

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)

Direction under Part C of Standard Licence Condition 46 (Regulatory Instructions and Guidance) ("SLC 46") of the Electricity Distribution Licence (the "Licence") of proposed modifications to the Regulatory Instructions and Guidance.

- Each of the companies to whom this Direction is addressed (together the "licensees") 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 (the "Act").
- 2. The Gas and Electricity Markets Authority (the "Authority"¹) gave Notice² on 29 April 2020 (the "Notice") that it proposed to make changes to the regulatory instructions and guidance ("RIGs"). The Notice required any representations on the proposals to be made on or before 27 May 2020.
- 3. Prior to the consultation period closing the Authority received 6 responses. All nonconfidential responses are published on our website and can be found in the link in Appendix 1. Our response to these comments is set out in Appendix 2³.

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/ofgem-publications/162810.

³ Appendix 2 shows the modifications as set out in the consultation. It also includes responses to the consultation and our decision.

- 4. Appendix 2 to this Direction also provides a link to the following documents, which incorporate all the modifications, including those made in light of consultation responses:
 - Pension RIGs guidance and template;
 - 2020 Pensions Reasonableness Review Licensee questionnaire; and
 - RFPR RIGs guidance and template.
- 5. In Appendix 2, the modifications to the RIGs Guidance Documents are shown in tracked changes. Modifications to the RIGs Reporting Pack Templates are noted in the "changes log" tab of each pack. For clarity, only the changes stated in Appendix 2 have been made.
- Unless otherwise stated in the RIGs, the amendments to the RIGs took effect on 1 April 2020. Data submitted in respect of the 2019/20 reporting years should use the RIGs as modified.
- 7. Where there is a requirement to submit information before 31 August 2020, we confirm that licensee can delay its submission until 31 August 2020.

Now therefore -

- 8. In accordance with the powers under Part C of Standard Condition 46, the Authority hereby issues the modified RIGs in the form specified in the documents that can be accessed via the hyperlink in Appendix 2. Licensees are required to report in accordance with these modified RIGs for the purpose of regulatory reporting.
- This document constitutes a Direction issued by the Authority under paragraph
 46.9 of Standard Condition 46 and notice of the Authority's decision for the
 purposes of section 49A of the Act.

Steven McMahon Deputy Director, Electricity Distribution and Cross Sector Policy Duly authorised on behalf of the Authority 16 June 2020 National Grid Gas plc (with respect to its gas transmission network) Cadent Gas Limited Northern Gas Networks Limited Scotland Gas Networks plc Southern Gas Networks plc Wales & West Utilities Limited

Direction under paragraph 10 of the Standard Special Condition A40 (Regulatory Instructions and Guidance) ("SSC A40") of the Gas Transporter Licence (the "Licence") granted to the Licensees under section 7 of the Gas Act 1986 (the "Act").

- Each of the companies to whom this Direction is addressed (together the "licensees") is the holder of a Gas Transporter License licence (the "licence") granted or treated as granted under section 7 of the Gas Act 1986 (the "Act").
- 2. The Gas and Electricity Markets Authority (the "Authority"⁴) gave Notice⁵ on 29 April 2020 (the "Notice") that it proposed to make changes to the regulatory instructions and guidance ("RIGs"). The Notice required any representations on the proposals to be made on or before 27 May 2020.
- 3. Prior to the consultation period closing the Authority received 6 responses. All nonconfidential responses are published on our website and can be found in the link in Appendix 1. Our response to these comments is set out in Appendix 2⁶.
- 4. Appendix 2 to this Direction also provides a link to the following documents, which incorporate all the modifications, including those made in light of consultation responses:
 - Pension RIGs guidance and template;
 - 2020 Pensions Reasonableness Review Licensee questionnaire; and
 - RFPR RIGs guidance and template.
- 5. In Appendix 2, the modifications to the RIGs Guidance Documents are shown in tracked changes. Modifications to the RIGs Reporting Pack Templates are noted in the "changes log" tab of each pack. For clarity, only the changes stated in

⁴ 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. ⁵ <u>https://www.ofgem.gov.uk/ofgem-publications/162810.</u>

⁶ Appendix 2 shows the modifications as set out in the consultation. It also includes responses to the consultation and our decision.

Appendix 2 have been made.

