Working Group**

1.8. We created a Licence Drafting Working Group (LDWG) consisting of members of the Ofgem team and DNO representatives. This group met regularly to review and develop the licence conditions. The DNOs have been very committed to this process and have provided constructive feedback.

### **Licence structure**

1.9. We do not propose significant changes to the structure of the current SLCs. We have sought to insert any new SLCs at appropriate places within the current licence structure.

## **Timetable for RIIO-ED1 licence development**

1.10. The timetable for making the necessary RIIO-ED1 CRC and SLC licence changes is set out in Table 1.

**Table 1: Timetable for RIIO-ED1 licence development**

Stage	Date
<b>Charge Restriction Conditions</b>	
<i>Slow-track companies and DPCR5 close-out for all companies</i>	
Informal licence drafting consultation	September 2014
28-day statutory licence modification consultations and notices published	December 2014/ January 2015
Licence modification decisions and modifications published	February 2015
Licence changes come into force	1 April 2015
<b>Standard licence conditions</b>	
<i>All Electricity Distributors: RIIO-ED1 remaining SLC modifications</i>	
Informal licence drafting consultation	September 2014
28 day statutory licence modification consultation and notices published	December 2014/ January 2015
Licence modification decision and modifications published	February 2015
Licence changes come into force	1 April 2015

## Responding to this consultation

1.11. The proposed SLCs are set out in 'Supplementary annex 1 – Draft RIIO-ED1 SLC licence changes'. We welcome comments on the proposed drafting and the specific questions in this consultation.

1.12. Please use the Response Template (supplementary annex 2) to provide any substantive feedback on each individual licence condition. Ensure that any points raised in the cover letter are also made in the Response Template. Minor points on the individual licence drafts (eg formatting and drafting improvements) can be supplied in a tracked-change version of the relevant licence condition.

## Structure of this document

1.13. The remainder of this document is structured as follows:

- Chapter 2: details the type of proposed change to the SLCs, the reason behind the change and the intended effect of this.
- Chapter 3: outlines the associated documents that are being created for RIIO-ED1 that are governed by the licence.

1.14. Alongside this document we have also published the following Supplementary annexes:

- Supplementary annex 1: Draft RIIO-ED1 SLC licence changes
- Supplementary annex 2: Response template

## 2. Proposed changes to SLCs

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### **Chapter summary**

Our proposed changes to the SLCs for all DNOs, including our reasons and their intended effect.

**Question 1:** Do you have any views on the proposed changes to the SLCs? The draft licence conditions are found in Supplementary annex 1.

**Question 2:** Do you have any views on the reasons and effects for the licence changes?

### **Types of SLC change**

2.1. The proposed SLC changes fall into three broad categories:

- removal of a SLC that was required for the current price control, DPCR5, but which is not required for RIIO-ED1
- amendment to a current SLC
- new SLC for RIIO-ED1.

2.2. Where we refer to the 'current' condition, or what a condition 'currently' refers to, we are referring to the condition in the DPCR5 licence.

### **Removal of SLCs from licence**

2.3. Some DPCR5 SLCs should no longer exist for RIIO-ED1. This is typically because a change in policy means an obligation is no longer applicable.

### **Amendment to current SLCs**

2.4. We want to amend some of the current SLCs to reflect the new RIIO-ED1 policy and ensure that they remain operational under the RIIO regulatory framework.

2.5. Some amendments are relatively minor, while others are substantive. Where the amendments are minor, we have shown them in tracked changes made to the current DPCR5 condition. Where the changes are extensive we have not shown them in tracked changes.



## **New SLCs for RIIO-ED1**

2.6. We have proposed some new SLCs. This is to reflect new policy being introduced for RIIO-ED1. All new SLCs for RIIO-ED1 were finalised early and introduced in May 2014.<sup>5</sup>

## **Draft RIIO-ED1 licence conditions**

2.7. We have listed the proposed remaining SLC licence changes in 'Supplementary annex 1: Draft RIIO-ED1 SLC licence changes'. This gives you a chance to comment on all remaining SLCs before the slow-track licence statutory consultation in December 2014.

