

## **RIIO-ED1 Reliability Working Group (RWG)**

### **Terms of Reference**

#### **Purpose**

The Reliability Working Group (RWG) is the forum for Ofgem, the DNOs and other interested stakeholders to discuss the development of outputs in the RIIO output category of Reliability for the RIIO-ED1 price control, which commenced on 1 April 2015.

#### **Objectives**

To share advice, evidence and views and, where feasible and appropriate, agree with the DNOs and other stakeholders the approach that Ofgem will take for the RIIO-ED1 period on the following areas:

##### *Phase One:*

- Development of the Network Secondary Deliverables framework, currently consisting of the health indices, criticality indices and risk indices. Specifically the group will consider the restatement of the Network Asset Workbook and the rebasing of Network Asset Secondary Deliverables as set out under CRC5D.
- Review of SLC 51 to identify any changes that would improve this licence condition, with a specific focus on Part I.
- Review of CRC5D to identify any changes that would improve this licence condition.

##### *Phase Two (post 30<sup>th</sup> of December):*

- Consider the scope and form of the Network Asset Secondary Deliverables incentive set out in Part B of CRC5D.
- Consider ED1 closeout issues for Network Asset Secondary Deliverables.

#### **Role**

The role of the RWG is to assist in the development of regulatory policy in the areas described above. The key milestones that the group will work towards are:

- The resubmission of the RIIO-ED1 Network Asset Workbook by 30<sup>th</sup> December 2016.
- The submission of the RIGs Annex D Secondary Deliverables for 2015/16 by 30<sup>th</sup> December 2016

The group is an advisory, rather than a decision making, body. Ofgem will participate in discussions and consider views raised by other members of the group. Discussions in meetings and views expressed or implied therein are without prejudice to and shall not limit Ofgem's discretion with regard to decisions on regulatory policy.

#### **Scope**

The RWG will consider and, where appropriate, make recommendations on a range of areas relevant to the Reliability outputs for RIIO-ED1.

## Deliverables

The group will develop proposals covering each of the areas identified in the Objectives section above. These proposals will be documented in a summary paper that will highlight:

- The work that the group has done to date,
- The evidence, options and proposals that it has considered,
- The areas of consensus; and,
- The areas of disagreement including reasons for divergence.

In addition, a document summarising of each RWG meeting will be published on the Ofgem website. These documents will be circulated to members for comment prior to publication. As a rule, comments made will be attributed.

## Membership

The group will be chaired and minuted by Ofgem.

- Ofgem
- Representatives from each of the six DNO groups (specific attendees may vary from meeting to meeting depending on the agenda).
- Other interested parties

## Meetings

The RWG will initially meet once every four weeks. The meetings will be organised by Ofgem and shall take place at Ofgem's London and Glasgow offices. If this is not possible in the case of any particular meeting, an alternative venue or a telephone/video conference will be arranged.

The expected meeting dates are set out in the table below.

<b>Date</b>	<b>Indicative principal area for discussion</b>	<b>Location</b>
Friday, 9 September 2016	Rebasing	Ofgem, London & Glasgow
Friday, 7 October 2016	Rebasing	Ofgem, London & Glasgow
Friday, 11 November 2016	Rebasing, Review of SLC 51	Ofgem, London & Glasgow
Friday, 2 December 2016	Rebasing, Review of SLC 51	Ofgem, London & Glasgow

Further meetings may be required for areas of work not specifically related to the 30<sup>th</sup> December 2016 deadline. A high level minute will be taken of each meeting focusing on key discussions areas and any actions arising. These will be published on Ofgem's website.