

National Grid Electricity Transmission plc ("NGET")

(Company Number: 02366977)

SP Transmission Limited ("SPTL") (Company Number: SC189126)

Scottish Hydro Electric Transmission plc ("SHET")

(Company number: SC213461)

National Grid Electricity System Operator Limited ("NGESO")

(Company Number: 11014226)

the "Licensees"

Email: Anthony.mungall@ofgem.gov.uk

Date: 30 April 2021

Direction under paragraph 8 of Standard Condition B15 (Regulatory Instructions and Guidance) of the Electricity Transmission Licence granted to the Licensees under section 6(1)(b) of the Electricity Act 1989

Whereas -

- 1. The Licensees each hold an Electricity Transmission Licence (the "Licence") granted or treated as granted under section 6(1)(b) of the Electricity Act 1986 (the "Act") and are subject to the conditions contained in the Licence.
- 2. The RIIO-ET1 Electricity Transmission Price Control Regulatory Instructions and Guidance ("the RIGs") are the primary means by which the Gas and Electricity Markets Authority ("the Authority")¹ directs the Licensees to provide information required by the Authority to administer the conditions of the Licence and, where not referenced in the Licence, the RIIO-T1 Final Proposals.²
- 3. In accordance with paragraph 10 of Special Condition B15 of the Licence the Authority gave Notice³ on 12 March 2021 that it proposed to modify the RIGs.
- 4. The Notice requested that any representations on the proposed modifications were made on or before 9 April 2021. The Authority received three responses to the consultation on the proposed modifications. All non-confidential responses are published on our website alongside this Direction.
- 5. We have considered the consultation responses and made a small number of changes to the modifications proposed in the Notice. The changes are summarised in Appendix

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.

http://www.ofgem.gov.uk/Networks/Trans/PriceControls/RIIO-T1/Pages/RIIO-T1.aspx

 $^{^3}$ https://www.ofgem.gov.uk/publications-and-updates/notice-proposing-modifications-regulatory-instructions-and-quidance-rigs-riio-et1-version-71

1 and Appendix 2 included to this Direction. The version number for the RIGs and associated documents have been updated to reflect the modifications. We are making the modifications to the RIGs proposed in the Notice subject to those changes.

- 6. The modifications apply to information required in terms of the RIGs for the reporting year 1 April 2019 to 31 March 2021, including:
 - the Costs and Outputs ("C&O") Regulatory Reporting excel template,
 - the guidance document supporting the C&O Regulatory Reporting template,
 - the supporting narrative template for each Licensee to follow when submitting commentary to support the C&O RIGs return, and
 - the Revenue Regulatory Reporting excel template for each Licensee.

Now therefore -

- 7. Pursuant to paragraph 8 of SC B15 of the Licence, the Authority hereby modifies the RIGs in the manner specified in the attached Schedule.
- 8. This document constitutes notice of the Authority's reasons for the Direction as required by section 49A of the Act.

Submission of information

9. The deadline for the reporting year 1 April 2020 to 31 March 2021 is 31 July 2021.

Covid-19

- 10. While the Covid-19 situation has stabilised in recent months with lockdown restrictions easing and operational conditions stabilising, the Authority's over-arching objective is protecting consumers, particularly those that are vulnerable, and maintaining Britain's electricity and gas supply. We will continue to work closely with Government, licensees, consumer organisations and wider stakeholders to ensure that the energy industry responds effectively.
- 11. We will continue to work closely with those parties and review our regulatory response to Covid-19 in collaboration with them. If appropriate, we may make further changes to the reporting obligations for network companies.
- 12. We will continue to publish information on our response to Covid-19, including any changes to our regulatory approach, online.⁴

Steven McMahon
Deputy Director, Networks
Duly authorised on behalf of the Authority
30 April 2021

⁴ https://www.ofgem.gov.uk/coronavirus-covid-19

Schedule to the Authority's Direction dated 30 April 2021

A copy of the RIIO-ET1 Electricity Transmission Price Control – Regulatory Instructions and Guidance: Version 8.2, RIIO-ET1 Electricity Transmission Reporting Pack Templates: Version 8.2, RIIO-ET1 Electricity Transmission Commentary Template and Revenue Reporting Pack Template for each Licensee are available on the Authority's website.

Appendix 1 to the Authority's Direction dated 30 April 2021

Modifications to RIIO-T1 Electricity Transmission Price Control – Regulatory Instructions and Guidance

Reporting Pack Version Number	Full details of the changes made since the last version	Specific Tables Changed
8.1	Version published for consultation on 12 March 2021.	
8.2	Additional clarity provided to the collection of data on assets using non-SF ₆ alternative Interruption and Insulation Gasses.	6.5

Appendix 2 to the Authority's Direction dated 30 April 2021

Modifications to RIIO-T1 Electricity Transmission Price Control – Regulatory Reporting Template

Reporting Pack Version Number	Full details of the changes made since the last version	Specific Tables Changed
8.1	Version published for consultation on 12 March 2021	
8.2	Annual Iteration Process adjustments to allowed expenditure updated	Allowances
8.2	RPI average value updated for reporting year 2020/21	Universal data
8.2	Removed tab entitled "3.13CNIA" which had been added erroneously to version 8.1.	3.13CNIA
8.2	Minor annotations inserted to confirm the suspension of specific tabs for the forthcoming reporting year.	Index