## **Reasons and effects for proposed SLC changes**

2.8. We have described the reasons and effects for the SLCs we propose to change in the order they appear in our proposed new structure (see Appendix 2).

## **Section A: Standard conditions for all electricity distributors**

### **SLC 1. Definitions for the standard conditions**

Type of change: amendment

2.9. This condition sets out the defined terms and expressions that apply to the standard conditions of the licence and appear in more than one standard condition. Any defined terms and expressions used in a single condition are listed in condition in which they are used.

2.10. The reason for the proposed modifications is to update the defined terms and their definitions as a result of other licence conditions being modified to bring RIIO-ED1 into effect.

2.11. Initial changes were made to SLC 1 in May 2014.<sup>6</sup> This is an update following changes to the remaining SLCs which could not be finalised early.

2.12. The changes create an up-to-date list of the defined terms and their definitions that are necessary to understand the SLCs that will be in force over the RIIO-ED1 period.

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<sup>5</sup> RIIO-ED1: Modifications to the standard conditions of the electricity distribution licences - <https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-modifications-standard-conditions-electricity-distribution-licences>

<sup>6</sup> <https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-modifications-standard-conditions-electricity-distribution-licences>

## **SLC 12. Requirement to offer terms for Use of System and connection**

Type of change: amendment

2.13. This condition sets out how the licensee must treat requests to enter into a Use of System agreement or make a connection.

2.14. The reason for this change is to specify that the licensee must give customers a quote within 65 working days rather than the current 3 months.

2.15. This means licensees must provide connection quotations on a consistent basis across the regulatory year. This also ensures that SLC 12 remains consistent with the standards outlined in the Connection Guaranteed Standards of Performance.

## **SLC 13. Charging Methodologies for Use of System and connection**

Type of change: amendment

2.16. This condition sets out the licensees' requirements in relation to their Use of System and connection charging methodologies.

2.17. The reasons for the proposed changes are to keep the licence condition up-to-date by deleting dates that are in the past. We also propose to delete a reference allowing us to make modifications to reflect the introduction of standard licence condition 13A (Common Distribution Charging Methodology) and standard licence condition 13B (EHV Distribution Charging Methodology) because this is in the past.

2.18. The effect of the proposed changes means that the licence is kept up-to-date.

## **SLC 15. Standards for the provision of Non-Contestable Connection Services**

Type of change: amendment

2.19. This condition sets out the standards of service that the licensee must provide for non-contestable connection services.

2.20. The reasons for the proposed changes are to:

- Combine the licensee's 90% obligation to provide the relevant service standard for the Final Works and Phased Energisation categories due to low sample numbers.
- Delete references to a specific guidance document, audit requirements as reporting requirements are being incorporated into the RIGs

- Specify that the licensee must provide quotes within 65 working days rather than three months.
- Allow licensee's to exclude Final Works and Phased Energisation work where the applicant has requested deferred dates.
- Make the licence condition effective once the licensee has been provided with contact details, the work-site location, the service required and, where relevant, the total load required.
- Delete the requirement for the licensee to contact the applicant within five working days if the application does not contain all the information required.

2.21. Our proposed changes place the responsibility on the licensee to contact the applicant as soon as possible if they need additional information, because the licence has become effective once the applicant has supplied the specified information (ie contact details, the work-site location, the service required and, where relevant, the total load required). These changes will also provide more consistent reporting requirements across SLC15 and our Guaranteed Standards of Performance and ensure obligations are relevant to current sample sizes.

### **SLC 50A. Development and implementation of an EHV distribution charging methodology**

Type of change and effect: removal from licence

2.22. The reason for proposing this modification is that the vast majority of the current condition's obligations have now been fulfilled and the current condition SLC 13B carries the necessary arrangements going forward.

2.23. Given the obligations under SLC50A have been fulfilled, the effects of its removal are to remove redundant obligations from the licence.

