

16th April 2020

Common Utility Regulator Letter No: 3 (CURL 3)

To: The Chief Executive

Relevant Licence holders

Re: FURLOUGH OF STAFF DURING THE COVID-19 PANDEMIC

Dear Sirs

Over the last couple of weeks all of the energy network companies have implemented a number of measures to respond to the COVID-19 pandemic, aimed at complying with government guidelines and protecting the health and safety of both staff and customers. We acknowledge and are grateful for their commitment to maintaining services where possible and for their engagement with us as we collectively seek to navigate the current situation.

In that context we understand that some network operators either have put, or are considering putting, some staff on furlough. Clearly the current circumstances are fluid and each network company must make decisions for its business based on individual circumstances at the time.

The Coronavirus Job Retention Scheme (CJRS) was however established to assist employers whose operations have been **severely affected** by the COVID-19 pandemic, rather than those who have had to scale back certain activities and are seeking to cover the cost of those employees who would otherwise be delivering these. It is our view that the energy sector was not an intended target for this scheme.

Where a network company does avail of the CJRS we will need to take this into consideration in terms of our regulation of the company. We expect all network companies to meet their obligations and not act in ways that are contrary to the interests of customers or otherwise have an adverse impact on the continuing efficient operation of the energy industry.

Accordingly, we expect any licensed company who avails of the scheme to maintain a full record and to inform us (on each occasion) of their take up of the scheme and rationale. We will discuss with and confirm to each relevant company how it will demonstrate and ensure that energy consumers / tax payers do not remunerate it twice for any element of staff costs.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jenny Pyper', written in a cursive style.

Jenny Pyper
Chief Executive