

Gas and Electricity Connections Industry Review 2008-09



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Target audience: Business and domestic customers seeking gas and electricity connections and their representatives, distribution network licensees, independent connection providers and other interested parties.

Overview:

This document contains supplementary appendices to Ofgem's Connections Industry Review for 2008-09, presenting the latest developments in the gas and electricity connections markets during the regulatory year from 1 April 2008 to 31 March 2009.

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Context

Volume 1 of this year's Connections Industry Review sets out key messages and data on the level of competition and customer service in the connections market.

During the Connections Industry Review process we also collected a significant amount of data which has not been presented in the main volume, but which is likely to be of interest to market participants and other stakeholders. These appendices set out data supplementary to that presented in the main report including:

- more detailed and disaggregated data than has been presented in the main volume, and
- data in tabular form where the data was presented in chart form in the main volume.

Associated Documents

- Connections Industry Review 2008-09
<http://www.ofgem.gov.uk/Networks/Connectns/ConnIndRev/Pages/ConnIndRev.aspx>
- Electricity Distribution Price Control Review – Final Proposals (145/09)
http://www.ofgem.gov.uk/Networks/ElecDist/PriceCtrls/DPCR5/Documents1/FP_2_Incentives%20and%20Obligations%20FINAL.pdf
- Electricity Distribution Price Control Review – Initial Proposals – Incentives and Obligations (93/09)
http://www.ofgem.gov.uk/Networks/ElecDist/PriceCtrls/DPCR5/Documents1/Initial%20Proposals_2_Incentives%20and%20Obligations.pdf
- Connections Industry Review 2007-08 (143/08)
<http://www.ofgem.gov.uk/Networks/Connectns/ConnIndRev/Pages/ConnIndRev.aspx>
- Connections Industry Review 2006-07 (215/07)
<http://www.ofgem.gov.uk/Networks/Connectns/ConnIndRev/Pages/ConnIndRev.aspx>
- Review of Competition in Gas and Electricity Connections Proposals Document (26/07)
<http://www.ofgem.gov.uk/Networks/Connectns/CompinConn/Pages/CompinCnnctns.aspx>
- Ofgem Corporate Strategy and Plan 2008-2013 (34/08)
<http://www.ofgem.gov.uk/About%20us/CorpPlan/Pages/CorpPlan.aspx>

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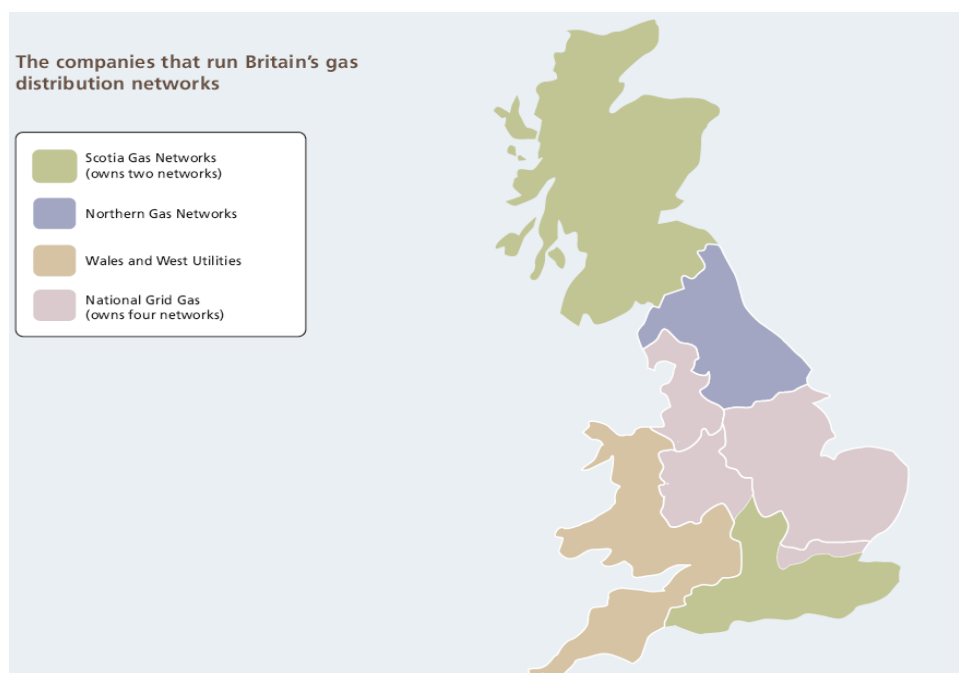
Appendix 5 - Industry Structure

This appendix contains further detail about the structure of the GB gas and electricity distribution industry, and licence conditions relevant to connections.

Gas Distribution Network Operators

1.1. There are eight Gas Distribution Networks (GDNs) in Great Britain. Formerly, all eight were owned and operated by Transco plc but in May 2005 Transco (renamed National Grid Gas plc in October 2005) sold four of its eight gas distribution networks in Great Britain. Two of them (Scotland Gas Networks and Southern Gas Networks) are now owned by Scotia Gas. Northern Gas Networks and Wales and West Utilities own one each. GDN licences refer to defined network areas called Transportation Services Areas (TSAs). There are 11 Independent Gas Transporters (IGTs) in Great Britain. IGTs own and operate their own networks (mainly new housing developments). Both GDNs and IGTs can adopt connections undertaken by Independent Connections Providers (ICPs)¹. The 11 IGTs are owned by seven businesses: East Surrey Pipelines, Gas Transportation Company, Energetics Gas, Inexus, Scottish and Southern Pipelines, National Grid and British Gas².

Figure A5.1 – GDN TSAs



¹ For the purposes of this document the terms gas distributor and gas transporter have the same meaning.

² British Gas Pipelines Ltd has not undertaken any activity during the reporting period.

GDN organisational structure

1.2. In 1997 British Gas was split into a customer service arm and a distribution arm called Transco which carried out gas connections as part of its business. In 2001 Transco connections became a stand-alone business providing connection services for Transco and in 2002 this business was renamed Fulcrum Connections.

1.3. For some time after the network sales in 2005, Fulcrum provided connection services to all the GDNs. They continue to provide connections in the four National Grid Gas distribution areas for schemes where four or more properties are being connected. In the other four GDN areas (and in the National Grid Gas areas in instances where less than four properties are being connected) the GDNs have in-house connections resources.

1.4. It is also possible for developers to use an Independent Connections Provider (ICP), sometimes alternatively referred to as a Utility Infrastructure Provider (UIP) in the context of gas, to provide some elements of connections infrastructure. In addition, developers can ask a licensed gas supplier to make connection arrangements on their behalf or consider using an independent gas transporter (IGT) to provide a local distribution network to meet their needs.

Gas Transporters Licence: Standard Conditions

1.5. Under Standard Condition 4B (Connection Charges etc) of the Gas Transporters Licence Ofgem requires licensees to provide a statement setting out the way they calculate charges for gas connections. Licensees have to comply with the approach set out in their statement, keep it up to date and give worked examples of charges. They also have to provide information on the Authority's power to determine (adjudicate) on disputes between connection applicants and licensees.

1.6. Standard special condition D10 of the Gas Transporters licence applies solely to GDNs and lays down a number of required standards for gas connection services by licensees:

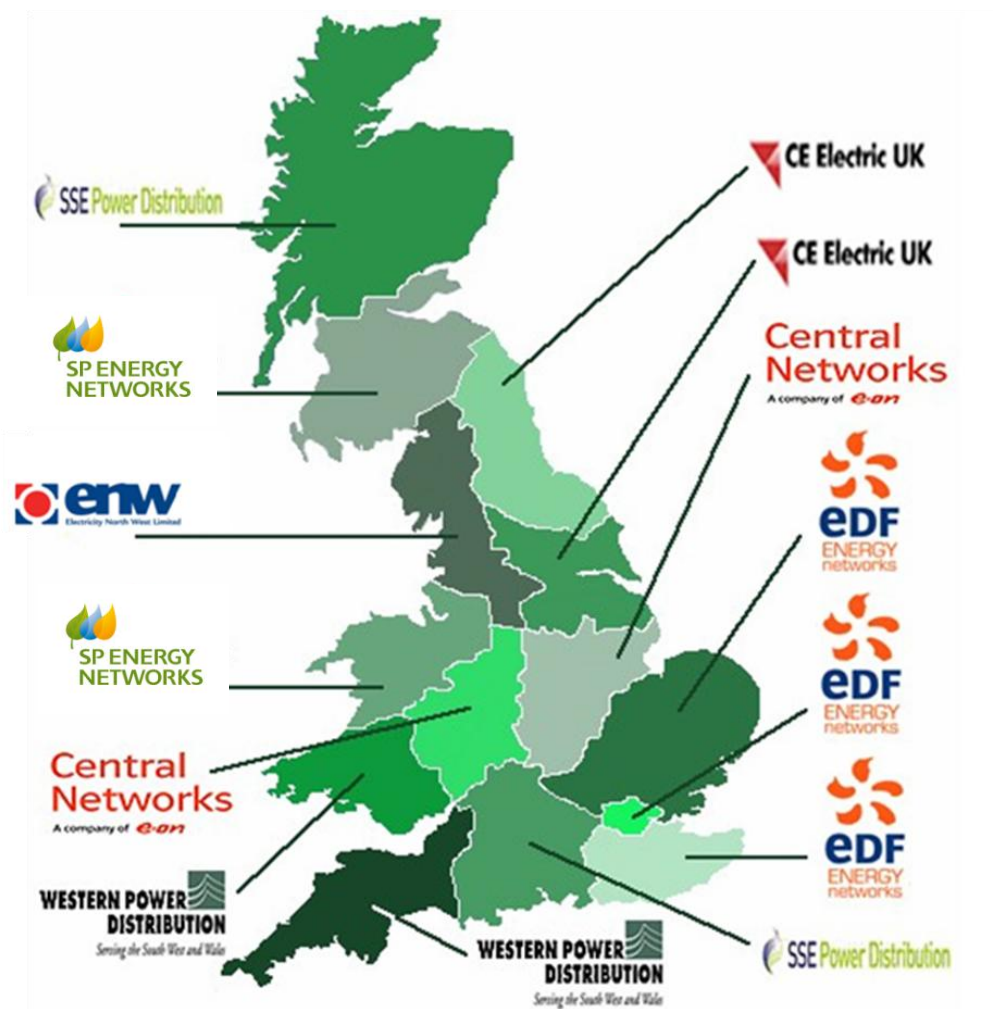
- 90 percent of standard quotations must be issued within six working days
- 90 percent of non-standard quotations for obtaining a new gas connection or altering an existing gas connection up to and including rates of flow of 275kWh per hour must be issued within eleven working days of receipt of the request unless the customer requests a deferral
- 90 percent of non-standard quotations for obtaining a new gas connection or altering an existing gas connection where rates of flow exceed 275kWh per hour must be issued within twenty one working days of receipt of the request unless the customer requests a deferral
- 90 percent of replies to land enquiries must be issued within five working days
- in 90 percent of cases, GDNs must provide dates for the commencement and substantial completion of work within 20 working days

- in 90 percent of cases, GDNs must provide dates within twenty working days for the commencement and substantial completion of works from the receipt of acceptance of a quotation unless the customer requests a deferral
- 90 percent of connections must be completed within the timescales agreed with the customer

1.7. In addition, standard special condition D10 provides for a scheme to review the accuracy of connections quotations prepared by GDNs, and requires GDNs to undertake a regular audit of their connections services and provide the results to the Authority.

Electricity Distribution Network Operators

1.8. There are fourteen electricity DNOs in Great Britain owned and operated by seven corporate groups. DNO licenses refer to defined network areas called Distribution Services Areas (DSAs). There are six Independent Distribution Network Operators (IDNOs) in Great Britain. Independent Power Networks Limited (IPNL), The Electricity Network Company Limited (ENC), Energetics Electricity Limited, ESP Electricity Limited, ECG (Distribution) Limited, and EDF Energy (IDNO) Limited. IDNOs own and operate their own networks but do not have DSAs. Both DNOs and IDNOs can adopt connections undertaken by ICPs.

Figure A5.2 - Map of DNO DSAs

DNO Organisational structure

1.9. In fulfilling their obligations to provide connections to their networks DNOs may use:

- in-house teams / directly instructed contractors, or
- affiliates acting as agents / main contractor

1.10. Some affiliates of DNOs act on their own behalf to offer "competitive" quotes for contestable services; this activity is captured in price control cost returns by DNOs to Ofgem. In addition some DNOs and affiliates of DNOs offer electricity or multi-utility connection services outside their DSAs (i.e. in other DNO areas). In these cases they function in a manner akin to an ICP and can only carry out contestable works.

1.11. IDNOs often work closely with one or more ICPs to offer a 'one stop shop' to developers. In this respect they make the arrangements for connection of a newly created IDNO network to the incumbent DNO network and pass on charges levied by the DNO for connection and relevant upstream reinforcement. Once an IDNO network is established, the IDNO has the same obligations in respect of providing additional new connections to that network a DNO has for its network.

1.12. There are some instances of DNOs operating 'out of area' networks (which they can do under the terms of their licences), and in these cases they function in a manner akin to an IDNO.

Electricity Distribution Licence: Standard Conditions

1.13. Electricity DNOs are bound by a series of licence conditions. In 2008 the Electricity Distribution Licence was reviewed and revised to arrive at a slimmer and easier to use set of Standard Licence Conditions (SLCs). This has resulted in changes to SLC numbering. The following SLCs deal with electricity connections.

SLC	Formerly SLC	Description
6	24	Sets out the requirements for the provision of information by electricity distributors to the Authority. Ofgem requests information about connections for this review under SLC 6.
7	4E	Enables the Authority to determine disputes.
12	4D	Requires the licensee to offer to enter into an agreement for use of its system to distribute or take in electricity when requested to do so by any person.
13	4B	Requires the licensee to have in force use of system and connections charging methodologies that have been approved by the Authority.
14	4B	Requires charging statements that have been approved "in form" by the Authority to always be available.
15	4F	Requires DNOs and IDNOs ³ to meet prescribed levels of performance against the three key non-contestable service and information areas: the provision of quotations (including Point of Connection (POC)); design approval or reasoned rejection; and the completion of final connections.
19	4C	Requires DNOs/IDNOs to report information about the provision of non-contestable services to their own business, their affiliates and to independent parties.

³ All IDNOs are presently exempted from the provisions of SLC15 by Direction under paragraph 15.10 of that condition

Appendix 6 - Metered electricity connections: detailed analysis

This appendix contains information about DNO and IDNO metered electricity connections as well as DNOs performance against service standards. The templates used to gather this information can be found at www.ofgem.gov.uk under Networks -> Connections -> Connections Industry Review.

Number of metered electricity connections by voltage⁴

1.14. The totals for numbers of connections include modified connections. Modified connections refer to increases in capacity, which may include contestable elements, but also to 'service alterations' which are generally not contestable.

1.15. In 2008-09 a total of 260,171 low voltage connections by DNOs and IDNOs⁵ were reported. This compares to 338,883 in 2007-08.

1.16. DNOs and IDNOs completed 902 high voltage (HV) connections in 2008-09, this compares to 595 in 2007-08. The increase in the number of HV connections undertaken may be indicative of the fact that industrial and commercial developments requiring HV connections usually have more capital supporting them, and are therefore less vulnerable to economic conditions than LV connections to residential developments. DNOs also reported 15 extra high voltage (EHV) connections and 244 distributed generation (DG) connections to their networks in the period. This compares to 9 EHV and 94 DG in 2007-08. The increase in the number of DG connections is in line with the growing importance of DG as part of the environmental agenda.

1.17. IDNOs did not report any EHV or DG connections to their networks.

1.18. For connections established since 1 April 2005 relevant DG will have been charged under a 'shallowish' connections charging regime⁶. This is similar to the regime for demand connections and is addressed in each DNO's connections charging methodology. They are also eligible to pay use of system charges subject to the incentive schemes for DG and registered power zones⁷ under the electricity distribution price control. From April 2010 new DUOS charges will be introduced for DG to ensure any system benefits received are reflected in charges.

⁴ Prior to 2008-09 SSE Hydro and SSE Southern were unable to Split HV and LV connections, therefore HV connections were included in the totals for LV connections..

⁵ Includes SSE out of area connections.

⁶ Prior to this distributed generators paid 'deep' connection charges i.e. they paid all of the costs associated with their connection to the network without apportionment or limit.

⁷ A registered power zone (RPZ) is an area of designated for the research, development and demonstration of new technologies concerning the power network.