## 3. Associated documents to the SLCs

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### Chapter summary

Outlines the purpose and content of new associated RIIO documents that the proposed RIIO licence conditions will create.

**Question 1:** Do you have any comments on the associated documents that we propose to create, or on their content?

### What is an associated document?

3.1. Associated documents are ancillary to the licence. They give DNOs further guidance or instructions on specific policy areas. They vary in content and give the licensee further information on specific schemes set out in the licence, including:

- the process that we will follow to derive an adjustment in allowed revenue
- governance arrangements or guidance for participating in a scheme
- details on what, and how, the licensee should report particular forms of information.

3.2. The process for issuing and modifying associated documents is set out in the licence condition that covers the related scheme. We have proposed the same process for issuing and modifying all associated documents.

3.3. For both issuing and modifying associated documents the Authority issues a direction. Before issuing the direction there will be a 28-day consultation by notice, setting out the reasons and effects of proposed changes. The Authority will then consider responses and give reasons for the final decision as part of the direction.

3.4. Associated documents may contain both non-binding guidance and instructions which the licensee must comply with as if they were part of the licence. Where possible, these elements will be differentiated in the documents.

3.5. We outlined the purpose and content of the associated documents that we propose to create for RIIO-ED1 in January 2014.<sup>7</sup> This chapter provides an update on the development of these documents. The relevant licence conditions were implemented in May 2014<sup>8</sup>.

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<sup>7</sup> RIIO-ED1: Informal consultation on fast-track licence drafting – Standard Licence Conditions - <https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-informal-consultation-fast-track-licence-drafting-%E2%80%93-standard-licence-conditions>

<sup>8</sup> RIIO-ED1: Modifications to the standard conditions of the electricity distribution licences - <https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-modifications-standard-conditions-electricity-distribution-licences>

## Information on RIIO-ED1 associated documents

### Data Assurance Guidance (DAG)

3.6. Licence condition SLC 45 (Data Assurance requirements) establishes the Data Assurance Guidance (DAG), its scope and governance arrangements. The purpose of the DAG is to provide assurance to the Authority that the DNOs have adequately assessed the risks associated with all submissions to the Authority and that they have in place, and apply appropriate systems and processes in order to minimise the risk of any inaccurate or incomplete reporting, or any misreporting, of information to the Authority.

3.7. The DAG and associated reporting templates will be in common to all DNOs.

3.8. The DAG is being developed through a working group with the DNOs and by trialling the reporting and risk assessment requirements with them.

3.9. The gas transmission, gas distribution and electricity transmission licences contain DAG conditions similar to RIIO-ED1 draft licence condition SLC45. The provisions under these conditions are not scheduled to come into effect until the date on which the RIIO-ED1 licence comes into effect. The reason for this is to allow us to develop and trial the DAG with as much consistency as possible between transmission, gas distribution, and electricity distribution.

3.10. Under the current trial timetable, DNOs are due to submit their final trial reports by the end of September 2014, with the trials due to end in November 2014.

### Regulatory Instruction and Guidance (RIGS)

3.11. Licence condition SLC 46 (Regulatory Instructions and Guidance) establishes the group of documents that includes instructions and guidance on what data the DNOs must report and how, and the templates they must complete. These documents are collectively referred to as the Regulatory Instructions and Guidance (RIGs), and they are the primary means by which we ensure that the DNOs collect and provide to us the information we require to monitor their performance and, where appropriate, make adjustments to revenue allowances, eg through financial incentives that are part of the price control. There is a single set of RIGs documents that apply to all the DNOs.

3.12. We currently have RIGs in place for the current price control, DPCR5. We have introduced SLC 46 to consolidate reporting provisions in the licence, and to ensure that data is reported through the RIGs wherever possible.

3.13. We will develop the RIGs for RIIO-ED1 using the current RIGs in force for DPCR5 as a basis. The developments will include the following:

- adding new data requirements for new obligations under the RIIO-ED1 licence
- removing data requirements where obligations have been removed
- looking for opportunities to consolidate and streamline data reporting.

