

To: Electricity Distribution  
Network Operators; interested  
stakeholders

Email: RIIO.ED1@ofgem.gov.uk

Date: 30th April 2020

Dear Company Secretaries and stakeholders,

### **Proposal to modify the Regulatory Instructions and Guidance (RIGs) for RIIO-ED1**

We propose to modify Chapter 3 of Annex F of the Regulatory Instructions and Guidance (RIGs) for RIIO-ED1, and to add a definition of the Guaranteed Standards of Performance into Annex A of the 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. The modifications set out in the Direction that follows this Notice will form Version 6 of the RIGs for RIIO-ED1.

These proposed modifications relate to the Guaranteed Standards of Performance only. We proposed a series of other modifications to the RIGs in a previous consultation published on 9<sup>th</sup> March 2020.<sup>1</sup> This consultation has now closed and the decision is available on our website.<sup>2</sup>

We propose that if we implement these changes, they will take effect in June 2020. For the avoidance of doubt, this means that the data submitted in respect of the 2019/20 reporting year for Guaranteed Standards of Performance 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**

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<sup>1</sup> [https://www.ofgem.gov.uk/system/files/docs/2020/03/notice\\_to\\_modify\\_the\\_rigs\\_2020\\_-\\_final\\_1.pdf](https://www.ofgem.gov.uk/system/files/docs/2020/03/notice_to_modify_the_rigs_2020_-_final_1.pdf)

<sup>2</sup> <https://www.ofgem.gov.uk/publications-and-updates/direction-make-modifications-regulatory-instructions-and-guidance-rigs-riio-ed1-version-60>

**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"<sup>3</sup>) 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: Annex F - Interruptions;

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<sup>3</sup> 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.

(b) RIIO-ED1 Electricity Distribution Guaranteed Standards of Performance Reporting Pack Template; and

(c) RIIO-ED1 Regulatory Instructions and Guidance – Annex A Glossary.

Appendix 1 to this Notice provides a link to the documents referred to in paragraphs 3 (a) and (b), which show the proposed modifications as incorporated. Appendix 2 shows the proposed definition of Guaranteed Standards of Performance to be included in RIIO-ED1 Annex A Glossary.

4. The proposed modifications to the RIGs consist of revisions to existing guidance and revisions to existing tables.
5. The purpose of the proposed modifications is to 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 accurate, consistent and complete information to the Authority regarding the Guaranteed Standards of Performance to enhance the quality and the accuracy of the information available to the Authority. We confirm that we met with the Licensees in working groups on 13 and 14 January 2020, and 4 February 2020 to discuss the proposed amendments to the RIGs and Guaranteed Standards Reporting Template for RIIO-ED1. These working groups sought to develop the RIGs and Guaranteed Standards Reporting Template in line with the requirements of the Electricity (Standards of Performance) Regulations 2015, as well as providing additional metrics of DNO performance, such as pass rates (where applicable). The proposed modifications reflect those discussions.

***Further information***

6. Copies of this Notice and other documents referred to in it are available on the Ofgem website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)).
7. Representations in response to the proposed modifications must be made to the Authority by 5 June 2020, which is 36 days from the date of this notice. Representations should be sent to Jack Ambler at Ofgem, 10 South Colonnade, Canary Wharf, London, E14 4PU, or by email to [Jack.Ambler@ofgem.gov.uk](mailto:Jack.Ambler@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 the proposed modifications are implemented, they will take effect in June 2020.<sup>4</sup>

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

**30 April 2020**

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<sup>4</sup> We propose to modify the RIGs in a direction on or after 6 June 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 – Annex F (Interruptions) and proposed RIIO-ED1 Guaranteed Standards Reporting Pack Template can be found on our website at:

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

**Appendix 2: Proposed definition to be added to RIIO-ED1 Regulatory Instructions and Guidance: Annex A – Glossary**

**Guaranteed Standards of Performance**

The obligations that electricity distributors are subject to under Parts 2, 3, 6 and 7 of the Electricity (Standards of Performance) Regulations 2015.