1.19. Further information on DG can be found on the Ofgem website under Electricity Distribution -> Policy -> Distributed Generation

Table A6.1 - Breakdown of metered electricity connections by DSA (2007-08 / 2008-09)

Connection by:	Adopted from non-affiliate		Adopted from affiliate		Licensee		Total	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
CN West	2,273	1,146	0	0	20,248	12,904	22,521	14,050
CN East	1,240	1,045	0	0	29,784	16,606	31,024	17,651
ENW	5,622	5,164	2,831	0	15,507	10,981	23,960	16,145
NEDL	1	0	383	509	14,423	11,173	14,807	11,682
YEDL	699	640	855	1,040	24,098	15,082	25,652	16,762
WPD S. Wales	69	35	0	0	10,840	8,904	10,909	8,939
WPD S. West	60	95	0	0	20,151	17,474	20,211	17,569
EDFE EPN	72	163	0	0	40,612	31,047	40,684	31,210
EDFE LPN	5	137	0	0	22,604	29,131	22,609	29,268
EDFE SPN	162	289	0	0	26,556	17,292	26,718	17,581
SP Dist.	2,578	3,386	10,194	6,475	10,997	8,911	23,769	18,772
SP Manweb	1,039	698	5,464	3,119	10,406	7,346	16,909	11,163
SHEPD	21	110	0	0	12,234	8,227	12,255	8,337
SEPD	267	3	0	0	35,701	27,615	35,968	27,618
IPNL	4,711	0	0	8,197	0	0	4,711	8,197
Energetics	1,191	509	3,682	2,623	2	0	4,875	3,132
ENC	77	168	279	1,313	0	0	356	1,481
ESP	0	1	0	0	306	0	306	1
SSE out of area⁸	-	-	-	-	-	-	1337	1774
Total	20,087	13,589	23,688	23,276	294,469	222,693	339,581	261,332

⁸ Figures included only in totals as we are unaware whether the connections were installed by the licensee, an affiliate or a third party.

Table A6.2 - Total number of metered electricity connections by voltage⁹ and provider, DNO networks

Connection by:	LV		HV		EHV		DG		Total	
	07-08	08-09	07-08	08-09	07-08	08-09	07-08	08-09	07-08	08-09
DNOs	293,681	221,769	382	669	8	13	90	242	294,161	222,693
Companies affiliated to DNOs	19,700	11,041	27	100	0	2	0	0	19,727	11,143
Independent connections providers	13,927	12,793	176	116	1	0	4	2	14,108	12,911
Total⁸	327,308	245,603	585	885	9	15	94	244	327,996	246,747

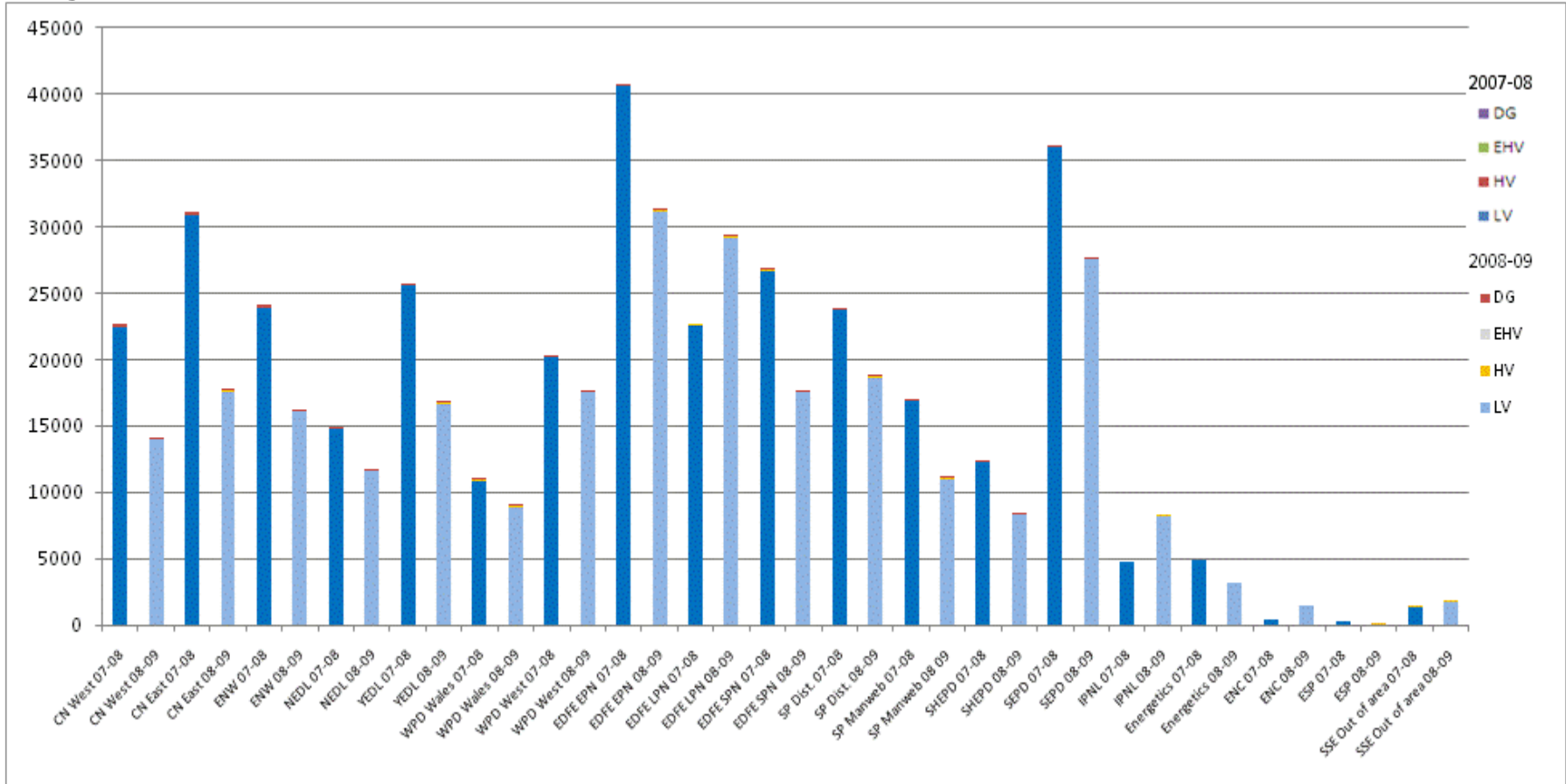
Table A6.3 - Total number of metered electricity connections by voltage⁷ and provider, IDNO networks

Connection by:	LV		HV		EHV		DG		Total	
	07-08	08-09	07-08	08-09	07-08	08-09	07-08	08-09	07-08	08-09
IDNOs	308	0	0	0	0	0	0	0	308	0
Companies affiliated to IDNOs	3,961	12,132	0	1	0	0	0	0	3,961	12,133
Independent connections providers	5,979	677	0	1	0	0	0	0	5,979	678
Total¹⁰	11,575	14,568	10	17	0	0	0	0	11,585	14,585

⁹ Prior to 2008-09 SSE Hydro and SSE Southern were unable to Split HV and LV connections, therefore HV connections were included in the totals for LV connections.

¹⁰ The IDNO totals for 2007-08 and 2008-09 include 1,337 and 1,774, connections to out of area networks operated by SSE, respectively. We are not able to distinguish whether these were installed by the licensee or an affiliate.

Figure A6.1 - Total number of metered electricity connections reported by distribution network operator and voltage in 2007-08 / 2008-09¹¹



¹¹ Prior to 2008-09 SSE Hydro and SSE Southern were unable to Split HV and LV connections, therefore HV connections were included in the totals for LV connections..

Table A6.4 - Total number of metered electricity connections reported by distribution network operator and voltage in 2007-08 / 2008-09¹²

Connection by:	LV		HV		EHV		DG		Total	
	07-08	08-09	07-08	08-09	07-08	08-09	07-08	08-09	07-08	08-09
CN West	22,428	13,944	84	100	0	0	9	6	22,521	14,050
CN East	30,913	17,553	101	93	1	0	9	5	31,024	17,651
ENW	23,883	16,102	71	38	0	0	6	5	23,960	16,145
NEDL	14,788	11,568	11	14	0	0	8	100	14,807	11,682
YEDL	25,622	16,672	25	38	0	2	5	50	25,652	16,762
WPD Wales	10,888	8,911	19	18	1	3	1	7	10,909	8,939
WPD West	20,183	17,533	25	25	0	1	3	10	20,211	17,569
EDFE EPN	40,605	31,124	57	73	7	0	15	13	40,684	31,210
EDFE LPN	22,522	29,174	87	90	0	2	0	2	22,609	29,268
EDFE SPN	26,677	17,537	36	37	0	1	5	6	26,718	17,581
SP Dist.	23,741	18,621	23	138	0	1	5	12	23,769	18,772
SP Manweb	16,858	10,943	46	194	0	3	5	23	16,909	11,163
SHEPD	12,237	8,326	0	6	0	1	18	4	12,255	8,337
SEPD	35,963	27,595	0	21	0	1	5	1	35,968	27,618
IPNL	4,711	8,196	0	1	0	0	0	0	4,711	8,197
Energetics	4,875	3,132	0	0	0	0	0	0	4,875	3,132
ENC	356	1,481	0	0	0	0	0	0	356	1,481
ESP	306	0	0	1	0	0	0	0	306	1
SSE Out of area	1,327	1,759	10	15	0	0	0	0	1,337	1,774
Total	338,883	260,171	595	902	9	15	94	244	339,581	261,332

¹² Prior to 2008-09 SSE Hydro and SSE Southern were unable to Split HV and LV connections, therefore HV connections were included in the totals for LV connections..

Charges for metered electricity connections by voltage¹³

1.1. DNOs reported charges for low voltage (LV) connections in 2008-09 as over £408 million. Charges of approximately £96 million and £40 million were also reported for high voltage (HV) and extra high voltage (EHV) connections respectively. We are unable to compare these charges with those levied prior to 2008-09 as previously three DNOs were unable to split their charges by voltage.

1.2. Total charges of approximately £45 million were reported for distributed generation (DG) connections in 2008-09. This compares to around £36 million in 2007-08. The increase in the number of DG connections is in line with the growing importance of DG as part of the environmental agenda.

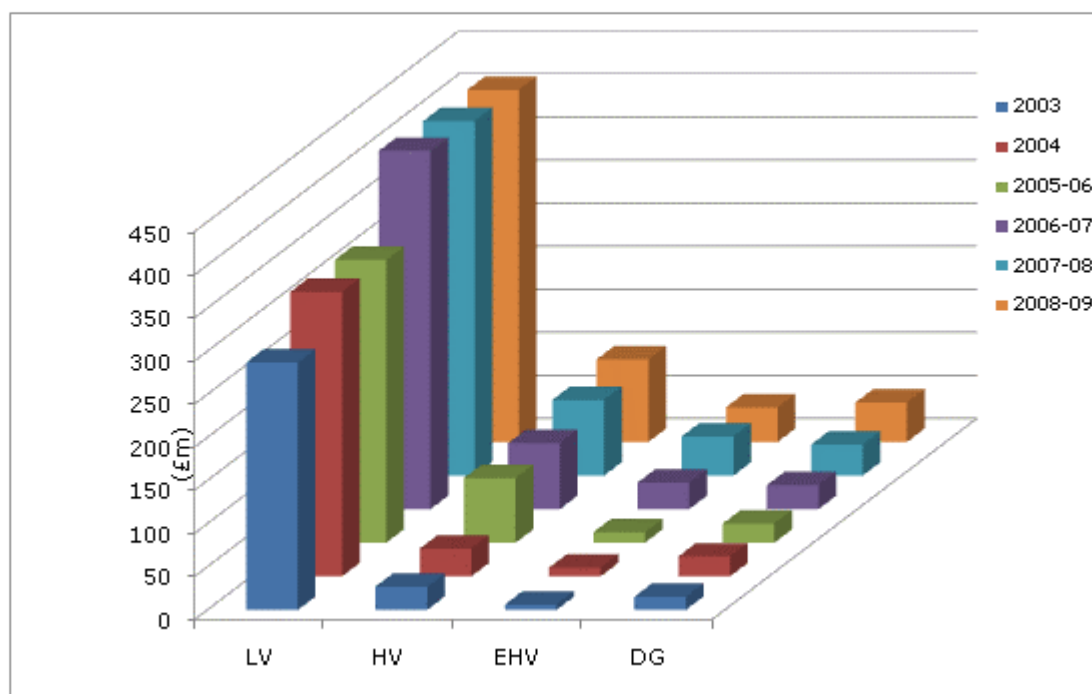
1.3. Overall charges for electricity connections made by DNOs decreased from approximately £621 million in 2007-08 to £590 million in 2008-09.

Table A6.5- Breakdown of 2008-09 metered electricity connection charges by voltage (£ millions)

Connection by:	LV	HV	EHV	DG	Total
DNOs (£m)	408.30	95.64	40.12	45.53	589.59
IDNO (£m)	0.00	0.06	0.00	0.00	0.06
Total (£m)	408.30	95.70	40.12	45.53	589.65

¹³ One DNO estimated the split of charges by voltage.

Figure A6.2 - Historical summary of metered electricity connection charges by voltage (£ millions)¹⁴



Connection of Embedded Networks

1.4. In 2008-09 there were 205 new connection points between licensees' networks and embedded networks, compared to 218 in 2007-08. All of these connections were reported by DNOs, i.e. related to a connection by an embedded network to a DNO network rather than an IDNO network.

Out of area connections

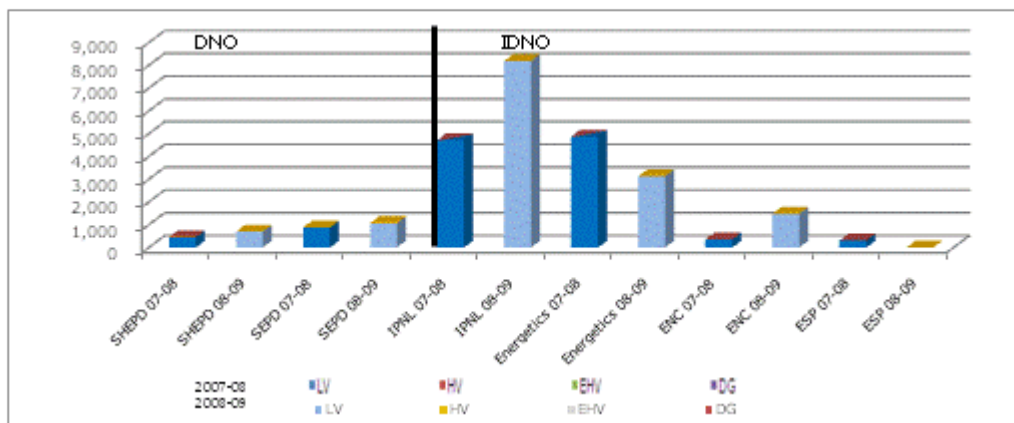
1.5. In 2008-09 IDNOs and DNOs operating outside of their DSA completed a total of 14,585 connections. This compares with 11,585 in 2007-08. This increase goes against the general decrease in the number of electricity connections undertaken in 2008-09 and shows that although IDNO activity still accounts for only a small proportion of connections, it is increasing.

¹⁴ Prior to 2008-09 three DNOs were unable to split out LV, HV and EHV connection charges. Therefore prior to 2008-09 LV, HV and EHV connection charges made by these DNOs have not been included in this figure. For 2008-09 one DNO has estimated the split of charges by voltage.

1.6. As in 2007-08 only two DNOs (SHEPD and SEPD) reported operating outside of their DSA in 2008-09, between them they completed 1,774 of the 14,585 connections to independent networks, compared with 1,337 in 2007-08.