3.14. The RIGs will include instructions and guidance around the following (amongst other things, and where required):

- the systems, processes, procedures, recording and provision of the required information
- levels of accuracy and reliability
- any specific audit requirements
- methodologies for calculating the required data
- definitions
- how often, and how the data should be recorded
- the provision of the data to the Authority (format, frequency etc)
- reasons why the data is required

3.15. We propose that the RIGs will contain historical data for all years of RIIO-ED1. Where appropriate forecast data will be captured.

3.16. We propose that the RIGs comprise four main elements:

- templates for reporting the data (in MS Excel v.2007 or newer)
- templates containing the calculation of the revenue elements – revenue reporting (including performance against incentives) (in MS Excel v.2007 or newer)
- templates for providing commentaries against the data (in MS Word), and
- instructions and guidance on how to report the data (in MS Word).

3.17. The RIGs currently in force for DPCR5 can be accessed at the following links:

- Version 3 of the Cost and Revenue Reporting RIGs and the Network Asset and Performance Reporting RIGs.<sup>9</sup>
- Version 2 of the Customer Service RIGs.<sup>10</sup>

3.18. We propose that the RIGs will set out the data that the DNOs are required to report, including the level of accuracy. The DAG will set out the processes and activities that the DNOs should undertake to assure the quality, completeness and timeliness of the data that they have reported.

3.19. We are developing the RIIO-ED1 RIGs in 2014, and potentially 2015. We've established a RIGs steering group comprising Ofgem and representatives of the

<sup>9</sup> <https://www.ofgem.gov.uk/publications-and-updates/dpcr5-regulatory-instructions-and-guidance-rigs-v.3-notice-under-part-d-standard-condition-49-electricity-distribution-licence-%E2%80%93-modification-cost-and-revenue-reporting-rig-and-network-asset-and-performance-reporting-rig>

<sup>10</sup> <https://www.ofgem.gov.uk/publications-and-updates/direction-letter-issued-pursuant-standard-condition-49-distribution-licence-modify-customer-service-reporting-regulatory-instructions-and-guidance>

DNOs. There is also a series of working groups developing different areas of the RIGs. We plan to informally consult on the RIGs before going through the process of issuing new RIGs that is described in the licence.

### **Environmental Reporting Guidance Document**

3.20. Licence condition SLC 47 (Environmental Reporting) establishes the requirement for DNOs to publish an Environment Report that is stakeholder-focused and accessible. The purpose of the report, amongst other things, is to:

- address concerns regarding public accountability and transparency
- demonstrate integration of innovation learning into business as usual to address a DNO's environmental impacts
- outline a DNO's response to the move to a low carbon economy including 'smart' activities

3.21. This reporting requirement is separate from the reporting requirement outlined under the new SLC 50 (Business Plan Commitment Reporting). It will be in place for the start of RIIO-ED1.

### **Business Plan Reporting Guidance**

3.22. Licence condition SLC 50 (Business Plan Commitment Reporting) establishes the Business Plan reporting Guidance and its governance arrangements.

3.23. The Business Plan reporting Guidance may be issued from time to time by the Authority during the RIIO-ED1 price control period. If issued, the purpose of the guidance is to set out factors that the licensee should take into account in meeting its obligations in this condition.

## Appendices

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## Appendix 1 – consultation response and questions

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1.1. We would like to hear your views on any of the issues in this document.

1.2. We especially welcome responses to the specific questions at the beginning of each chapter. These are replicated below. Responses should be received by 24 October 2014 and should be sent to [clothilde.cantegreil@ofgem.gov.uk](mailto:clothilde.cantegreil@ofgem.gov.uk).

1.3. Unless marked confidential, all responses will be published in our library and on our website, [www.ofgem.gov.uk](http://www.ofgem.gov.uk). You may request that your response be kept confidential. We will respect this request, unless the law requires us to disclose anything, for example under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004.

