

To: Electricity Distribution
Network Operators; interested
stakeholders

Email: RIIO.ED1@ofgem.gov.uk

Date: 9th March 2020

Dear Company Secretaries and stakeholders,

Proposal to modify the Regulatory Instructions and Guidance (RIGS) for RIIO-ED1

We propose to modify the Regulatory Instructions and Guidance (RIGs) for RIIO-ED1. Please find enclosed a Notice, issued pursuant to Part C of Standard Condition 46 (Regulatory Instructions and Guidance) of the Electricity Distribution Licence, in respect of our proposed modifications.

These modifications are made for the purpose of collecting additional information, clarifying the existing reporting requirements on the licensees and providing greater insight into the performance under RIIO-ED1.

With regards to Annex F – Interruptions, we will be consulting separately on changes to Chapter 3 (Guidance on the guaranteed standards of performance), as well as the corresponding template (guaranteed standards of performance reporting pack). The separate consultation will only apply to the guaranteed standards element of Annex F. Proposed changes to the other parts of Annex F are included in this consultation.

Unless otherwise stated in the RIGs, we propose that if we implement these changes, they will take effect in April 2020. For the avoidance of doubt, this means that the data submitted in respect of the 2019/20 reporting year would use the RIGs as modified.

We welcome comments on our proposed modifications, and the details for responding are contained in the enclosed Notice.

Yours faithfully,

Steven McMahon
Deputy Director, Electricity Distribution and Cross Sector Policy

**To: Electricity North West Ltd (ENWL)
Northern Powergrid (Northeast) Ltd (NPgN)
Northern Powergrid (Yorkshire) plc (NPgY)
London Power Networks plc (LPN)
South Eastern Power Networks plc (SPN)
Eastern Power Networks plc (EPN)
SP Distribution plc (SPD)
SP Manweb plc (SPMW)
Scottish Hydro Electric Power Distribution plc (SSEH)
Southern Electric Power Distribution plc (SSES)
Western Power Distribution (West Midlands) plc (WMID)
Western Power Distribution (East Midlands) plc (EMID)
Western Power Distribution (South Wales) plc (SWALES)
Western Power Distribution (South West) plc (SWEST)**

(the “Licensees”)

Notice under Part C of Standard Licence Condition 46 (Regulatory Instructions and Guidance) (“SLC 46”) of the Electricity Distribution Licence of proposed modifications to the Regulatory Instructions and Guidance for RIIO-ED1

The Gas and Electricity Markets Authority (the “Authority”¹) hereby gives notice in accordance with paragraph 10 of SLC 46.

Proposal to modify the Regulatory Instructions and Guidance

1. Each Licensee is the holder of an electricity distribution licence (the “Licence”) granted or treated as granted under section 6(1)(c) of the Electricity Act 1989.
2. The Authority proposes to modify the Regulatory Instructions and Guidance (the “RIGs”) under SLC 46 of the Licence.
3. The proposed modifications make changes to:
 - (a) RIIO-ED1 Electricity Distribution Price Control – Regulatory Instructions and Guidance.
 - (b) RIIO-ED1 Electricity Distribution Reporting Pack Templates.
 - (c) RIIO-ED1 Electricity Distribution Commentary.Appendix 1 to this Notice provides a link to these documents, which show the proposed modifications as incorporated.
4. The proposed modifications to the RIGs consist of revisions to existing guidance, new tables, revisions to existing tables, new commentary, removal of commentary, and revisions to existing commentary. Appendix 2 to this Notice provides a link to an Issues Log, which details the various proposed modifications.
5. The purpose of the proposed modifications is to collect additional information, clarify the existing reporting requirements on the Licensees, and provide greater insight into their performance under RIIO-ED1. The effect of the proposed modifications would be to require the licensees to provide more accurate, consistent and complete

¹ 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.

information to the Authority to enhance the quality and the accuracy of the information available to the Authority.

Further information

6. Copies of this Notice and other documents referred to in it are available on the Ofgem website (www.ofgem.gov.uk).
7. Representations in response to the proposed modifications must be made to the Authority by 6 April 2020, which is 28 days from the date of this notice. Representations should be sent to Christopher Haworth at Ofgem, 3rd Floor, 32 Albion Street, Glasgow, G1 1LH, or by email to Christopher.haworth@ofgem.gov.uk.
8. We would prefer to receive responses in an electronic form so that they can be easily published on our website. If you do not wish your response to be published, please clearly mark it as not for publication.
9. If they proposed modifications are implemented, they will take effect in April 2020.²

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Steven McMahon
Deputy Director, Electricity Distribution and Cross Sector Policy
Duly authorised on behalf of the Authority

9 March 2020

² We propose to modify the RIGs in a direction on or after 13 April 2020.

Appendix 1: Regulatory Instructions and Guidance incorporating proposed modifications

A copy of the proposed RIIO-ED1 Electricity Distribution Price Control – Regulatory Instructions and Guidance, proposed RIIO-ED1 Electricity Distribution Reporting Pack Templates and proposed RIIO-ED1 Electricity Distribution Commentary can be found on our website at:

<https://www.ofgem.gov.uk/publications-and-updates/notice-proposing-modifications-regulatory-instructions-and-guidance-rigs-riio-ed1-version-60>

Appendix 2 : Proposed modifications to the Regulatory Instructions and Guidance

A log of all proposed modifications can be found on our website at:

<https://www.ofgem.gov.uk/publications-and-updates/notice-proposing-modifications-regulatory-instructions-and-guidance-rigs-riio-ed1-version-60>