



Making a positive difference
for energy consumers

Email: ESOperformance@ofgem.gov.uk

Date: 25 May 2023

Dear colleagues,

Consultation on amendments to the ESO Roles Guidance for 2023-25.

We would like your views on our proposed modifications to the ESO Roles Guidance for 2023-25.¹ These proposed modifications build on the updates we made to the ESO Roles Guidance as part of our assessment of the ESO's second business plan cycle.

In our Draft Determinations of the ESO's second business plan, we set out our expectation to make additional changes to several expectations across the ESO's Role 3 activities, as well as to fully capture our expectations against the 'quality of outputs' evaluation criterion. In our Final Determinations we decided to consult on these additional changes to the ESO Roles Guidance to ensure our expectations are robust and accurately reflect the ESO's current role in industry, as well as allow industry to engage and comment.

Most of the changes consulted on as part of this process focus on ensuring our expectations of the ESO for Role 3 activities are aligned with developments in industry since our original publication of the Roles Guidance. However, we have decided to use this consultation as an opportunity to ensure our expectations across all roles are fully reflective of the ESO's role

¹ To note, the proposed modifications to this ESO Roles Guidance do not confer expectations or criteria that may be used to assess the Future System Operator (FSO), which is the name currently given to the body that can be designated as the Independent System Operator and Planner (ISOP) under Part 4 of the Energy Bill that was introduced into parliament in July 2022 [<https://bills.parliament.uk/bills/3311>]. This Energy Bill has not received Royal Assent (as of 19 May 2023).

in industry. Notably, this consultation also includes updates to our expectations of the ESO’s activities regarding security of supply and Electricity Market Reform.

Detailed policy and changes can be found in the draft Roles Guidance document linked as part of this consultation. A high level overview of the changes can be found below:

Role 1	Role 2	Role 3
<p>Security of Supply; Strengthening our security of supply expectations.</p> <p>Using and Exchanging Data; Minor amends.</p>	<p>Electricity Market Reform; Minor amends.</p> <p>Industry Code Management; Minor amends.</p>	<p>Connections; Review of our expectations to ensure they reflect the ESO’s current role in industry.</p> <p>Network Planning; Review of our expectations to ensure they reflect the ESO’s current role in industry.</p>

As noted earlier, we are also consulting the linkage of our new ‘quality of outputs’ criterion with the ESO Roles Guidance. This can be found at the end of the draft Roles Guidance document.

We welcome responses on any aspect of our proposed new version of the ESO Roles Guidance document and in particular whether you agree with the performance expectations we have outlined for the activities and outcomes the ESO should deliver under areas of proposed change. As this consultation will be open for one month, responses should be sent to ESOperformance@ofgem.gov.uk no later than **26 June 2023**.

Yours faithfully,

Adam Gilham
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