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RIIO-2 Team
Ofgem
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Dear RIIO-2 Team

Citizens Advice response to consultation on the RIIO-2 Re-opener Guidance and Application Requirements Document

Citizens Advice welcomes the opportunity to respond to this consultation as part of its statutory role to represent domestic and small business energy consumers in Great Britain. Our response is not confidential and may be freely published.

We note that the purpose of this consultation is to seek feedback on the RIIO-2 Re-opener Guidance and Applications Requirements. The RIIO-2 re-opener process will be part of the required re-opener licence condition for the energy network companies. Adherence to the guidance should enable a timely and informed decision on any re-opener application and any failure to follow the guidance may result in rejection of the application.

Patron HRH The Princess Royal Acting Chief Executive Alistair Cromwell

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We contributed in November 2020 to a consultation on the draft guidance¹ and welcome this opportunity to input further to the revised guidance. It is important that re-openers will be undertaken within a streamlined and rapid process to ensure that net zero goals are met and for other requirements.

The paragraph numbers below relate to the relevant revised guidance document paragraph numbers.

2.2. We support the requirement for assurance that there is suitable senior support for the application including Board support.

2.4, 2.5, 2.6 We welcome the transparency provided from the requirement for network companies to publish their complete application (apart from necessary redactions) on their website within 5 working days of application. We further welcome the explanation for any redactions that will be provided by companies. It appears reasonable to have certain applications, such as those relating to cyber resilience, to not be required to be published.

We would ask that Ofgem limits redactions to where they are strictly necessary when considering the application. We have seen prior re-opener applications with many redactions causing stakeholders, including ourselves, to be unable to undertake appropriate assessment².

3.3 We note that Ofgem is not requiring a particular structure that applications will follow. **We recommend that it would be useful to have a standard format or template, at least for core or common re-opener elements**, which would assist Ofgem and other stakeholders to more rapidly assess re-openers.

3.17 Stakeholder engagement - We are pleased to see that evidence of stakeholder engagement is now a required element for re-opener applications (apart where there is a risk to national security) as we noted in our response to the draft guidance. It is important that the network companies demonstrate how stakeholders' views have led to the preferred option and Ofgem respond to the influence of stakeholder evidence.

3.9 We would welcome "the alignment with overall business strategy and commitments" to explicitly require the re-opener application to clarify how it helps achieve or alters previous commitments to support the ease of appraisal.

¹ [Citizens Advice response to Ofgem consultation on the draft Re-opener guidance, November 2020](#)

² [Citizens Advice response to Ofgem Informal consultation on RIIO-ED1 Re-openers, May 2019](#)

Annex 1 - 1.1 Application process timeline - We note that the aim is to complete the review process within 9 months or less, although that there may be some circumstances that this may not be possible. We welcome the formal timeline for the decision and recognise that some time is needed to be able to evaluate complex submissions and to allow for appropriate stakeholder consultation and its consideration. **Ofgem needs to consider the risk that with a demanding workload they may be stretched to ensure that decisions are made in a timely manner and with full scrutiny given the potential volume of re-opener applications. We would also ask that the process timeline remains under review to support network companies and stakeholders to respond to net zero targets or other requirements.**

Annex 1 - 1.9 Tiered assessment - We support the use of the tiered approach, where additional scrutiny is applied to more complex projects and a fast-track tier is applied to high quality applications and less complex projects.

Annex 1 - Authority triggered re-opener process - We support the explanations relating to the triggering of the re-opener process and also support the transparency for the reasons for triggering a re-opener.

Yours faithfully

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