

National Grid Electricity Transmission plc

(Company number: 02366977)

SP Transmission plc

(Company number: SC189126)

Scottish Hydro Electric Transmission plc

(Company number: SC213461)

(the "Licensees")

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Date: 18 April 2019

Direction under paragraph 8 of Standard Condition B15 (Regulatory Instructions and Guidance) ("SC B15") 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. SC B15 came into effect on 1 April 2013, the start of RIIO-T1 price control period.
3. In accordance with paragraph 10 of SC B15 the Gas and Electricity Markets Authority (the "Authority"¹) gave notice² on 8 March 2019 that it proposed to modify the Regulatory Instructions and Guidance (the "RIGs").
4. The RIGs are the primary means by which the Authority directs the Licensees to collect and provide the information to the Authority to enable it to administer the Special Conditions of the Licence and, where not referenced in the Licence, the RIIO-T1 Final Proposals³.
5. The modified RIGs will take effect for the submission of information due in July 2019, which relates to the relevant reporting year from 1 April 2018 to 31 March 2019. The RIIO-T1 Electricity Transmission Price Control – Regulatory Instructions and Guidance: Version 6.2 document and the associated Excel and Word templates is included in the Schedule to this Direction.
6. The Authority requested that any representations on the proposed modifications to the RIGS be made on or before 5 April 2019. Prior to the consultation closing the Authority received four responses. All non-confidential responses are published on our website alongside this Direction.

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.

² <https://www.ofgem.gov.uk/publications-and-updates/notice-proposing-modifications-regulatory-instructions-and-guidance-rigs-riio-et1-version-61>

³ <http://www.ofgem.gov.uk/Networks/Trans/PriceControls/RIIO-T1/Pages/RIIO-T1.aspx>

7. We have considered the representations from consultees and have made a small number of alterations as set out in Appendix 1 and Appendix 2 included to this Direction. The modifications to the RIGs Reporting Pack Templates are noted in the "changes log" tab of each pack. Modifications to the RIGs document are shown in underlined font.
8. The suite of modifications refer to information required to be submitted to the Authority on or before 31 July 2019 in the following areas:
 - 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.
9. Our decision on the Regulatory Financial Performance Reporting excel template and supporting commentary is not part of this Direction and will follow separately.
10. The modifications to the RIGs take effect on and from 1 April 2019. Data submitted in respect of the 2018-19 reporting year must use the RIGs as modified.

Now therefore –

In accordance with the powers contained in paragraph 8 of SC B15 of the Licence, the Authority hereby modifies the existing RIGs in the manner specified in the attached Schedule. Licensees are required to report in accordance with these modified RIGs and reporting template for the purpose of regulatory reporting.

This document constitutes notice of the reasons for the Direction as required by section 49A of the Act.

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Steven McMahon
Deputy Director, Network Price Controls, Systems & Networks
Duly authorised on behalf of the Authority
18 April 2019

Schedule to the Authority's Direction dated 18 April 2019

RIIO-T1 RIGs Version 6.2 are available on the Authority's website at:

<https://www.ofgem.gov.uk/publications-and-updates/direction-modify-regulatory-instructions-and-guidance-rigs-riio-et1-version-61>

Appendix 1 to the Authority's Direction dated 18 April 2019

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

Guidance version No.	Full details of the changes made since the last version	Paragraph, page or section reference (in the tracked changed version)
6.1	Version published for consultation on 8 March 2019	
6.2	<p>National Grid Electricity System Operator (NGESO) is now a separate legal entity, having officially separated from National Grid Electricity Transmission (NGET) on 1 April 2019. NGESO now holds its own transmission licence and is now responsible for operating the Great Britain electricity transmission system. As a consequence of the separation, NGET's role is now simply the owner of the England and Wales electricity transmission network.</p> <p>In light of this separation and further information received on the new NGESO governance arrangements, we have decided to separate the excel reporting template into two files; one for NGESO only and one for onshore Transmission Owners to populate as part of the formal RRP process (i.e. submission by the end of July).</p> <p>The requirement to provide supporting commentary is detailed in the guidance document. We have developed further minor changes to the RIGs document to provide</p>	General

	<p>clarification on the data requirements applicable to the NGESO only.</p> <p>We acknowledge that further clarification may be identified as the tables are populated for RRP 2019.</p>	
6.2	<p>We have developed further minor changes to the RIGs document to provide clarification, typographical errors and improve the information submission.</p> <p>We can confirm that tables 3.10 and 3.11 are expected to be populated (where applicable).</p>	

Appendix 2 to the Authority's Direction dated 18 April 2019

Modifications to RIIO-T1 Electricity Transmission Costs and Outputs Reporting Excel Template

Reporting Pack Version No.	Full Details of the changes made since the last version	Specific Tables Changed
6.1	Version published for consultation on 8 March 2019	
6.1	At top of 1.5 added "[Reported in RFPR, not required for 2018-19 reporting]"	1.5
6.1	At top of 1.4 added "[Reported in RFPR, not required for 2018-19 reporting]"	1.4
6.1	Changes detailed in RIGs 2019 Notice.	
6.1	Addition of "Ofgem scheme reference" column and formulae to auto-populate scheme reference, scheme name and to extract output profile from the data in T4.2	6.13 / 6.14
6.2	Separation of NGESO RRP pack from TO pack. The separation of data requirements has been informed by our engagement with the Regulation teams of NGET and NGESO. We acknowledge that more requirements may be identified as the tables are populated for RRP 2019. We will seek to capture any further amendments in the "changes log" tab of each pack.	All tables with data relating to SO
6.2	Formulae in cells BE12 to BE87, and BE90 to BE95 have been adjusted to reference cell AO10 which is 2019 as opposed to AN10 which is 2018.	4.1
6.2	Cells BO12 to BQ87 are now formatted as percentages.	4.1
6.2	Cells for 2019 data have been highlighted.	4.3.1 / 4.3.2 / 5.1
6.2	Cumulative formula in column K updated to 2019.	6.11
6.2	YoY change in cells V21 to V28 updated to reference change from 2018 to 2019.	3.Opex Summary (NGET)
6.2	Worksheet populated with 2017/18 values.	Previous years
6.2	RPI value updated	Universal data