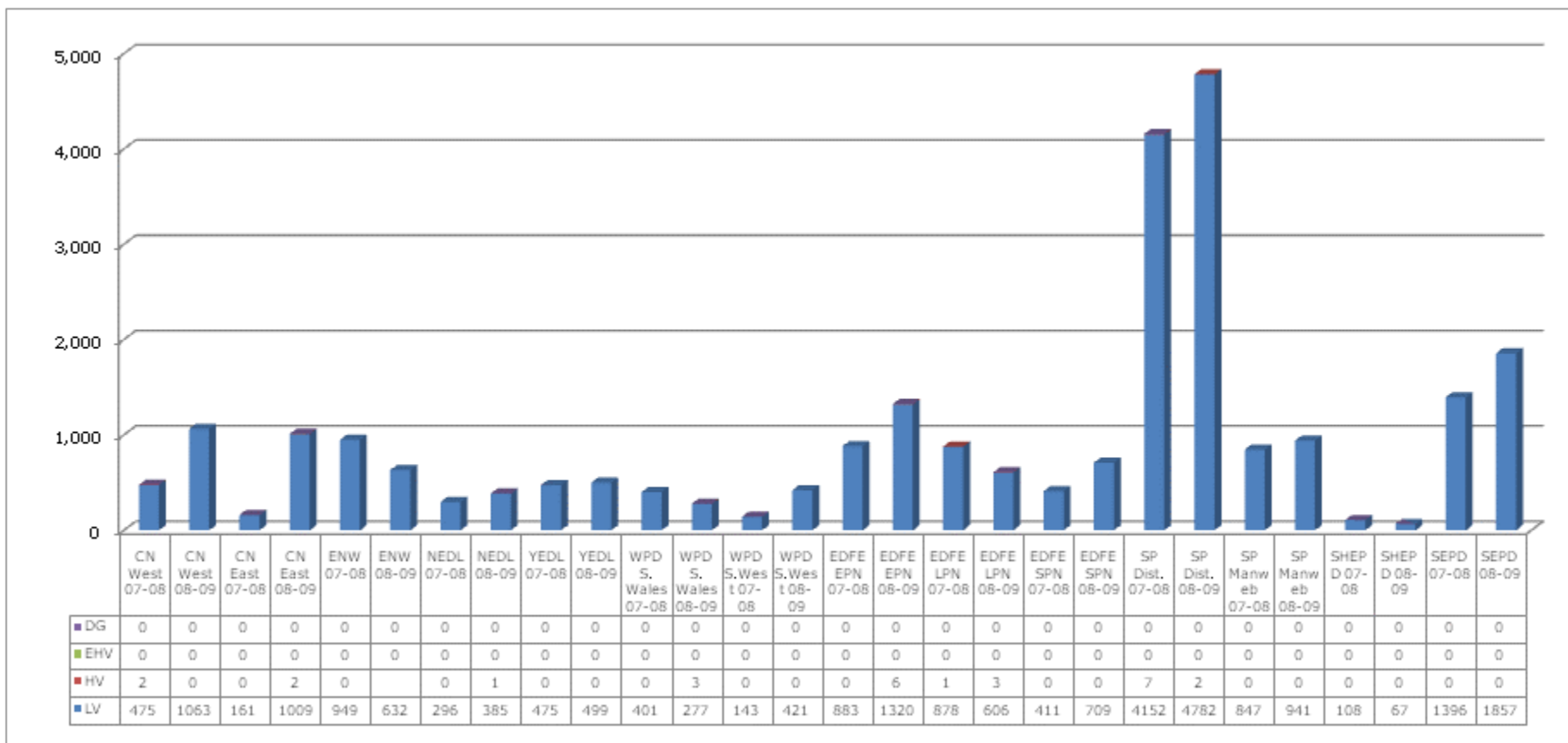
1.7. The remainder of connections to independent networks (12,811) were reported by IDNOs who do not have a DSA. The number of out of area connections reported by each DNO in 2007-08 and 2008-09 can be seen in Figure A6.3 below.

Figure A6.3 – Number of independent network connections reported in 2007-08 / 2008-09



1.8. 5,725 of the 14,585 out of area connections completed in 2008-09 were in SP Distribution’s DSA. This is a similar proportion to last year, where 4,159 of the 11,585 out of area connections completed were in SP Distribution’s DSA. Figure A6.4 below compares the geographical disposition of independent connections in 2007-08 and 2008-09.

Figure A6.4 - Geographical (DSA) disposition of independent network connections reported in 2007-08 and 2008-09.

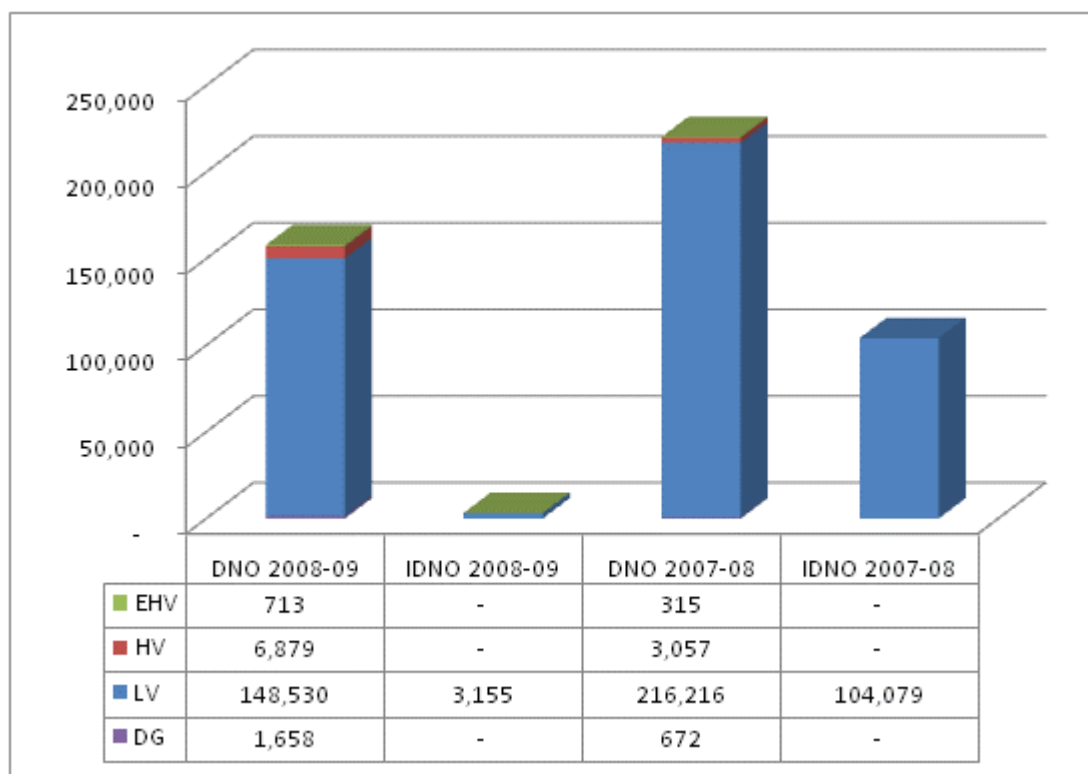


Total number of electricity connection queries handled

1.20. In 2008-09 160,935 connection queries were handled by DNOs and IDNOs. Of the 157,780 connection queries handled by DNOs approximately 43 percent resulted in an acceptance of an offer. Approximately 16 percent of the 3,155 connection queries handled by IDNOs resulted in an acceptance of the offer. This could suggest that customers are testing the market and that electricity connections and their costs are very important for the development of projects.

1.21. In comparison, 324,339 connection queries were handled by DNOs and IDNOs in 2007-08¹⁵. Of the 220,260 connection queries handled by DNOs approximately 55 per cent resulted in an acceptance of the offer. Approximately 12 per cent of the 104,079 connection queries handled by IDNOs resulted in an acceptance of the offer. The proportion of accepted queries has increased over the last year for IDNOs, while for DNOs it has decreased. This may indicate that some connection jobs are being transferred from DNOs to IDNOs.

Figure A6.5 - Number of electricity connection enquiries handled by voltage



¹⁵ As 2007-08 was the first year this information was requested, estimated data has been accepted from DNOs and IDNOs. This may explain the discrepancy between the number of connection queries handled between 2007-08 and 2008-09.

Appendix 7 - Unmetered electricity connections: detailed analysis

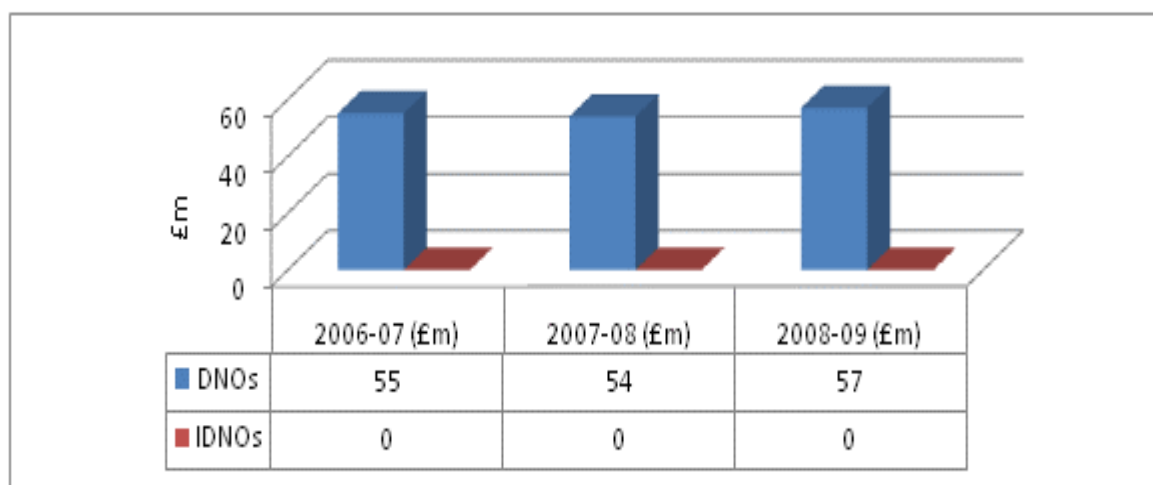
This appendix contains further information about DNO and IDNO unmetered electricity connections and performance against unmetered key performance indicators.

The templates used to gather this information can be found at www.ofgem.gov.uk under Networks -> Connections -> Connections Industry Review.

Total charges for unmetered electricity connections

1.22. In 2008-09 £57 million of charges were levied for completed unmetered electricity connections, compared with £54 million of charges reported in 2007-08. As illustrated in Figure A7.1, all of these charges were levied by DNOs.

Figure A7.1 - Total charges for unmetered electricity connections (£ millions)



1.23. Figures A8.3 and A8.4 below show that Yorkshire Electricity Distribution reported the highest number of unmetered electricity connections in 2007-08 and 2008-09. The lowest number of unmetered electricity connections undertaken by a DNO was reported by Scottish Hydro Electric Power Distribution in both years.

1.24. In comparison to DNOs, IDNOs have performed very few unmetered electricity connections over the last two years. This may be evidence that barriers to entry exist for independent connections providers in the unmetered market. We consider that the measures contained in DPCR5 should have positive consequences on the development of competition in this market. However, we are concerned about the

development of competition to date and will continue to monitor this situation in 2010.

Figure A7.2 - Total number of unmetered electricity connections reported by each DNO/IDNO for 2008-09

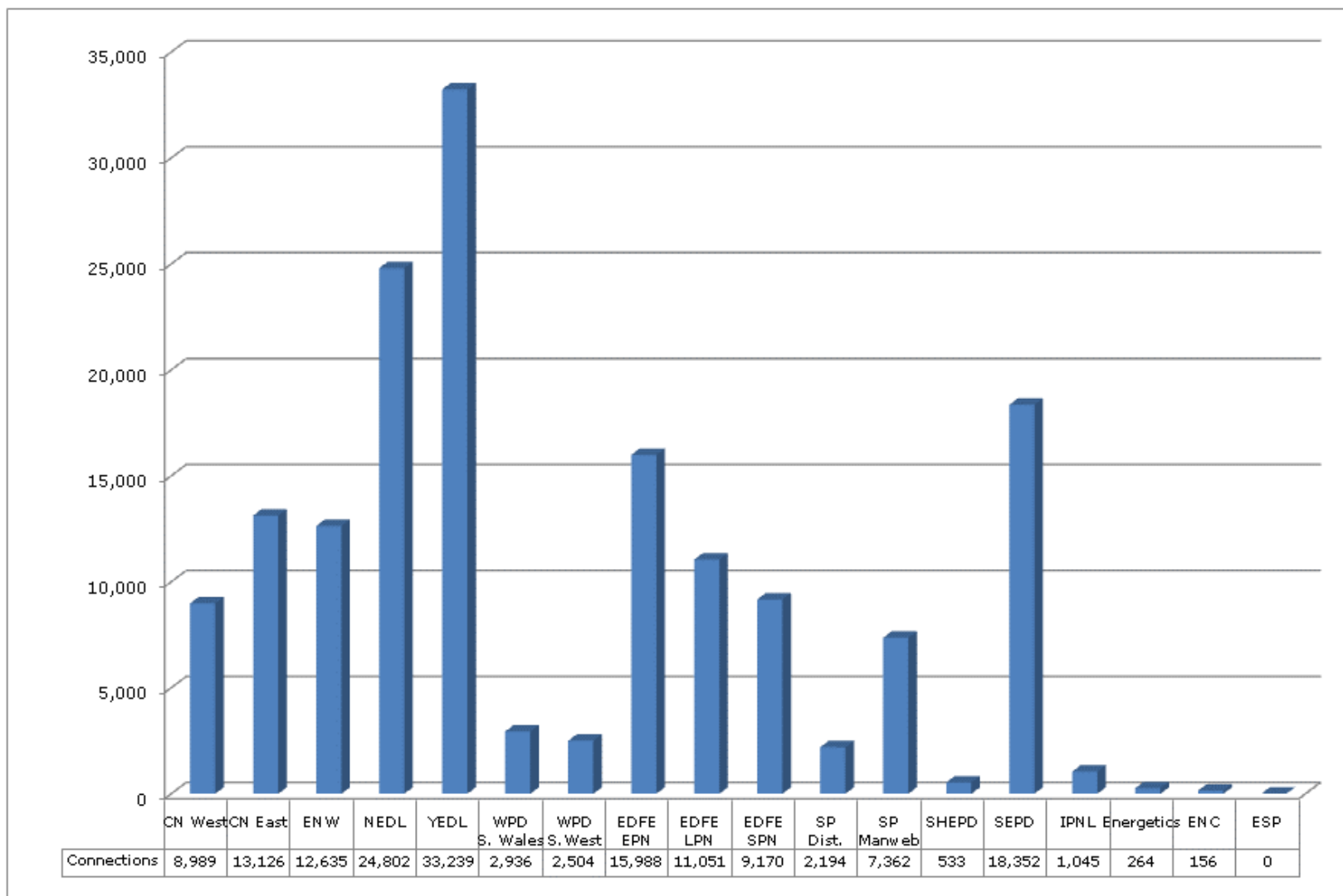
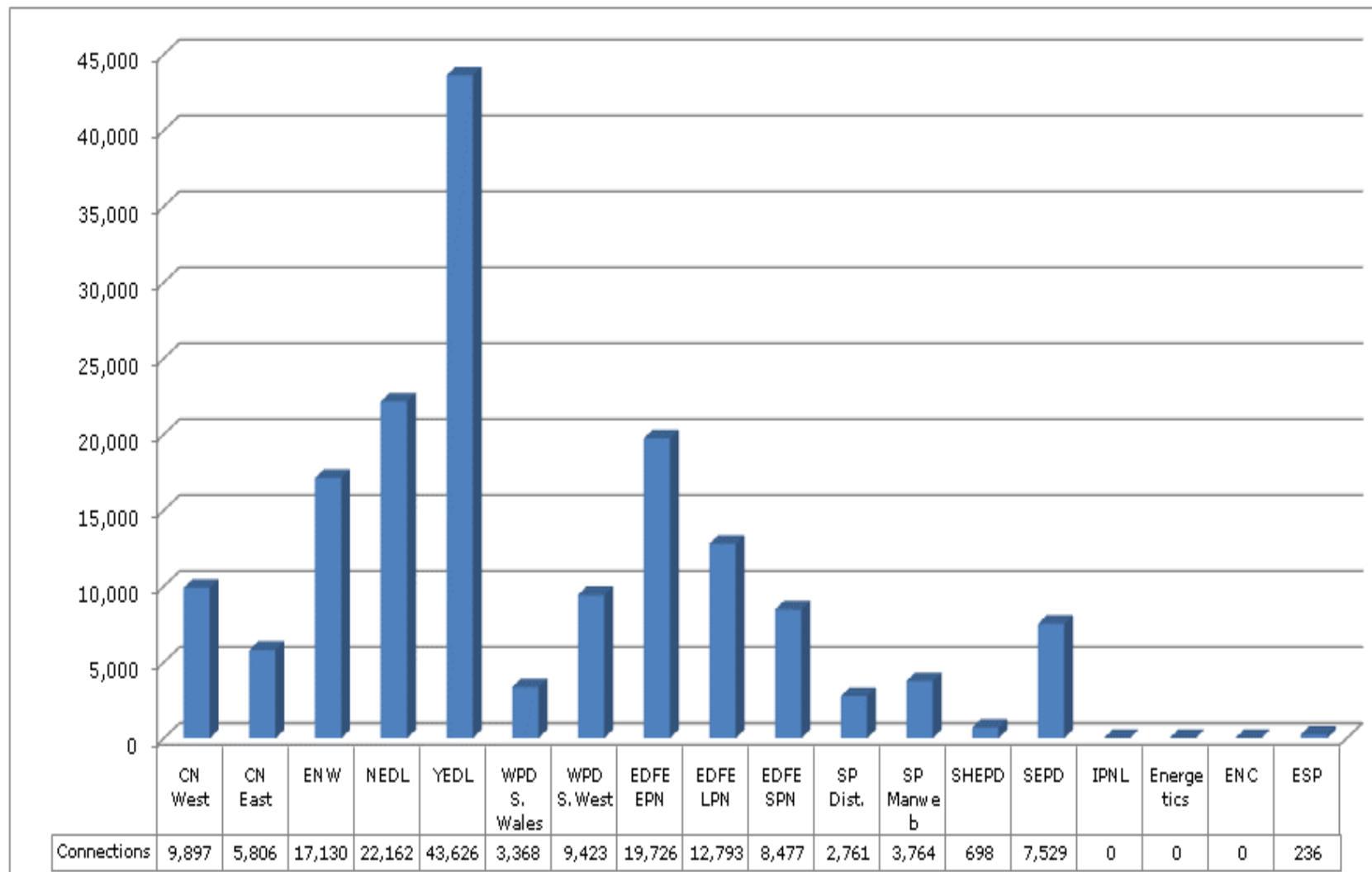


Figure A7.3 - Total number of unmetered electricity connections reported by each DNO/IDNO for 2007-08



Appendix 8 - Gas connections: detailed analysis

This appendix contains further information about new and modified gas connections in 2008-09.