- Unless otherwise stated in the RIGs, the amendments to the RIGs took effect on 1 April 2020. Data submitted in respect of the 2019/20 reporting years should use the RIGs as modified.
- 7. Where there is a requirement to submit information before 31 August 2020, we confirm that licensee can delay its submission until 31 August 2020.

Now therefore -

- 8. In accordance with the powers under Part C of Standard Condition 46, the Authority hereby issues the modified RIGs in the form specified in the documents that can be accessed via the hyperlink in Appendix 2. Licensees are required to report in accordance with these modified RIGs for the purpose of regulatory reporting.
- This document constitutes a Direction issued by the Authority under paragraph
 46.9 of Standard Condition 46 and notice of the Authority's decision for the
 purposes of section 49A of the Act.

Steven McMahon Deputy Director, Electricity Distribution and Cross Sector Policy Duly authorised on behalf of the Authority 16 June 2020 Direction under paragraph 8 of Standard Condition B15 (Regulatory Instructions and Guidance) ("SC B15") of the Electricity Transmission Licence (the "Licence") granted to the Licensees under section 6(1)(b) of the Electricity Act 1989 (the "Act").

- Each of the companies to whom this Direction is addressed (together the "licensees") is the holder of an Electricity Transmission License licence (the "licence") granted or treated as granted under section 6(1)(b) of the Electricity Act 1989 (the "Act").
- 2. The Gas and Electricity Markets Authority (the "Authority"⁷) gave Notice⁸ on 29 April 2020 (the "Notice") that it proposed to make changes to the regulatory instructions and guidance ("RIGs"). The Notice required any representations on the proposals to be made on or before 27 May 2020.
- Prior to the consultation period closing the Authority received 6 responses. All nonconfidential responses are published on our website and can be found in the link in Appendix 1. Our response to these comments is set out in Appendix 2⁹.
- 4. Appendix 2 to this Direction also provides a link to the following documents, which incorporate all the modifications, including those made in light of consultation responses:
 - Pension RIGs guidance and template;
 - 2020 Pensions Reasonableness Review Licensee questionnaire; and
 - RFPR RIGs guidance and template.
- 5. In Appendix 2, the modifications to the RIGs Guidance Documents are shown in tracked changes. Modifications to the RIGs Reporting Pack Templates are noted in the "changes log" tab of each pack. For clarity, only the changes stated in Appendix 2 have been made.
- 6. Unless otherwise stated in the RIGs, the amendments to the RIGs took effect on

⁷ 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. ⁸ <u>https://www.ofgem.gov.uk/ofgem-publications/162810.</u>

⁹ Appendix 2 shows the modifications as set out in the consultation. It also includes responses to the consultation and our decision.

1 April 2020. Data submitted in respect of the 2019/20 reporting years should use the RIGs as modified.

7. Where there is a requirement to submit information before 31 August 2020, we confirm that licensee can delay its submission until 31 August 2020.

Now therefore -

- 8. In accordance with the powers under Part C of Standard Condition 46, the Authority hereby issues the modified RIGs in the form specified in the documents that can be accessed via the hyperlink in Appendix 2. Licensees are required to report in accordance with these modified RIGs for the purpose of regulatory reporting.
- This document constitutes a Direction issued by the Authority under paragraph
 46.9 of Standard Condition 46 and notice of the Authority's decision for the
 purposes of section 49A of the Act.

Steven McMahon Deputy Director, Electricity Distribution and Cross Sector Policy Duly authorised on behalf of the Authority 16 June 2020

Appendix 1: Stakeholder representations

On 29 April 2020, we published our Notice proposing modifications to the RFPR and Pension RIGs. Responses to this Notice can be found here:

https://www.ofgem.gov.uk/publications-and-updates/notice-proposing-modificationsregulatory-financial-performance-reporting-rfpr-and-pension-regulatory-instructions-andguidance-rigs-riio1

Appendix 1: Response to respresentations

Our response to stakeholder representations and reasons for any differences between the proposed RIGs in the Notice and those in this Direction are in the issues log found in the link below. The RFPR and Pension RIGs are also available on the Authority's website at:

https://ofgem.gov.uk/publications-and-updates/decision-modify-regulatory-financialperformance-reporting-rfpr-and-pension-regulatory-instructions-and-guidance-rigs-riio1