1.4. If you wish to have your response remain confidential, mark it clearly to that effect and include the reasons for confidentiality. Please put any confidential material in the appendices to your response.

1.5. We intend to publish our decision on the draft SLCs after considering the responses to this consultation. Any questions should initially be directed to:

- Clothilde Cantegreil
- 0207 901 3195
- [clothilde.cantegreil@ofgem.gov.uk](mailto:clothilde.cantegreil@ofgem.gov.uk)

### **CHAPTER: Two**

- **Question 1:** Do you have any views on the proposed changes to the SLCs? The draft licence conditions are found in supplementary annex 1.
- **Question 2:** Do you have any views on the reasons and effects for the licence changes?

### **CHAPTER: Three**

- **Question 1:** Do you have any comments on the associated documents that we propose to create and their content?

## Appendix 2 – SLC structure and proposed modifications

The following table provides an overview of the structure of the Standard Licence Conditions (SLCs), existing DPCR5 conditions and any changes that are being made as part of the RIIO-ED1 price control review.

In particular, the table shows:

- changes to the SLCs finalised early in May 2014<sup>11</sup> (in blue)
- changes to the SLCs we are consulting on now (in green)
- SLCs finalised early in May 2014 which have been updated and are now being consulted on (in purple).

Licence Number	SLC	Proposed change for RIIO-ED1	Associated Document Created?
<b>Section A: Standard conditions for all electricity distributors</b>			
<b>Chapter 1: Interpretation and Application</b>			
1	Definitions for the standard conditions	Amendment	No
2	Interpretation of this licence	No Change	No
3	Application of Section B of the standard conditions	No Change	No
<b>Chapter 2: General Obligations and Arrangements</b>			
4	No abuse of the licensee’s special position	No Change	No
5	Licensee’s payments to the Authority	No Change	No
6	Provision of Information to the Authority	No Change	No
6A	Smart metering systems and provision of information to the Secretary of State	No Change	No
7	Determinations by the Authority	No Change	No
<b>Chapter 3: Public Service Requirements</b>			
8	Safety and security of supplies enquiry service	No Change	No

<sup>11</sup> RIIO-ED1: Modifications to the standard conditions of the electricity distribution licences - <https://www.ofgem.gov.uk/publications-and-updates/riio-ed1-modifications-standard-conditions-electricity-distribution-licences>

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9	Arrangements for access to premises	No Change	No
10	Special services and complaints procedure	No Change	No
10A	Smart metering – matters relating to obtaining and using consumption data	No Change	No
11	Reporting on performance	Amendment	No
<b>Chapter 4: Arrangements for the Provision of Services</b>			
12	Requirement to offer terms for Use of System and connection	Amendment	No
13	Charging Methodologies for Use of System and connection	Amendment	No
13A	Common distribution charging methodology	No Change	No
13B	EHV distribution charging methodology	No Change	No
13C	Recovery of reinforcement costs for relevant customers	New for RIIO-ED1	No
14	Charges for Use of System and connection	Amended	No
15	Standards for the provision of Non-Contestable Connection Services	Amended	No
15A	Connection Policy and Connection Performance	Amended	No
16	Requirement to offer terms for the connection of Metering Equipment	No Change	No
17	Requirement to offer terms for the provision of Metering Point Admin Services	No Change	No
18	Provision of and charges for Metering Point Administration Services	No Change	No
19	Prohibition of discrimination under Chapters 4 and 5	No Change	No
<b>Chapter 5: Industry Codes and Agreements</b>			
20	Compliance with core industry documents	No Change	No
21	The distribution code	No Change	No
22	Distribution connection and Use of System agreement	No Change	No
22A	Governance and change control arrangements for Relevant Charging	No Change	No
23	Master registration agreement	No Change	No
<b>Chapter 6: Integrity and Development of the Network</b>			
24	Distribution system planning standard and quality of performance reporting	No Change	No
25	Long-Term development statement	No Change	No
25A	Distributed generation: connections guide and information strategy	Amended	No
26	Disposal of relevant assets and restrictions on charges over Receivables	No Change	No
27	Theft, damage, and meter interference	No Change	No
28	Application of statutory powers	No Change	No