The templates used to gather this information can be found at www.ofgem.gov.uk under Networks -> Connections -> Connections Industry Review.

Number of gas connections by pressure and provider.

1.25. The totals for numbers of connections include modified connections. Modified connections refer to increases in capacity.

1.26. In 2008-09 a total of 205,015 low pressure connections were reported by GTs. This compares to 257,238 in 2007-08. This decrease is indicative of the fact the economic down turn has been felt strongly in the housing development market.

1.27. GTs completed 3,936 medium pressure and 12 intermediate pressure connections in 2008-09, this compares to 1,586 and two in 2007-08. This increase in the number of medium pressure connections is in line in the increase seen in HV electricity connections.

1.28. While 52 per cent of low pressure connections were made to IGT networks, the majority of medium and intermediate pressure connections (94 per cent) were made to GDN networks. The fact the majority of IGT connections are low pressure indicates that the majority of IGT networks are residential rather than commercial developments.

1.29. No Local Transmission System (LTS) connections were made in either 2007-08 or 2008-09.

Table A8.1 - Breakdown of gas connections by LDZ (2007-08 / 2008-09)

Connection by:	Adopted from non-affiliate		Adopted from affiliate		Licensee		Total	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
NG NW	708	2,729	0	0	7,688	5,091	8,396	7,820
NG WM	302	2,702	0	0	5,909	3,940	6,211	6,642
NG EE	516	3,408	0	0	15,615	9,711	16,131	13,119
NG L	153	1,423	0	0	6,412	4,635	6,565	6,058
NGN	1,010	603	0	0	14,567	12,721	15,577	13,324
SGN (scot)	115	398	61	55	13,946	13,402	14,122	13,855
SGN (South)	2,359	816	78	92	23,481	21,398	25,918	22,306
WWU	410	437	0	0	20,753	17,797	21,163	18,234
GTC	39,881	28,742	14,962	11,426	0	0	54,843	40,168
IPL	14,134	6,238	46,767	34,572	0	0	60,901	40,810
QPL	37	0	0	3	0	0	37	3
ESPPL	1	0	0	0	0	0	1	0
ESPL	8,846	9,125	0	0	2,269	2,589	11,115	11,714
ESPCL	6,111	1,301	0	0	0	0	6,111	1,301
ESPNL	54	2	0	0	0	0	54	2
SSE P	0	247	0	260	7,513	6,638	7,513	7,145
Fulcrum	0	0	1,191	4,769	0	0	1,191	4,769
Energetics	0	0	2,977	1,693	0	0	2,977	1,693
BGPL	0	0	0	0	0	0	0	0
Total	74,637	58,171	66,036	52,870	118,153	97,922	258,826	208,963

Table A8.2 – Number of gas connections by pressure and provider, GDN Networks

Connection by:	Low Pressure		Medium Pressure		Intermediate Pressure		LTS		Total	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
Licensee	107,876	87,154	493	1,532	2	9	0	0	108,371	88,695
Affiliate	126	140	13	7	0	0	0	0	139	147
Third Party	5,093	10,370	480	2,145	0	1	0	0	5,573	12,516
Total	113,095	97,664	986	3,684	2	10	0	0	114,083	101,358

Table A8.3 – Number of gas connections by pressure and provider, IGT Networks

Connection by:	Low Pressure		Medium Pressure		Intermediate Pressure		LTS		Total	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
Licensee	9,613	9,099	169	128	0	0	0	0	9,782	9,227
Affiliate	65,871	52,659	63	64	0	0	0	0	65,934	52,723
Third Party	68,659	45,593	368	60	0	2	0	0	69,027	45,655
Total	144,143	107,351	600	252	0	2	0	0	144,743	107,605

Figure A8.1 - Total number of gas electricity connections reported by GT and pressure in 2007-08 / 2008-09

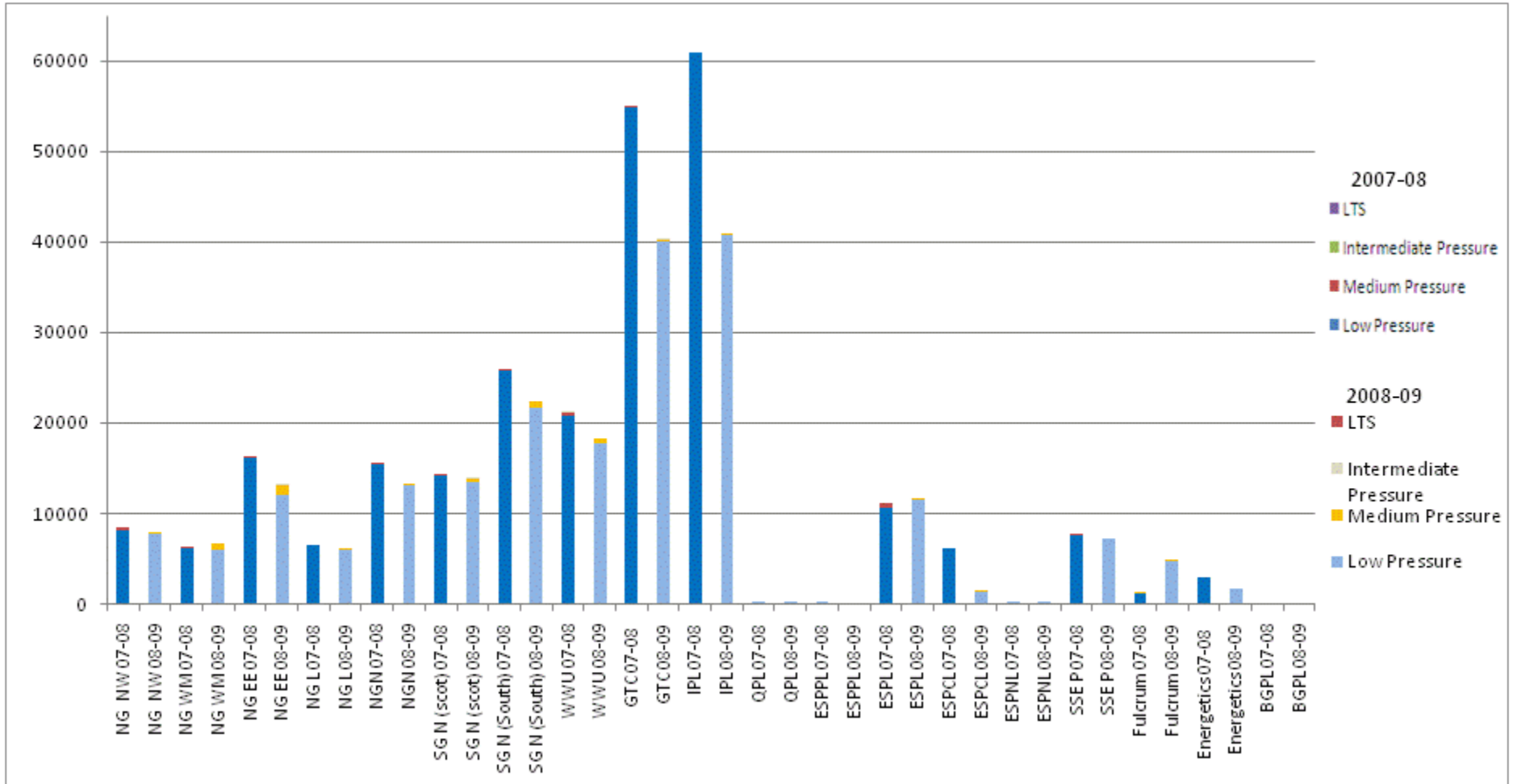


Table A8.4 - Total number of gas electricity connections reported by GT and pressure in 2007-08 / 2008-09

Connection by:	Low Pressure		Medium Pressure		Intermediate Pressure		LTS		Total	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
NG NW	8110	7707	286	113	0	0	0	0	8396	7820
NG WM	6210	5942	1	700	0	0	0	0	6211	6642
NG EE	16122	12017	9	1101	0	1	0	0	16131	13119
NG L	6565	6026	0	32	0	0	0	0	6565	6058
NGN	15364	13118	213	206	0	0	0	0	15577	13324
SGN (scot)	14106	13391	16	455	0	9	0	0	14122	13855
SGN (South)	25861	21750	57	556	0	0	0	0	25918	22306
WWU	20757	17713	404	521	2	0	0	0	21163	18234
GTC	54812	40096	31	70	0	2	0	0	54843	40168
IPL	60901	40764	0	46	0	0	0	0	60901	40810
QPL	37	3	0	0	0	0	0	0	37	3
ESPPL	1	0	0	0	0	0	0	0	1	0
ESPL	10604	11586	511	128	0	0	0	0	11115	11714
ESPCL	6111	1297	0	4	0	0	0	0	6111	1301
ESPNL	54	2	0	0	0	0	0	0	54	2
SSE P	7508	7145	5	0	0	0	0	0	7513	7145
Fulcrum	1138	4765	53	4	0	0	0	0	1191	4769
Energetics	2977	1693	0	0	0	0	0	0	2977	1693
BGPL	0	0	0	0	0	0	0	0	0	0
Total	257238	205015	1586	3936	2	12	0	0	258826	208963

New and modified gas connections to new domestic premises

1.30. In 2008-09 133,952 gas connections to new domestic premises were undertaken, down from 169,000 in 2007-08. This may be due, in part, to the economic downturn experienced during the 2008-09 reporting period, leading to less building and property development and therefore less demand for low pressure connections.

1.31. Around 30,500 of the total gas connections were connections to GDN networks (see Table A8.5) and around 103,500 were connections to IGT networks (see Table A8.6). This shows that IGTs have the lions share of new domestic connections.

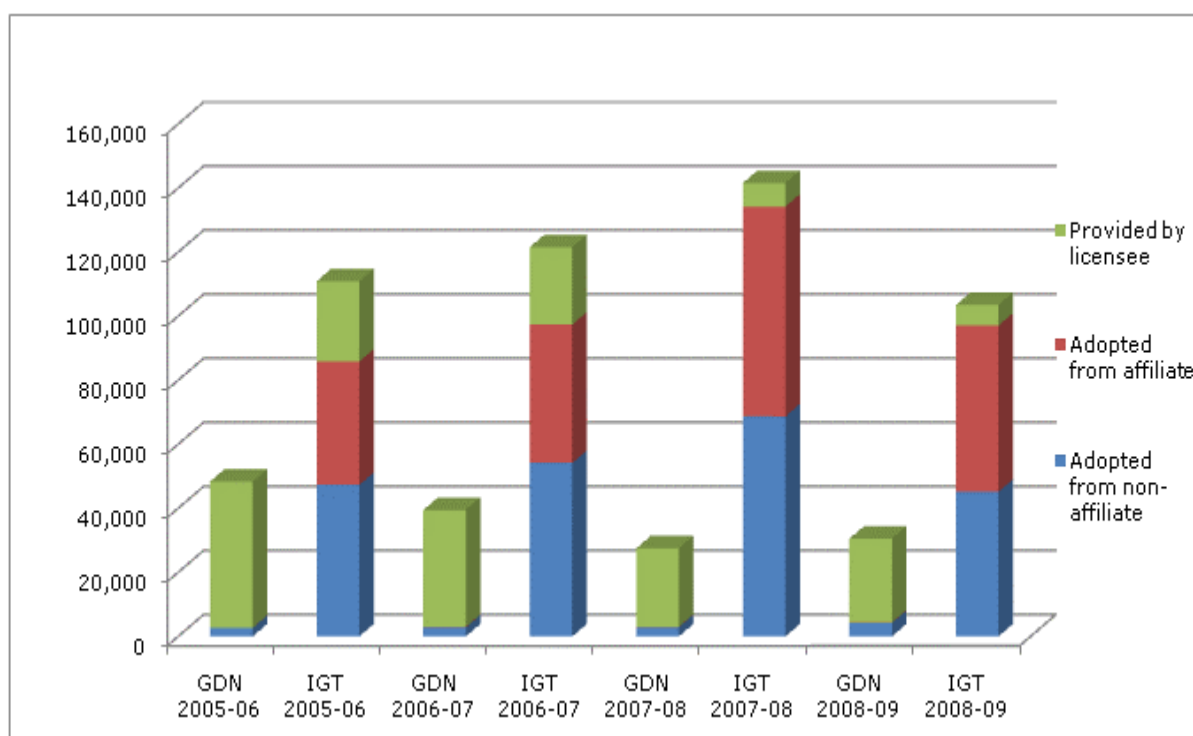
1.32. Tables A8.5 and A8.6 show that the number of affiliates and third parties connecting to GDN networks has increased from 5% of connections to 14% of connections over the last four years. However, this is significantly lower than the proportion of connections undertaken by affiliates or third parties to IGT networks. In 2008-09, a total of 94% of connections to IGT networks were undertaken by affiliates or third parties.

Table A8.5 - New and modified gas connections to new domestic premises reported by GDNs

Connections by:	2005-06 (Percentage of year)	2006-07 (Percentage of year)	2007-08 (Percentage of year)	2008-09 (Percentage of year)
GDNs	45,739 95%	36,453 92%	24,469 89%	26,122 86%
Companies affiliated to GDNs	0 0%	192 0%	138 1%	147 0%
Third Parties	2,640 5%	2,787 7%	2,889 11%	4,205 14%
Total	48,379 100%	39,432 100%	27,496 100%	30,474 100%

Table A8.6 - New and modified gas connections to new domestic premises reported by IGTs

Connections by:	2005-06 (Percentage of year)	2006-07 (Percentage of year)	2007-08 (Percentage of year)	2008-09 (Percentage of year)
IGTs	25,095 23%	24,138 20%	7,348 5%	6,416 6%
Companies affiliated to IGTs	38,481 35%	43,161 36%	65,490 46%	51,850 50%
Third Parties	47,328 43%	54,226 45%	68,730 49%	45,212 44%
Total	110,904 100%	121,525 100%	141,568 100%	103,478 100%

Figure A8.2 - New and modified gas connections to new domestic premises

New and modified gas connections to existing domestic premises

1.33. In 2008-09, 61,917 gas connections to existing domestic premises were undertaken, compared to around 78,600 in 2007-08. As illustrated in Table A8.7,

58,917 of the 61,917 were connections to GDN networks while 3,000 were connections to IGT networks (see Table A8.8).

1.34. The number of new and modified gas connections to existing domestic premises has varied from year to year for connections to both GDN and IGT networks. GDNs reported a high number of connections to their networks in 2005-06 and 2007-08 – approx 76,000 in both years – while in 2006-07 and 2008-09 the number of connections reported were approx 58,000. Reported connections to IGT networks were highest in 2005-06, with a total of 4,748 connections. This fell to a low of 1,926 connections in 2006-07. However, the number of reported connections to IGT networks has increased steadily since then, to 2,333 in 2007-08 and 3,000 in 2008-09.

