

Covid-19: Amendments to RIIO-1 Network Price Control Processes for 2020

RIIO-1 Network Price Controls

Summary

The tables below set out any revisions agreed by the Authority with respect to regulatory reporting and other key programmes relevant to the RIIO-1 price controls for 2020.

RIIO-1 CROSS-SECTOR PROGRAMME

Area	Initial Timetable	Revision
Annual Regulatory Instructions and Guidance (RIGs) and network company reporting for 2019/20	Main submission deadline of 31 July 2020	Final reporting deadline extended to 31 August to provide additional flexibility if required by licensees. At sectoral level, some adjustments to specific reporting agreed between Authority and licensees based on individual circumstances and expected data availability.
Regulatory Financial Performance Reporting (RFPR)	Main submission deadline of 31 July 2020	Final reporting deadline extended to 31 August to provide additional flexibility if required by licensees.
Network Innovation Competition (NIC)	Initial Screening Process (ISP) in May followed by full submissions by early August.	No change. The Initial Screening Process for the 2020 NIC has now concluded with 8 projects

	Decisions by 30 November.	progressing to the Full Submission Stage.
NIC Successful Delivery Reward (SDR)	Submissions required in May and decision by July	No change
Innovation Dissemination Obligation for 2020	Low Carbon Networks Innovation (LCNI) and Gas Innovation Showcase events scheduled for November 2020	No formal conference events in 2020. ENA reviewing opportunities for alternative approach to dissemination of best practice
Network Innovation Allowance (NIA) reporting requirements	Ongoing reporting	No change at this stage. Any changes will be considered by the Authority on a case-by-case basis.
Stakeholder Engagement and Consumer Vulnerability Incentive	<p>Submissions: End April for Distribution Network Operators (DNOs). End May for Gas Distribution Networks (GDN) and Transmission Owners (TO).</p> <p>Assessment Stage: Independent Panel meetings in July/August 2020 Decision by 30 November</p>	<p>Submissions: DNO deadline extended to 13 May. GDN/TO deadline extended to 10 June</p> <p>Assessment Stage: No meetings between companies and Panel. Written assessment of submissions only for 2020, with targeted supplementary questioning (SQ) process. Decision by 30 November.</p>

OTHER REGULATORY FINANCE AREAS

Area	Initial Timetable	Revision
Triennial Pensions Reasonableness Review	Ongoing	Extension of submission of information required in the Pension RIGs (row 1&2 of Table 1.1 – Process and timetable for revising Pensions Allowance values and for a Reasonableness Review) to 31 August 2020
Price Controls Financial Models (PCFM) Modifications (PCFM Working groups)	Ongoing	No change
Annual Iteration Process (AIP) for RIIO-ED1	August to November for Ofgem	No change to Ofgem decision by end November 2020
Calculation of a RIIO-1 close-out MODt ¹ adjustment for GD and T licensees	August to November for Ofgem	Under review and will be part of Final Determinations
Agreed upon procedures ²	March to July for companies	Final reporting deadline extended to 31 August to provide additional flexibility if required by licensees.

¹ The Annual Iteration Process will calculate an incremental effect on the licensee's base revenues compared to calculations performed during the previous year's AIP or Final Proposals. The incremental effect as a result of these calculations is given the term MODt and is either added to or subtracted from the opening base revenue.

² Relates to those variables that have previously been adjusted as part of the AIP

ELECTRICITY DISTRIBUTION (RIIO-ED1)

Area	Initial Timetable	Revision
Operation of Interruptions Incentive Scheme - Decisions on exceptional events exemption applications	On-going submissions. Decision on claims by 30 October	Extension of decision deadline to 31 December 2020 in circumstances where Authority's ability to collect required supporting data and information is restricted.
Losses Discretionary Reward	Decisions by 30 September	No change. All submissions received.
Load Related Reopener (LRR)	May window for relevant submissions	No change
Incentive on Connections Engagement (ICE)	Submissions by 31 May. Consultation through June – and July. Decision on penalties by November	No change
Long Term Development Statement	May 2020 for update	No change
Grid Code Updates	Early July 2020 for reporting to National Grid Electricity System Operator	No change
Competition Test Annual Report	End June 2020	No change

TRANSMISSION (RIIO-T1)

Area	Initial Timetable	Revision
Close Out Preparations	To December 2020	Under review. Full closeout methodology preparation delayed. RIIO-2 will consider impact of relevant issues. Other issues to be planned after December 2020.
Environmental Discretionary Reward (Transmission only)	June for submissions. Decisions by 30 November	Under review. Discussions ongoing with Transmission Owners (TOs) with a view to move submission and assessment to 2021
Visual amenity	Submissions June 2020	Delaying submission and assessment of a number of projects to 2021

GAS DISTRIBUTION (RIIO-GD1)

Area	Initial Timetable	Revision
Close Out Preparations	To December 2020	Under review. Full closeout methodology preparation delayed. RIIO-2 will consider impact of relevant issues. Other issues to be planned after December 2020.
Discretionary Reward Scheme	May to June 2021	No change

Ofgem - Network Price Controls As at 27 May 2020