

From: Robert Lee
Sent: 04 August 2020 15:14

Subject: RAG consultation; final mid-consultation update

To; contacts for RAGs / APRs

I hope that you are all keeping well.

This should be the final update I provide during the consultation. I have previously notified you about developments concerning;

- Cost assessment tables 5A, 6A, 6B,
- Bioresources; and,
- Clarification of voids treatment for the PSR performance commitment.

I would like to update you on 5 further areas;

1. Wholesale bad debt – you will be aware of the our PN 06/20: COVID-19 and the business retail market – Final decisions to address liquidity challenges and increases in bad debt which describes how we will support customers' interests in the business retail market through the current Covid-19 pandemic. We are aware that there is likely to be a need to disaggregate wholesale costs further so that wholesaler bad debt charges can be separately identified. This will need to be allocated in proportion to charges over the relevant price controls.
2. Outcomes and performance commitments (PCs) – we are aware that the format of the line definitions as proposed for tables 3A and 3B do not follow the format of other RAG definitions and that this will need to be addressed before the final version of the RAGs.
3. Table 2B sub-totals – we are aware there are some errors in the sub-total definitions which need to be addressed.
4. Table 4C line 2 – incorrectly omits an adjustment for grants and contributions and sources cost information from 4J and 4K rather than 4D and 4E.
5. Innovation competition – we are likely to require additional narrative disclosure for table 1C to identify cash balances that relate to innovation competition funding.

I hope that you find this useful and of course feel free to consider these points as part of your response to the consultation which closes on 24 August.

Many thanks

Rob Lee

From: Robert Lee
Sent: 27 July 2020 15:07

Subject: RAG consultation - PSR question and Bioresources

To; contacts for RAGs / APRs

I hope that you are all keeping well.

We have had a question regarding the PSR performance commitment; specifically whether voids should be included in 'households served' for the purpose of calculating PSR reach?

We can confirm that the definition of households for the purposes of the PSR performance commitment excludes voids; in other words, voids should not be counted as households when calculating the extent of PSR reach. This is consistent with other definitions within our regulatory framework and with the policy intent of the PSR performance commitment, which is to incentivise companies to increase the number of PSR registrations as a proportion of their real customer base (which would not include empty properties). We are minded to amend the final regulatory accounting guidelines to reflect this.

For completeness I should remind you that we have included 2 further documents on Bioresources to the consultation supporting documents which are on the back of the recent Bioresources workshop.

Many thanks

Rob

From: Robert Lee

Sent: 23 July 2020 12:43

Subject: RAG consultation - additional document added; tables 5A, 6A, 6B

To; contacts for RAGs / APRs

I hope that you are all keeping well.

Further to my last email we have spotted some errors in the RAG consultation that we published in 1 June. This is in respect of tables 5A, 6A and 6B. I have added a further document to the 'supporting documents' list which sets out the correct line definitions for those tables and revised table format for 6A.

Apologies if you had already considered these tables - if we spot any further issues then I will issue another update, it would seem sensible to do this rather than store up issues which you become aware of for the first time when we publish the finalised RAGs.

Many thanks

Rob