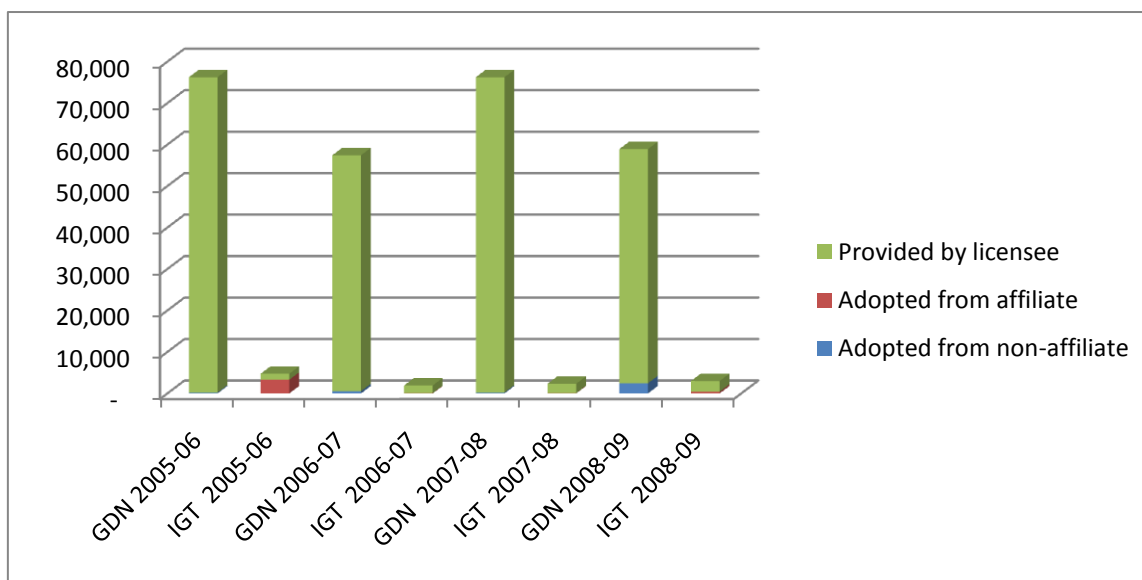
Table A8.7 - New and modified gas connections to existing domestic premises reported by GDNs

Connections by:	2005-06 (Percentage of year)	2006-07 (Percentage of year)	2007-08 (Percentage of year)	2008-09 (Percentage of year)
GDNs	76,042 100%	56,894 99%	76,045 100%	56,468 96%
Companies affiliated to GDNs	0 0%	0 0%	0 0%	0 0%
Third Parties	213 0%	544 1%	206 0%	2,449 4%
Total	76,255 100%	57,438 100%	76,251 100%	58,917 100%

Table A8.8 - New and modified gas connections to existing domestic premises reported by IGTs

Connections by:	2005-06 (Percentage of year)	2006-07 (Percentage of year)	2007-08 (Percentage of year)	2008-09 (Percentage of year)
IGTs	1,444 30%	1,857 96%	2,266 97%	2,572 86%
Companies affiliated to IGTs	3,288 69%	69 4%	67 3%	428 14%
Third Parties	16 0%	0 0%	0 0%	0 0%
Total	4,748 100%	1,926 100%	2,333 100%	3,000 100%

Figure A8.3 - New and modified gas connections to existing domestic premises



1.35. We note that GDN networks account for a much higher proportion of new / modified connections to existing domestic premises, whereas the opposite is true for new domestic premises. This may be due to the fact that GDN networks have been around for longer than IGT networks, as the gas connections market was only opened to competition in 1998. Therefore, a higher proportion of existing domestic premises will be connected to GDN networks. We expect that as time progresses, the number of new and modified connections to existing domestic premises undertaken by IGTs will increase. It is also true that while homes on existing networks will not always have gas connections, homes on new independent networks will usually have been built with both a gas and an electricity connection. Therefore fewer homes on independent networks would need to request a gas connection.

Gas connections to non-domestic premises

1.36. In 2008-09, 13,094 gas connections to non-domestic premises were undertaken, compared to 11,178 during 2007-08. Of the 13,094, almost 12,000 were connections to GDN networks (see Table A8.9). The increase in the number of connections to non-domestic premises, given the economic downturn, may be due to the fact that non-domestic property developments (for example, industrial sites, office buildings, and retail centres) tend to have more capital to support them and are therefore less vulnerable to short-term economic conditions than residential property developments.

1.37. Table A8.9 shows that the number of gas connections to non-domestic premises reported by GDNs has remained relatively constant over the last four years. The proportion of connections undertaken by GDNs themselves is declining, while the

proportion of connections undertaken by third parties is increasing significantly to now stand at nearly 50 per cent, i.e. connection activities are being transferred from GDNs to third parties.

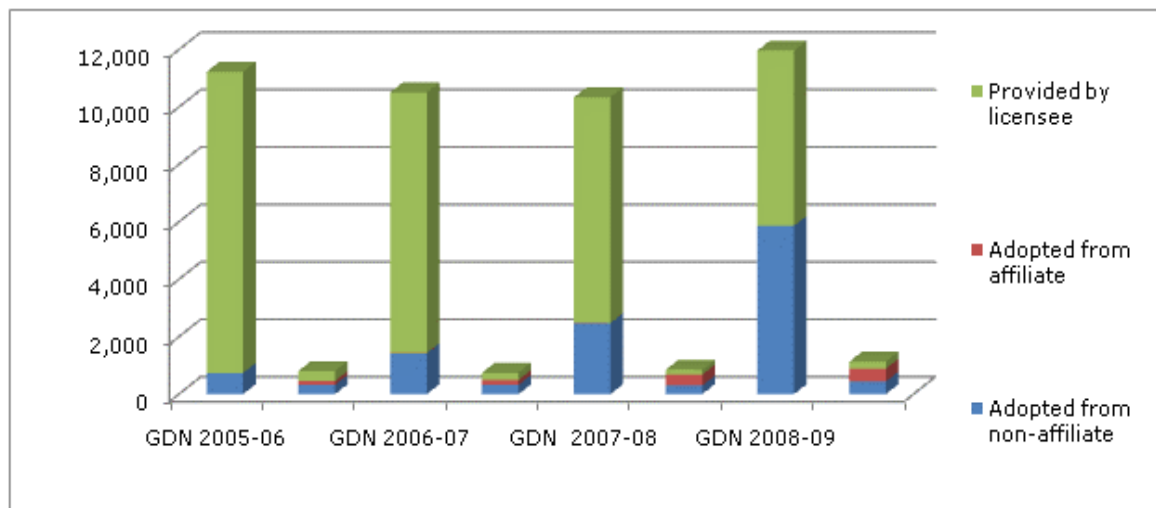
1.38. Table A8.10 shows that the number of gas connections to non-domestic premises reported by IGTs has increased slightly over the last four years. The proportion of connections being undertaken by IGTs themselves is declining, while the proportion of connections being undertaken by their affiliates is increasing, i.e. jobs are being transferred from IGTs to their affiliates.

Table A8.9- Gas connections to non-domestic premises reported by GDNs

Connections by:	2005-06 (Percentage of year)	2006-07 (Percentage of year)	2007-08 (Percentage of year)	2008-09 (Percentage of year)
GDNs	10,485 93%	9,074 86%	7,857 76%	6,105 51%
Companies affiliated to GDNs	0 0%	12 0%	1 0%	0 0%
Third Parties	737 7%	1,419 14%	2,478 24%	5,862 49%
Total	11,222 100%	10,505 100%	10,336 100%	11,967 100%

Table A8.10- Gas connections to non-domestic premises reported by IGTs

Connections by:	2005-06 (Percentage of year)	2006-07 (Percentage of year)	2007-08 (Percentage of year)	2008-09 (Percentage of year)
IGTs	342 43%	243 33%	168 20%	239 21%
Companies affiliated to IGTs	138 17%	171 23%	377 45%	445 39%
Third Parties	318 40%	325 44%	297 35%	443 39%
Total	798 100%	739 100%	842 100%	1,127 100%

Figure A8.4 - Non-Domestic Gas connections

In-fill schemes

1.39. In-fill schemes are extensions to the gas network to connect customers who are more than 23 metres from the nearest gas main.

1.40. Of the 208,963 gas connections performed in 2008-09, approximately 4,573 formed part of in-fill schemes, an increase from 3,280 last year. 1,608 were connections to GDN networks whilst 2,965 were connections to IGT networks. This is comparable to last year where 1,010 were connections to GDN networks and 2,270 were connections to IGT networks.

Connected systems exit points

1.41. In 2008-09, there were 3,617 new system exit points created between primary networks and embedded networks, compared to 3,818 last year. 3,588 were exit points from GDN networks whilst 29 were exit points from IGT networks. In 2007-08 the figures were 3,693 and 125 exit points from GDN and IGT networks, respectively.

Total charges for gas connections by pressure

1.42. Six GDNs and all IGTs were able to break down the charges they had levied for connections by pressure. As two GDNs were unable to provide this information they have not been included in the analysis in this section.

1.43. As illustrated in Table A8.11, the GDNs and IGTs who were able to provide connections data by pressure reported that almost all connection charges related to low pressure connections (98% for GDNs and 100% for IGTs).

Table A8.11: Breakdown of gas connection charges by pressure (%)

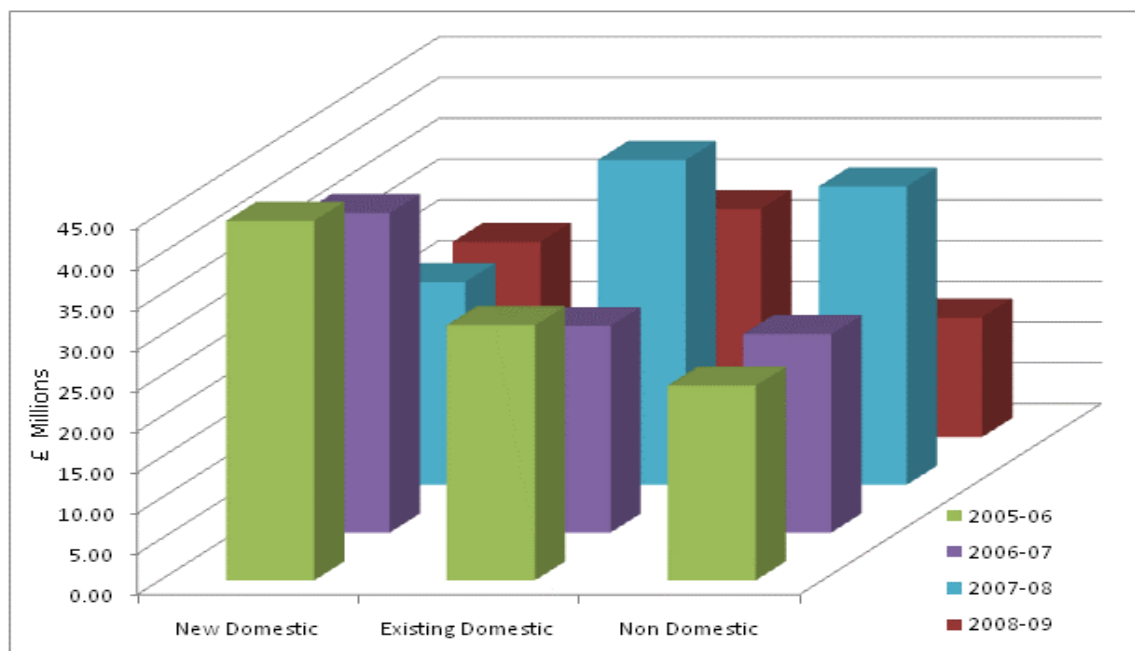
	Low	Medium	Intermediate	LTS	Total
GDNs	98%	2%	0%	0%	100%
IGTs	100%	0%	0%	0%	100%

Connection charges disaggregated by customer type

1.44. As illustrated in Figure A8.5, there was a decline in connection charges for all customer types in 2008-09. The decreases in connection charges are likely to be due to the lower connection volumes during the reporting period.

1.45. Total charges for new domestic premises in 2008-09 were approximately £24 million, down from £25 million in 2007-08. Similarly, connection charges for existing domestic premises were £28 million, down from £40 million in 2007-08, while charges for non-domestic premises were around £15 million, down from £37 million.

Figure A8.5: Historical summary of gas connection charges disaggregated by customer type (£ millions)



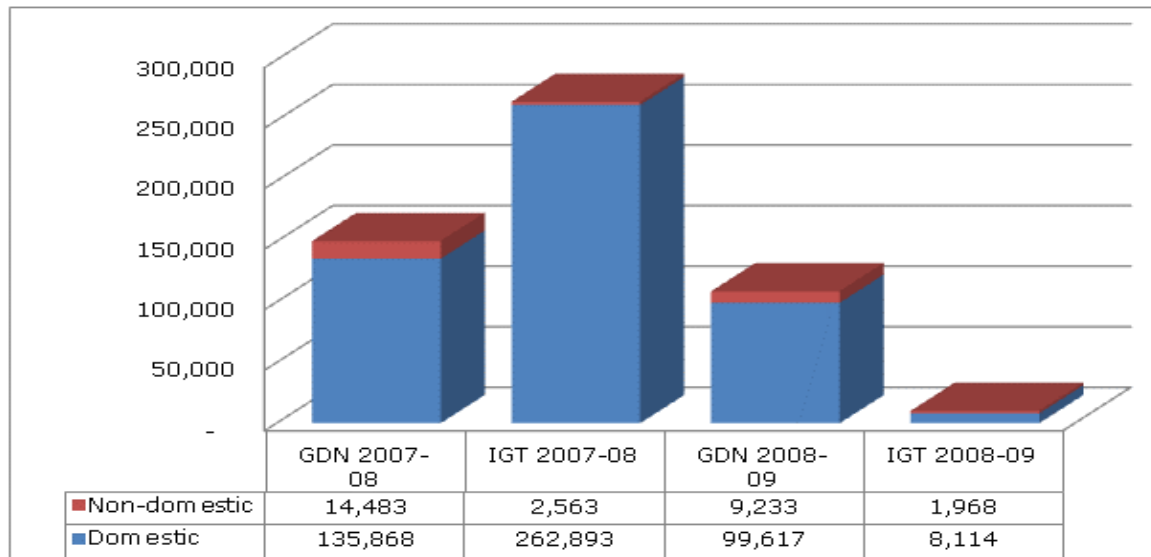
Total number of gas connection queries handled

1.46. We asked GDNs and IGTs about the number of connection queries they receive. In 2008-09, around 119,000 connection queries were handled by GDNs and IGTs, compared to approximately 416,000 queries in 2007-08. The significantly lower volume of queries handled this year is likely to be a result of inaccurate measurement in 2007-08¹⁶.

1.47. Of the 108,850 connection queries handled by GDNs in 2008-09, approximately 54 per cent resulted in an acceptance of an offer. Approximately 23 per cent of the 10,082 connection queries handled by IGTs resulted in an acceptance of the offer. This is comparable to 2007-08, where 58 percent of the 150,000 connection queries handled by GDNs and 27 percent of the 265,000 connection queries handled by IGTs resulted in an acceptance of the offer.

¹⁶ In 2007-08, we specified that queries should only be counted once, i.e. multiple contacts from the same party about the same connection should only count as one query. However, the high numbers reported suggests that some respondents counted each property included in a query separately i.e. a query about connection of an estate of 50 houses may have been counted as 50 queries.

Figure A8.6 - Number of Gas connection enquiries handled



Appendix 9 - Customer service in connections - performance against standards.

Breakdown by licensee of performance reporting against SLC 15 (Formerly 4F) – Standards for the provision of Non-Contestable Connection Services

1.9. It should be noted that the SLC 15 standards for the provision of Non-Contestable Connection Services were introduced on 1 October 2007, therefore the data recorded here for the 2007-08 period only reflects services provided in the last two quarters of 2007-08.

SLC 15 – Appendix 1: 1(a) – Provision of LV demand quotation: 90 percent within 15 working days

1.10. Licensees must provide a quotation for a new demand connection to their distribution system, where the highest voltage of the assets at the point of connection and any associated works is not more than one kV, within 15 working days of receiving the request. Licensees must take all reasonable steps in every case to provide this service to the applicant within 15 working days and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.11. Average DNO performance in the provision of LV demand quotations in 2008-09 remained consistent with the performance levels recorded in the last two quarters of 2007-08. Six DNOs continued to provide 100 per cent of relevant demand quotations within 15 working days and three other DNOs achieved 100 per cent compliance providing services that fell within the standard for the first time in 2008-09. Although they did not achieve 100 per cent compliance two DNOs' performance against the standard improved in 2008-09. Three DNOs' performance against the standard fell in 2008-09, although the percentage reduction was not significant, we would expect to see performance against the standards improving year on year.