<b>Chapter 7: Financial and Ring-Fencing Arrangements</b>			
29	Restriction of activity and financial ring-fencing of the Distribution Business	No Change	No
30	Availability of resources	No Change	No
31	Undertaking from Ultimate Controller	No Change	No
31A	Accounts	No Change	No
31B	Independence of the Distribution Business and restricted use of Confidential Information	No Change	No
31C	Appointment of compliance officer	No Change	No
<b>Section B: Additional standard conditions for electricity distributors who are distribution services providers</b>			
<b>Chapter 8: Application and Interpretation of Section B</b>			
32	Effect of the application of Section B	No Change	No
<b>Chapter 9: Requirements within the Distribution Services Area</b>			
34	Requirement to offer terms for the provision of Legacy Metering Equipment	No Change	No
35	Requirement to offer terms for the provision of Data Services	No Change	No
36	Charges for the provision of Legacy Metering Equipment and Data Services	No Change	No
37	Provision of the Data Transfer Service	No Change	No
38	Treatment of payment claims for last-resort supply	No Change	No
39	Prohibition of discrimination under Chapter 9	No Change	No
<b>Chapter 10: Credit Rating and Restriction of Indebtedness</b>			
40	Credit rating of the licensee	No Change	No
41	Restriction of Indebtedness and transfers of funds	No Change	No
<b>Chapter 11: Independence of the Distribution Business</b>			
42	Independence of the Distribution Business and restricted use of Confidential Information	No Change	No
43	Appointment of compliance officer	No Change	No
43a	Requirement for sufficiently independent directors	No Change	No
<b>Chapter 12: Provision of Regulatory Information</b>			
44	Regulatory accounts	Amendment	No

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45	Data assurance requirements	New for RIIO-ED1	Yes
46	Regulatory instructions and guidance	New for RIIO-ED1	Yes
47	Environmental reporting	New for RIIO-ED1	Yes
48	Innovation strategy	New for RIIO-ED1	No
49	Electricity distribution losses management obligation and distribution losses	New for RIIO-ED1	Yes
50	Business plan commitment reporting	New for RIIO-ED1	Yes
51	Network asset indices methodology	New for RIIO-ED1	No

<b>Current conditions proposed for complete removal</b>			
33	Definitions for the Section B standard conditions	Removal	No
44a-49	Multiple RIG conditions: <ul style="list-style-type: none"> <li>▪ Network Outputs Regime</li> <li>▪ Distribution Losses Reporting Requirement</li> <li>▪ Low Carbon Networks Fund Reporting</li> <li>▪ Incentive scheme for quality of service</li> <li>▪ Incentive scheme for Transmission Connection Point Charges</li> <li>▪ Incentive schemes for innovation funding and Distributed Generation</li> <li>▪ Business Carbon Footprint Reporting</li> <li>▪ Reporting of Price Control Revenue Information</li> <li>▪ Reporting of Price control Cost Information</li> <li>▪ Modification of the RIGs in force under Chapter 4 and 12 and overarching RIG structure</li> </ul>	Removal	No
50a	Development and implementation of an EHV Distribution Charging Methodology	Removal	No

## Appendix 3 – feedback questionnaire

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1.1. Consultation is at the heart of good policy development. We are keen to consider any comments or complaints about the way this consultation has been conducted. We would be keen to get your answers to the following questions:

1. Do you have any comments about the overall process which was adopted for this consultation?
2. Do you have any comments about the overall tone and content of the report?
3. Was the report easy to read and understand? Could it have been better written?
4. To what extent did the report's conclusions provide a balanced view?
5. To what extent did the report make reasoned recommendations for improvement?

1.2. Please add any further comments and send your response to:

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