Figure A9.1 - Individual DNO performance against SLC 15 – Appendix 1: 1(a)

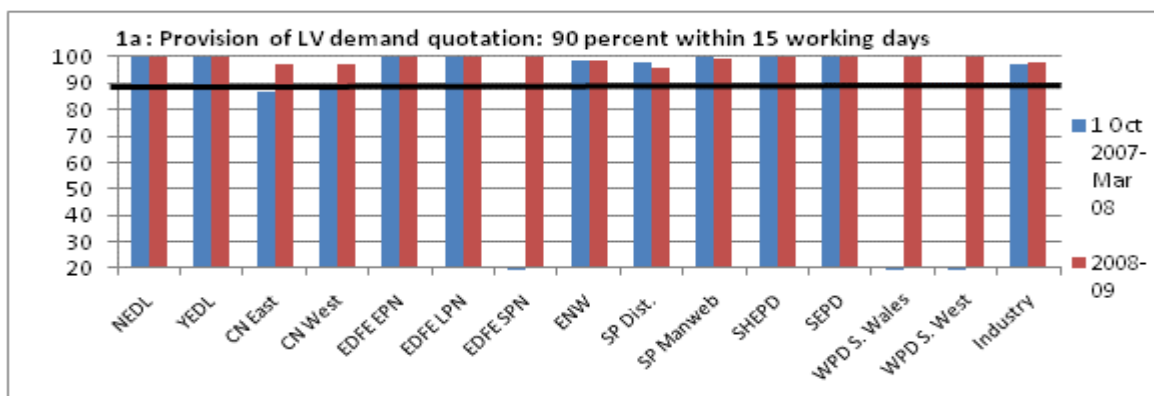


Table A9.1 - Individual DNO performance against SLC 15 – Appendix 1: 1(a)

DNO	1 Oct 2007- Mar 2008			2008-09		
	Quotations issued	Within timescale	% Achieved	Quotations issued	Within timescale	% Achieved
NEDL	26	26	100.00	73	73	100.00
YEDL	68	68	100.00	105	105	100.00
CN East	67	58	86.57	165	160	96.97
CN West	63	56	88.89	165	160	96.97
EDFE EPN	1	1	100.00	81	81	100.00
EDFE LPN	1	1	100.00	23	23	100.00
EDFE SPN	-	-	-	20	20	100.00
ENW	227	224	98.68	406	400	98.52
SP Dist.	451	440	97.56	1005	963	95.82
SP Manweb	125	125	100.00	277	275	99.28
SHEPD	13	13	100.00	34	34	100.00
SEPD	21	21	100.00	36	36	100.00
WPD S. Wales	-	-	-	3	3	100.00
WPD S. West	-	-	-	5	5	100.00
Industry total	1063	1033	97.18	2398	2338	97.50

SLC 15 - SLC 15 Appendix 1: 1(b) – Provision of LV generation quotation: 90 percent within 30 working days

1.12. Licensees must provide a quotation for a new generation connection to the licensees' distribution system, where the highest voltage of the assets at the point of connection and any associated works is not more than one kV, within 30 working days of receiving the request. Licensees must take all reasonable steps in every case to provide this service to the applicant within 30 working days and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.13. None of the DNOs provided services that fell within this standard in 2008-09.

Figure A9.2 SLC 15 Appendix 1: 1(b)

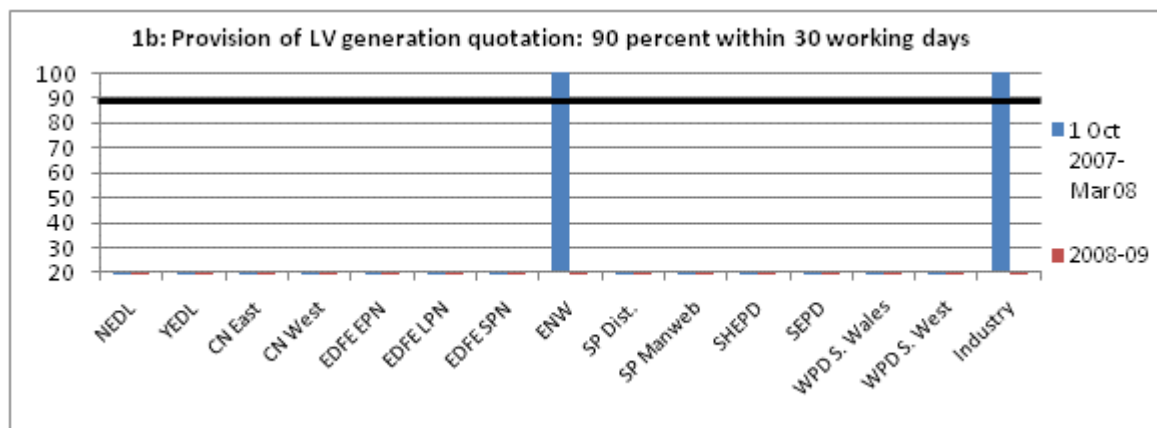


Table A9.2 - SLC 15 Appendix 1: 1(b)

DNO	1 Oct 2007- Mar 2008			2008-09		
	Quotations issued	Within timescale	% Achieved	Quotations issued	Within timescale	% Achieved
NEDL	-	-	-	-	-	-
YEDL	-	-	-	-	-	-
CN East	-	-	-	-	-	-
CN West	-	-	-	-	-	-
EDFE EPN	-	-	-	-	-	-
EDFE LPN	-	-	-	-	-	-
EDFE SPN	-	-	-	-	-	-
ENW	1	1	100.00	-	-	-
SP Dist.	-	-	-	-	-	-
SP Manweb	-	-	-	-	-	-
SHEPD	-	-	-	-	-	-
SEPD	-	-	-	-	-	-
WPD S. Wales	-	-	-	-	-	-
WPD S. West	-	-	-	-	-	-
Industry total	1	1	100.00	0	0	-

SLC 15 – Appendix 1: 1(c) – Provision of HV demand quotation: 90 percent within 20 working days

1.14. Licensees must provide a quotation for a new demand connection to the licensee's distribution system, where the highest voltage of the assets at the point of connection and any associated works is more than one kV but not more than 22 kV, within 20 working days of receiving the request. Licensees must take all reasonable steps in every case to provide this service to the applicant within 20 working days and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.15. Average DNO performance in the provision of HV demand quotations improved in 2008-09. Seven DNOs continued to provide 100 per cent of relevant HV demand quotations within 20 working days and six DNOs performance against the standard improved although they did not achieve 100 per cent compliance. WPD South West performance fell from 100 per cent in the last two quarters of 2007-08 to 93 per cent in 2008-09. Although this drop in compliance can be attributed to a relevant rise in requests we would expect to see DNO performance improving year on year.

Figure A9.3 - Individual DNO performance against SLC 15 – Appendix 1: 1(c)

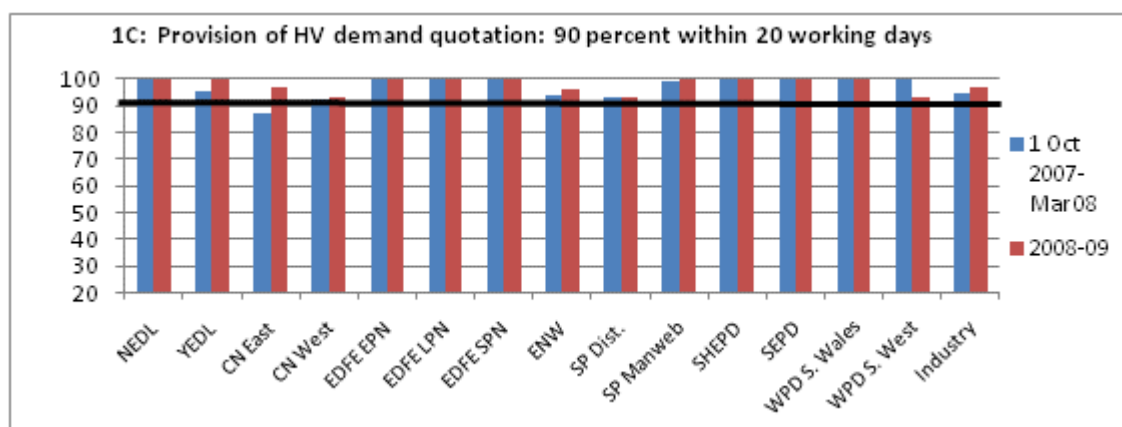


Table A9.3 - Individual DNO performance against SLC 15 – Appendix 1: 1(c)

DNO	1 Oct 2007- Mar 2008			2008-09		
	Quotations issued	Within timescale	% Achieved	Quotations issued	Within timescale	% Achieved
NEDL	14	14	100.00	31	31	100.00
YEDL	66	63	95.45	142	142	100.00
CN East	142	124	87.32	333	323	97.00
CN West	129	119	92.25	292	271	92.81
EDFE EPN	2	2	100.00	101	101	100.00
EDFE LPN	2	2	100.00	41	41	100.00
EDFE SPN	1	1	100.00	34	34	100.00
ENW	230	216	93.91	425	409	96.24
SP Dist.	442	412	93.21	571	533	93.35
SP Manweb	318	315	99.06	472	470	99.58
SHEPD	6	6	100.00	69	69	100.00
SEPD	6	6	100.00	82	82	100.00
WPD S. Wales	2	2	100.00	4	4	100.00
WPD S. West	1	1	100.00	14	13	92.86
Industry total	1361	1283	94.27	2611	2523	96.63

SLC 15 – Appendix 1: 1(d) – Provision of HV generation quotation: 90 percent within 50 working days

1.16. Licensees must provide a quotation for a new generation connection to the licensee's distribution system, where the highest voltage of the assets at the point of connection and associated works is more than one kV but not more than 22 kV, within 50 working days of receiving the request. Licensees must take all reasonable steps in every case to provide this service to the applicant within 50 working days and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.17. Only four DNOs provided services under this standard in 2008-09 down from 5 in the last two quarters of 2007-08. All DNOs that reported providing services under the standard achieved 100 per cent compliance.

Figure A9.4 - Individual DNO performance against SLC 15 – Appendix 1: 1(d)

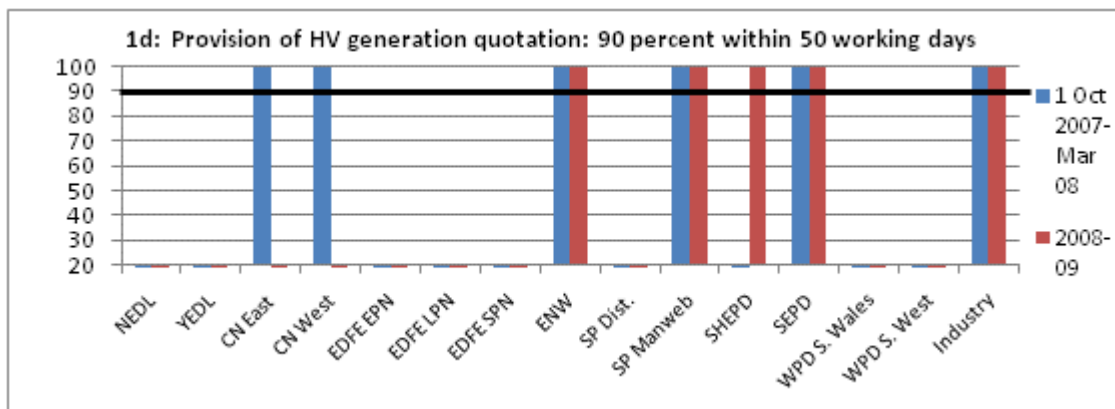


Table A9.4 - Individual DNO performance against SLC 15 – Appendix 1: 1(d)

DNO	1 Oct 2007- Mar 2008			2008-09		
	Quotations issued	Within timescale	% Achieved	Quotations issued	Within timescale	% Achieved
NEDL	-	-	-	-	-	-
YEDL	-	-	-	-	-	-
CN East	1	1	100.00	-	-	-
CN West	7	7	100.00	-	-	-
EDFE EPN	-	-	-	-	-	-
EDFE LPN	-	-	-	-	-	-
EDFE SPN	-	-	-	-	-	-
ENW	2	2	100.00	8	8	100
SP Dist.	-	-	-	-	-	-
SP Manweb	1	1	100.00	1	1	100
SHEPD	-	-	-	1	1	100
SEPD	2	2	100.00	1	1	100
WPD S. Wales	-	-	-	-	-	-
WPD S. West	-	-	-	-	-	-
Industry total	13	13	100.00	11	11	100

SLC 15 – Appendix 1: 1(e) – Provision of EHV demand quotations: 90 percent within 50 working days

1.18. Licensees must provide a quotation for a new demand connection to the licensee's distribution system, where the highest voltage of the assets at the point of connection and associated works is more than 22 kV but not more than 72 kV, within 50 working days of receiving the request. Licensees must take all reasonable steps in every case to provide this service to the applicant within 50 working days and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.19. Average DNO performance in the provision of EHV demand quotations within 50 working days improved in 2008-09 compared to the last two quarters of 2007-08. Six DNOs provided services falling under the standard for the first time in 2008-09 and achieved 100 per cent compliance. Two DNOs achieved 100 per cent compliance in both the last two quarters of 2007-08 and in 2008-09. One DNO's performance improved (CN East) as it achieved only 81 per cent compliance in 2007-08 but 100 per cent compliance in 2008-09. Two DNOs' performance fell in 2008-09 with one DNO (CN West) achieving only 75 per cent compliance. We are currently seeking further information regarding this failure to meet the 90 per cent performance threshold and it is considered further in chapter three of the main CIR document.

Figure A9.5 - Individual DNO performance against SLC 15 – Appendix 1: 1(e)

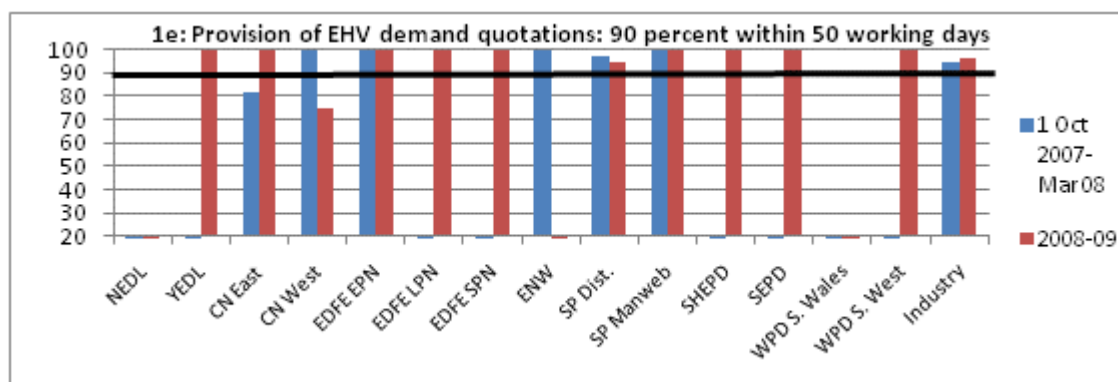


Table A9.5 - Individual DNO performance against SLC 15 – Appendix 1: 1(e)

	1 Oct 2007- Mar 2008	2008-09
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DNO	Quotations issued	Within timescale	% Achieved	Quotations issued	Within timescale	% Achieved
NEDL	-	-	-	-	-	-
YEDL	-	-	-	3	3	100.00
CN East	16	13	81.25	29	29	100.00
CN West	10	10	100.00	4	3	75.00
EDFE EPN	1	1	100.00	2	2	100.00
EDFE LPN	-	-	-	1	1	100.00
EDFE SPN	-	-	-	1	1	100.00
ENW	3	3	100.00	-	-	-
SP Dist.	33	32	96.97	148	140	94.59
SP Manweb	16	16	100.00	63	63	100.00
SHEPD	-	-	-	3	3	100.00
SEPD	-	-	-	6	6	100.00
WPD S. Wales	-	-	-	-	-	-
WPD S. West	-	-	-	1	1	100.00
Industry total	79	75	94.94	261	252	96.55

SLC 15 – Appendix 1: 1(f) – Provision of other quotations for new demand or generation: 90 percent within three months of receiving the request

1.20. Licensees must provide a quotation for a new demand connection or generation connection to the licensee's distribution system that is not included within standards 1a-1e, within 3 months of receiving the request. Licensees must take all reasonable steps in every case to provide this service to the applicant within 3 months and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.21. Three DNOs provided services that fell under this standard in 2008-09 compared to only one in the last two quarters of 2007-08. All three DNOs achieved 100 per cent compliance.

Figure A9.6 – Individual DNO performance against SLC 15 – Appendix 1: 1(f)

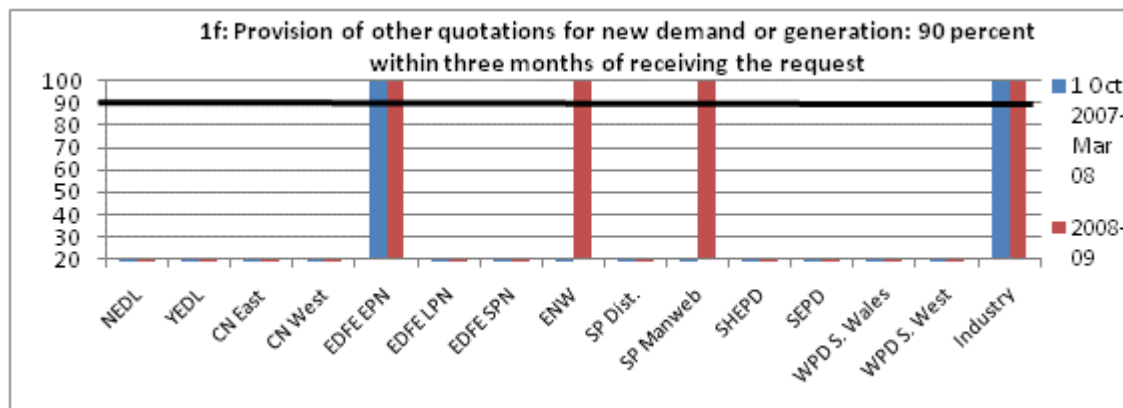


Table A9.6 – Individual DNO performance against SLC 15 – Appendix 1: 1(f)

DNO	1 Oct 2007- Mar 2008			2008-09		
	Quotations issued	Within timescale	% Achieved	Quotations issued	Within timescale	% Achieved
NEDL	-	-	-	-	-	-
YEDL	-	-	-	-	-	-
CN East	-	-	-	-	-	-
CN West	-	-	-	-	-	-
EDFE EPN	1	1	100.00	2	2	100.00
EDFE LPN	-	-	-	-	-	-
EDFE SPN	-	-	-	-	-	-
ENW	-	-	-	109	109	100.00
SP Dist.	-	-	-	-	-	-
SP Manweb	-	-	-	2	2	100.00
SHEPD	-	-	-	-	-	-
SEPD	-	-	-	-	-	-
WPD S. Wales	-	-	-	-	-	-
WPD S. West	-	-	-	-	-	-
Industry total	1	1	100.00	113	113	100.00

SLC 15 – Appendix 1 2(a) – Providing Point of connection (POC) information: 90 percent within 30 working days

1.22. Licensees must provide the technical information necessary to enable the applicant to identify the proposed location and characteristics of the POC of the premises to licensees’ distribution system, where the highest voltage of the assets at that point and any Associated Works is more than 22 kV but not more than 72 kV, within 10 working days of receiving the proposed design (unless any part of it would require or directly affect the use of EHV assets). Licensees must take all reasonable steps in every case to provide this service to the applicant within 10 working days (unless any part of it would require or directly affect the use of EHV assets) and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.23. Average DNO performance in the provision of POC information fell in 2008-09 when compared to performance in the last two quarters of 2007-08. Four DNOs provided services under this standard for the first time in 2008-09 and all achieved 100 per cent compliance. Two other DNOs continued to achieve 100 per cent compliance. One DNO (CN East) performance improved in 2008-09 and they achieved 100 per cent compliance compared to only 88 per cent compliance in the last two quarters of 2007-08. SP Distribution’s performance fell as they achieved 100 per cent in the last two quarters of 2007-08 and only 96 per cent in 2008-09. Although SP Distribution did receive a proportionally higher number of relevant requests for POCs in 2008-09 and its performance did not fall below the 90 per cent performance threshold, we expect performance to improve year on year.

Figure A9.7 - Individual DNO performance against SLC 15 – Appendix 1: 2(a)

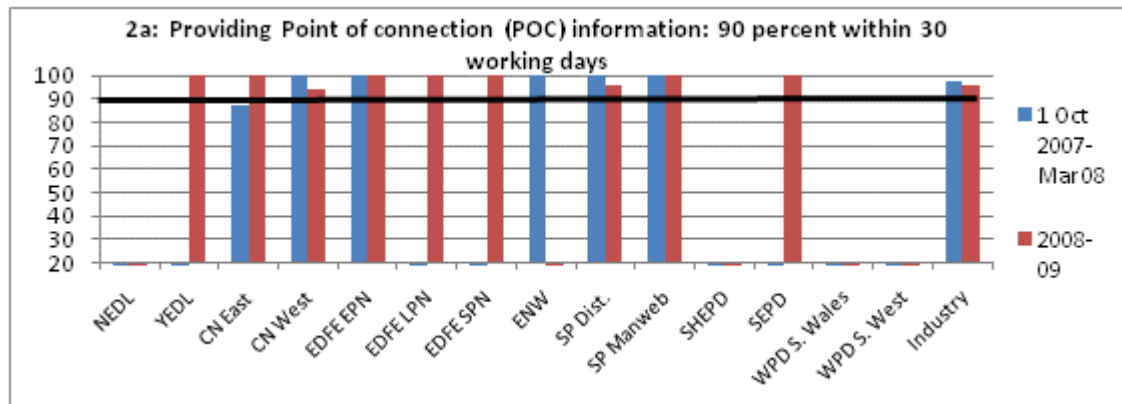


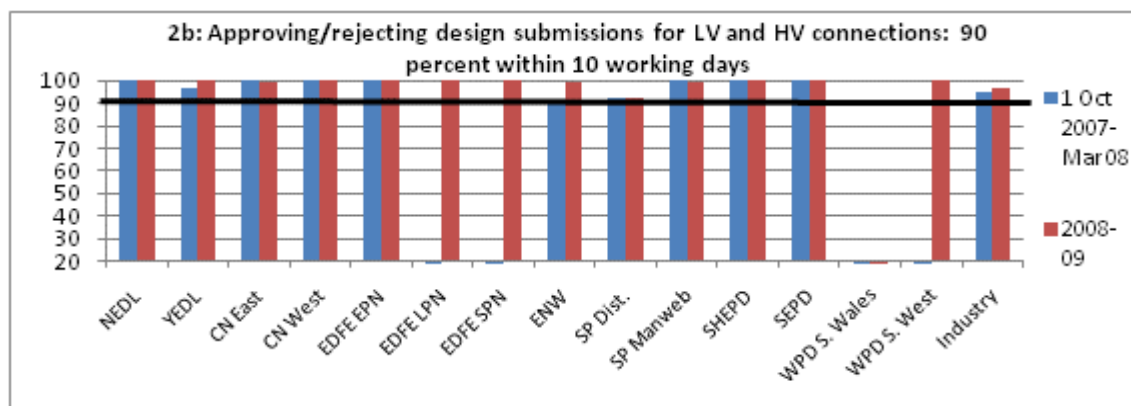
Table A 9.7 - Individual DNO performance against SLC 15 – Appendix 1: 2(a)

DNO	1 Oct 2007- Mar 2008			2008-09		
	POCs Provided	Within timescale	% Achieved	POCs Provided	Within timescale	% Achieved
NEDL	-	-	-	-	-	-
YEDL	-	-	-	2	2	100.00
CN East	16	14	87.50	24	24	100.00
CN West	10	10	100.00	120	113	94.17
EDFE EPN	1	1	100.00	2	2	100.00
EDFE LPN	-	-	-	1	1	100.00
EDFE SPN	-	-	-	1	1	100.00
ENW	3	3	100.00	-	-	-
SP Dist.	33	33	100.00	148	142	95.95
SP Manweb	16	16	100.00	40	40	100.00
SHEPD	-	-	-	-	-	-
SEPD	-	-	-	5	5	100.00
WPD S. Wales	-	-	-	-	-	-
WPD S. West	-	-	-	-	-	-
Industry total	79	77	97.47	344	330	95.93

SLC 15 – Appendix 1: 2(b) – Providing design submissions for LV and HV connections: 90 percent within 10 working days

1.24. Licensees must in response to a design submitted by the applicant for the licensee's approval, outlining a new proposal for connection premises to the licensee's distribution system, provide a written approval of the proposed design, or a written rejection stating reasons for rejection, within 10 working days of receiving the proposed design (unless any part of it would require or directly affect the use of EHV assets). Licensees must take all reasonable steps in every case to provide this service to the applicant within 10 working days (unless any part of it would require or directly affect the use of EHV assets) and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.25. Average DNO performance in the provision of design submissions for LV and HV connections rose from 95 per cent in the last two quarters of 2007-08 to 96 per cent in 2008-09. Five DNOs continued to achieve 100 per cent compliance and three DNOs provided this service for the first time achieving 100 per cent compliance. Two DNOs performance against the standard improved in 2008-09 and three DNOs performance fell. We would expect all DNOs performance to improve year on year.

Figure A9.8 - Individual DNO performance against SLC 15 – Appendix 1: 2(b)**Table A9.8 - Individual DNO performance against SLC 15 – Appendix 1: 2(b)**

DNO	1 Oct 2007- Mar 2008			2008-09		
	Designs approved / rejected	Within timescale	% Achieved	Designs approved / rejected	Within timescale	% Achieved
NEDL	6	6	100.00	23	23	100.00
YEDL	27	26	96.30	28	28	100.00
CN East	41	41	100.00	135	134	99.26
CN West	33	33	100.00	101	101	100.00
EDFE EPN	1	1	100.00	63	63	100.00
EDFE LPN	-	-	-	14	14	100.00
EDFE SPN	-	-	-	20	20	100.00
ENW	168	152	90.48	248	246	99.19
SP Dist.	494	457	92.51	961	885	92.09
SP Manweb	233	233	100.00	537	535	99.63
SHEPD	18	18	100.00	14	14	100.00
SEPD	1	1	100.00	26	26	100.00
WPD S. Wales	-	-	-	-	-	-
WPD S. West	-	-	-	4	4	100.00
Industry total	1022	968	94.72	2174	2093	96.27

SLC 15 – Appendix 1: 2(c) – Providing design submissions for EHV and other connections: 90 percent within 20 working days

1.26. Licensees must for EHV and other connections in response to a design submitted by the applicant for the licensee's approval, outlining a new proposal for connection premises to the licensee's distribution system, provide a written approval of the proposed design or a written rejection stating reasons for rejection within 20 working days of receiving the proposed design. Licensees must take all reasonable steps in every case to provide this service to the applicant within 20 working days and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.27. Only four DNOs provided services under this standard and all achieved one hundred percent compliance. CN West's performance improved considerably from only 50 per cent compliance in the last two quarters of 2007-08 to 100 per cent compliance in 2008-09.

Figure A9.9 - Individual DNO performance against SLC 15 – Appendix 1: 2(c)

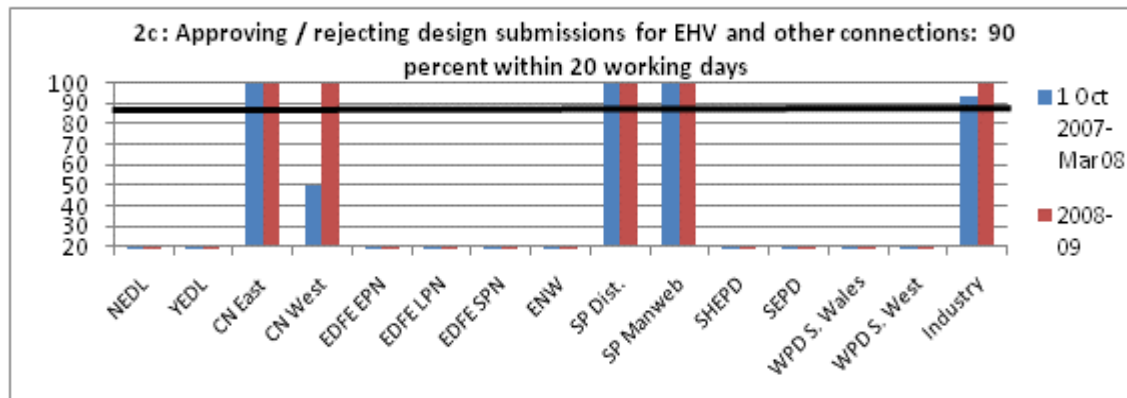


Table A9.9 - Individual DNO performance against SLC 15 – Appendix 1: 2(c)

DNO	1 Oct 2007- Mar 2008			2008-09		
	Connection designs approved / rejected	Within timescale	% Achieved	Connection designs approved / rejected	Within timescale	% Achieved
NEDL	-	-	-	-	-	-
YEDL	-	-	-	-	-	-
CN East	3	3	100.00	8	8	100.00
CN West	2	1	50.00	1	1	100.00
EDFE EPN	-	-	-	-	-	-
EDFE LPN	-	-	-	-	-	-
EDFE SPN	-	-	-	-	-	-
ENW	-	-	-	-	-	-
SP Dist.	4	4	100.00	15	15	100.00
SP Manweb	5	5	100.00	27	27	100.00
SHEPD	-	-	-	-	-	-
SEPD	-	-	-	-	-	-
WPD S. Wales	-	-	-	-	-	-
WPD S. West	-	-	-	-	-	-
Industry total	14	13	92.86	51	51	100.00

SLC 15 – Appendix 1: 3(a) – Complete final works for a LV connection: 90 percent within 10 working days

1.28. Licensees must complete the final works for a low voltage connection within 10 working days of receiving the request. Licensees must take all reasonable steps in every case to provide this service to the applicant within 10 working days and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.29. Average DNO performance completing final works for low voltage connections within 10 working days improved in 2008-09. Five DNOs continued to achieve 100 per cent compliance while four DNOs providing this service for the first time also achieved 100 per cent compliance. One DNOs (ENW) performance improved significantly in 2008-09 while another DNOs (YEDL) performance decreased slightly. We would expect to see all DNOs performance against the standards improve year on year.

Figure A9.10 - Individual DNO performance against SLC 15 – Appendix 1: 3(a)

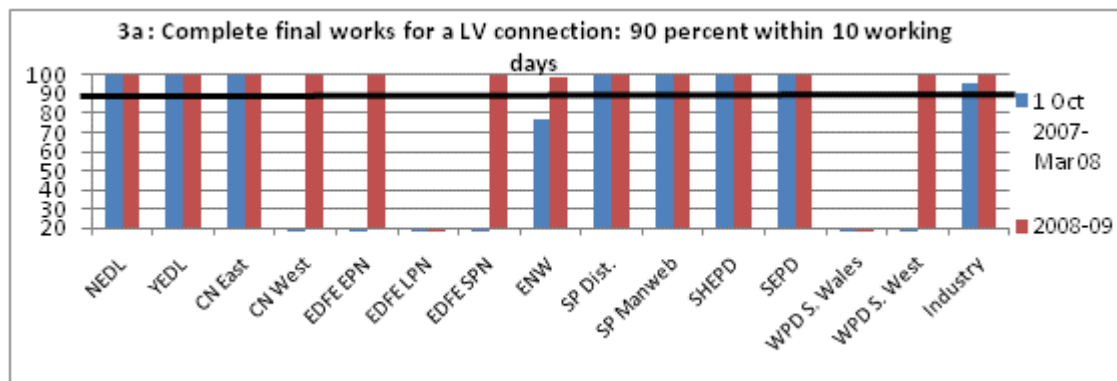


Table A9.10 - Individual DNO performance against SLC 15 – Appendix 1: 3(a)

DNO	1 Oct 2007- Mar 2008			2008-09		
	Final works completed	Within timescale	% Achieved	Final works completed	Within timescale	% Achieved
NEDL	143	143	100.00	348	348	100.00
YEDL	103	103	100.00	845	840	99.41
CN East	11	11	100.00	364	364	100.00
CN West	-	-	-	447	447	100.00
EDFE EPN	-	-	-	2	2	100.00
EDFE LPN	-	-	-	-	-	-
EDFE SPN	-	-	-	1	1	100.00
ENW	97	74	76.29	198	196	98.99
SP Dist.	25	25	100.00	103	103	100.00
SP Manweb	85	85	100.00	118	118	100.00
SHEPD	16	16	100.00	1	1	100.00
SEPD	3	3	100.00	15	15	100.00
WPD S. Wales	-	-	-	-	-	-
WPD S. West	-	-	-	1	1	100.00
Industry total	483	460	95.24	2443	2436	99.71

SLC 15 – Appendix 1: 3(b) – Complete final works for a HV connection: 90 percent within 20 working days

1.30. Licensees must complete the final works for a high voltage connection within 20 working days of receiving the request. Licensees must take all reasonable steps in every case to provide this service to the applicant within 20 working days and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.31. Average DNO performance completing final works for high voltage connections within 20 working days improved in 2008-09. Four DNOs continued to achieve 100 per cent compliance while one DNO providing the service for the first time also achieved 100 per cent compliance. Two DNOs (ENW and SP Distribution) performance improved significantly in 2008-09 to 100 per cent compliance from 90 and 96 per cent respectively. Two DNOs (NEDL and YEDL), who had previously achieved 100 per cent compliance, dropped their performance in 2008-09 and another DNO (SP Manweb) also decreased its performance slightly. We would expect to see DNO performance against the standards improving year on year.

Figure A9.11 - Individual DNO performance against SLC 15 – Appendix 1: 3(b)

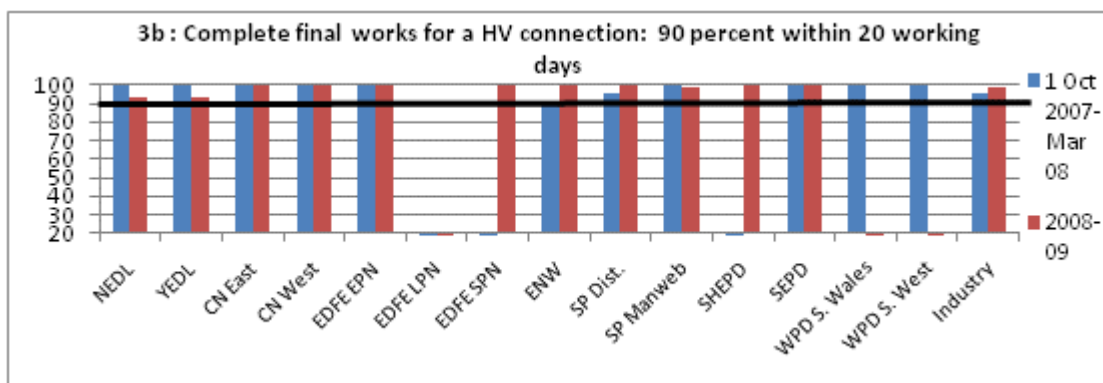


Table A9.11 - Individual DNO performance against SLC 15 – Appendix 1: 3(b)

DNO	1 Oct 2007- Mar 2008			2008-09		
	Final works completed	Within timescale	% Achieved	Final works completed	Within timescale	% Achieved
NEDL	2	2	100.00	16	15	93.75
YEDL	1	1	100.00	15	14	93.33
CN East	4	4	100.00	44	44	100.00
CN West	1	1	100.00	15	15	100.00
EDFE EPN	5	5	100.00	16	16	100.00
EDFE LPN	-	-	-	-	-	-
EDFE SPN	-	-	-	3	3	100.00
ENW	39	35	89.74	59	59	100.00
SP Dist.	25	24	96.00	56	56	100.00
SP Manweb	21	21	100.00	90	89	98.89
SHEPD	-	-	-	1	1	100.00
SEPD	1	1	100.00	5	5	100.00
WPD S. Wales	1	1	100.00	-	-	-
WPD S. West	1	1	100.00	-	-	-
Industry total	101	96	95.05	320	317	99.06

SLC 15 – Appendix 1: 3(c) – Inform applicant of the date it is proposed to complete final works for EHV connection: 90 percent within 20 working days

1.32. Licensees must inform the applicant of the date by which it is proposed to complete the final works for an extra high voltage connection within 20 working days of receiving the request (and complete the works as soon as reasonably practicable). Licensees must take all reasonable steps in every case to provide this service to the applicant within 20 working days and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.33. No DNOs reported services under this standard in 2008-09.

Figure A9.12 – Individual DNO performance against SLC 15 – Appendix 1: 3(c)

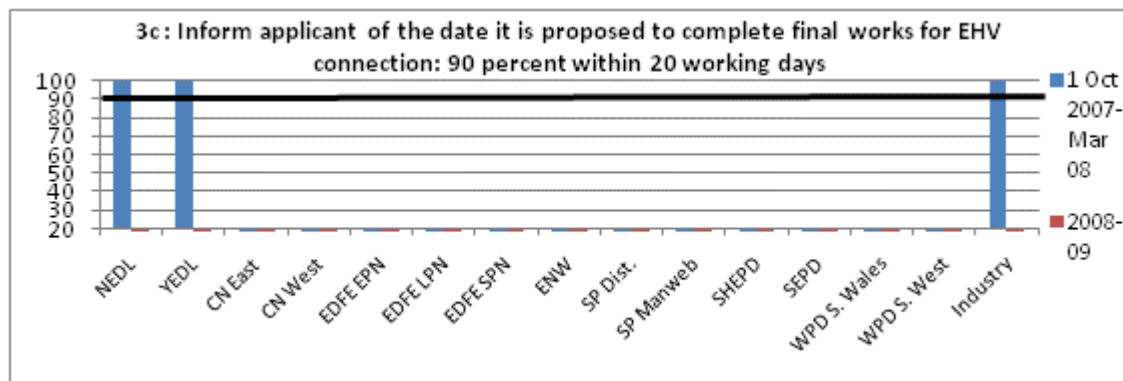


Table A9.12 - Individual DNO performance against SLC 15 – Appendix 1 3(c)

DNO	1 Oct 2007- Mar 2008			2008-09		
	Final connection dates provided	Within timescale	% Achieved	Final connection dates provided	Within timescale	% Achieved
NEDL	1	1	100.00	-	-	-
YEDL	1	1	100.00	-	-	-
CN East	0	0	-	-	-	-
CN West	0	0	-	-	-	-
EDFE EPN	0	0	-	-	-	-
EDFE LPN	0	0	-	-	-	-
EDFE SPN	0	0	-	-	-	-
ENW	0	0	-	-	-	-
SP Dist.	0	0	-	-	-	-
SP Manweb	0	0	-	-	-	-
SHEPD	0	0	-	-	-	-
SEPD	0	0	-	-	-	-
WPD S. Wales	0	0	-	-	-	-
WPD S. West	0	0	-	-	-	-
Industry total	2	2	100.00	-	-	-

SLC 15 – Appendix 1: 3(d) – Complete the works required for a LV phased energisation: 90 percent within 5 working days

1.34. Licensees must complete the works required for a low voltage phased energisation within 5 working days of receiving the request. Licensees must take all reasonable steps in every case to provide this service to the applicant within 5 working days and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.35. Average DNO performance completing the works required for LV phased energisations improved significantly in 2008-09. Six DNOs provided services under the standard and all achieved 100 per cent compliance. ENW’s performance improved dramatically from 60 per cent compliance in the last two quarters of 2007-08 to 100 per cent compliance in 2008-09.

Figure A9.13 - Individual DNO performance against SLC 15 – Appendix 1: 3(d)

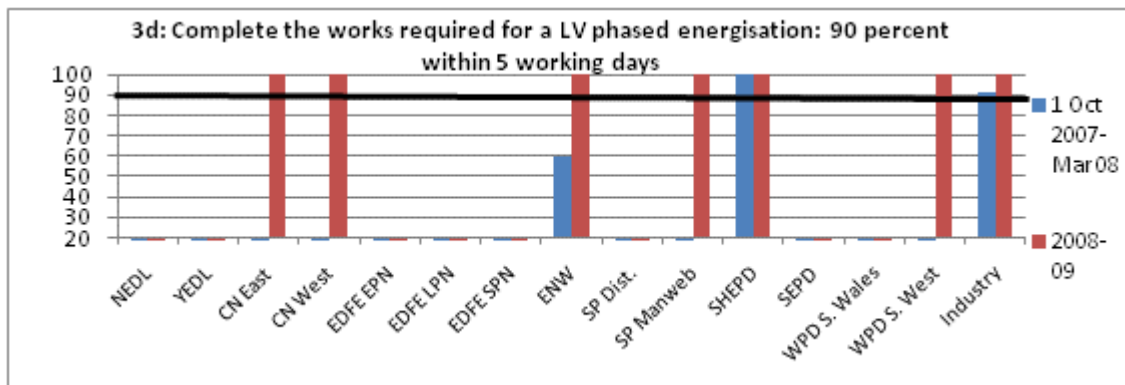


Table A9.13 - Individual DNO performance against SLC 15 – Appendix 1: 3(d)

DNO	1 Oct 2007- Mar 2008			2008-09		
	Works Completed	Within timescale	% Achieved	Works Completed	Within timescale	% Achieved
NEDL	-	-	-	-	-	-
YEDL	-	-	-	-	-	-
CN East	-	-	-	31	31	100.00
CN West	-	-	-	21	21	100.00
EDFE EPN	-	-	-	-	-	-
EDFE LPN	-	-	-	-	-	-
EDFE SPN	-	-	-	-	-	-
ENW	5	3	60.00	6	6	100.00
SP Dist.	-	-	-	-	-	-
SP Manweb	9	9	-	4	4	100.00
SHEPD	8	8	100.00	47	47	100.00
SEPD	-	-	-	-	-	-
WPD S. Wales	-	-	-	-	-	-
WPD S. West	-	-	-	1	1	100.00
Industry total	22	20	90.91	110	110	100.00

SLC 15 – Appendix 1: 3(e) – Complete the works required for a HV phased energisation: 90 per cent within 10 working days

1.36. Licensees must complete works required for a high voltage phased energisation within 10 working days of receiving the request. Licensees must take all reasonable steps in every case to provide this service to the applicant within 5 working days and in any case they must provide this service within the time period in at least 90 per cent of cases.

1.37. All four DNOs providing services under this standard achieved 100 per cent compliance.

Figure A9.14 - Individual DNO performance against SLC 15 – Appendix 1: 3(e)

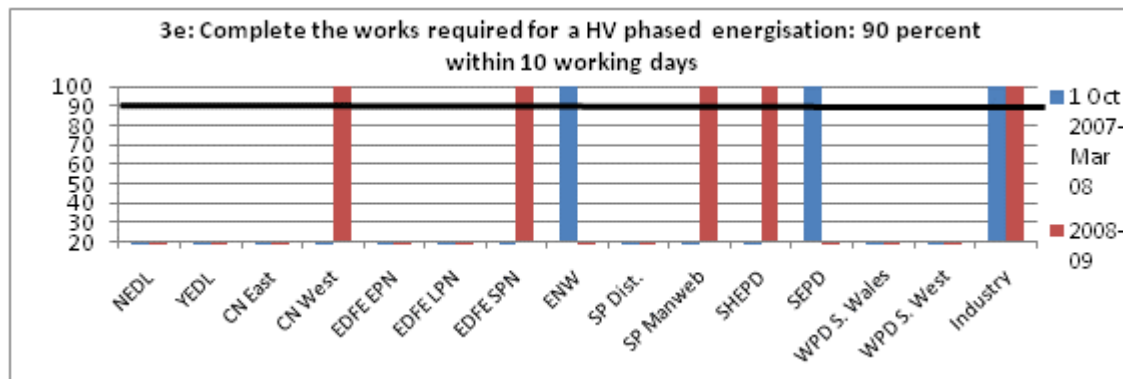


Table A9.14 - Individual DNO performance against SLC 15 – Appendix 1: 3(e)

DNO	1 Oct 2007- Mar 2008			2008-09		
	Works Completed	Within timescale	% Achieved	Works Completed	Within timescale	% Achieved
NEDL	0	0	-	-	-	-
YEDL	0	0	-	-	-	-
CN East	0	0	-	-	-	-
CN West	0	0	-	4	4	100.00
EDFE EPN	0	0	-	-	-	-
EDFE LPN	0	0	-	-	-	-
EDFE SPN	0	0	-	1	1	100.00
ENW	1	1	100.00	-	-	-
SP Dist.	0	0	-	-	-	-
SP Manweb	0	0	-	1	1	100.00
SHEPD	0	0	-	2	2	100.00
SEPD	1	1	100.00	-	-	-
WPD S. Wales	0	0	-	-	-	-
WPD S. West	0	0	-	-	-	-
Industry total	2	2	100.00	8	8	100.00

Table A9.15 – Summary of DNO performance against the SLC 15 performance standards in 2008-09

	1a	1b	1c	1d	1e	1f	2a	2b	2c	3a	3b	3c	3d	3e	ALL
NEDL	✓	-	✓	-	-	-	-	✓	-	✓	✓	-	-	-	5/5 (100%)
YEDL	✓	-	✓	-	✓	-	✓	✓	-	✓	✓	-	-	-	7/7 (100%)
CN East	✓	-	✓	-	✓	-	✓	✓	✓	✓	✓	-	✓	-	9/9 (100%)
CN West	✓	-	✓	-	x	-	✓	✓	✓	✓	✓	-	✓	✓	9/10 (90%)
EDFE EPN	✓	-	✓	-	✓	✓	✓	✓	-	✓	✓	-	-	-	8/8 (100%)
EDFE LPN	✓	-	✓	-	✓	-	✓	✓	-	-	-	-	-	-	5/5 (100%)
EDFE SPN	✓	-	✓	-	✓	-	✓	✓	-	✓	✓	-	-	✓	8/8 (100%)
ENW	✓	-	✓	✓	-	✓	-	✓	-	✓	✓	-	✓	-	8/8 (100%)
SP Dist.	✓	-	✓	-	✓	-	✓	✓	✓	✓	✓	-	-	-	8/8 (100%)
SP Manweb	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	12/12 (100%)
SHEPD	✓	-	✓	✓	✓	-	-	✓	-	✓	✓	-	✓	✓	9/9 (100%)
SEPD	✓	-	✓	✓	✓	-	✓	✓	-	✓	✓	-	-	-	8/8 (100%)
WPD S. Wales	✓	-	✓	-	-	-	-	-	-	-	-	-	-	-	2/2 (100%)
WPD S. West	✓	-	✓	-	✓	-	-	✓	-	✓	-	-	✓	-	6/6 (100%)
ALL	14/14 (100%)	0/0 (-)	14/14 (100%)	4/4 (100%)	10/11 (91%)	3/3 (100%)	9/9 (100%)	13/13 (100%)	4/4 (100%)	12/12 (100%)	11/11 (100%)	0/0 (-)	6/6 (100%)	4/4 (100%)	104/105 (99%)

Legend:

✓ = DNO provided this service within the timescale set by SLC 15 in at least 90 per cent of cases.

x = DNO failed to provide this service within the timescale set by SLC 15 in at least 90 per cent of cases.

- = DNO did not provide any services that fell under this standard.

Breakdown of licensee performance against unmetered electricity connections key performance indicators.¹⁷

Emergency / fault repair

1.1. The first standard requires DNOs to meet minimum benchmarks when responding to emergency faults, high priority repairs, multiple unit repairs and single unit repairs.

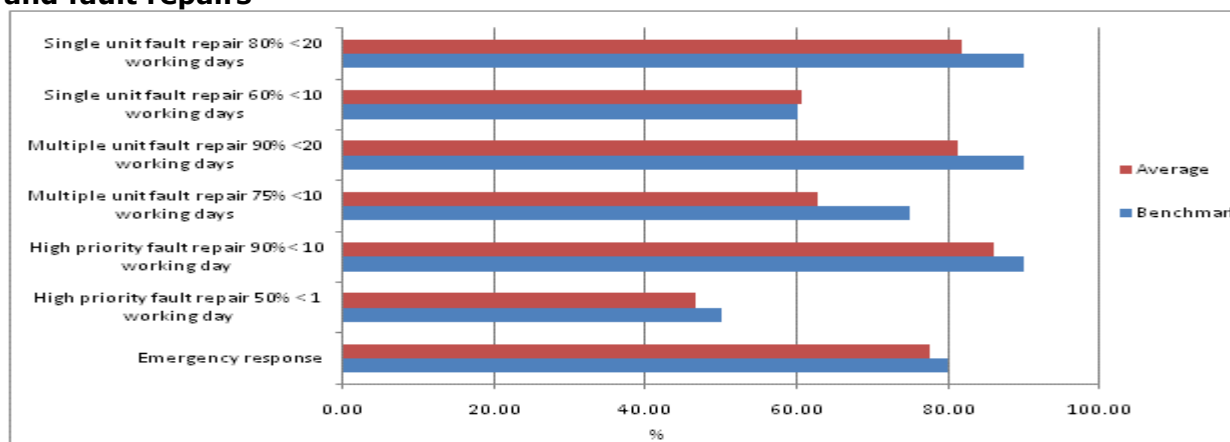
1.2. In the case of emergency faults the network operator must attend at the site to remove immediate danger to the public or property arising from the electricity distribution network. A high priority repair consists of work that is urgent but would not require attendance out of normal working hours to restore electricity supplies.

1.3. Multiple unit fault repairs will involve a fault on service, for example, no current, LV, faulty cut-out (i.e. electrically distressed), loss of neutral and high earth impedance affecting more than one unit. Single unit fault repairs will have the same definition but will only affect one unit.

1.4. As illustrated in Figure A8.3, on average, DNOs only met one of the seven fault repair benchmarks 'Single unit fault repair, 60 per cent within 10 working days'.

1.5. This appendix provides further detail on individual DNO performance against each standard, further information and comment on DNO performance against the unmetered KPIs can be found in chapter three of the main CIR report.

Figure A9.14 - Industry performance against benchmarks for emergency and fault repairs



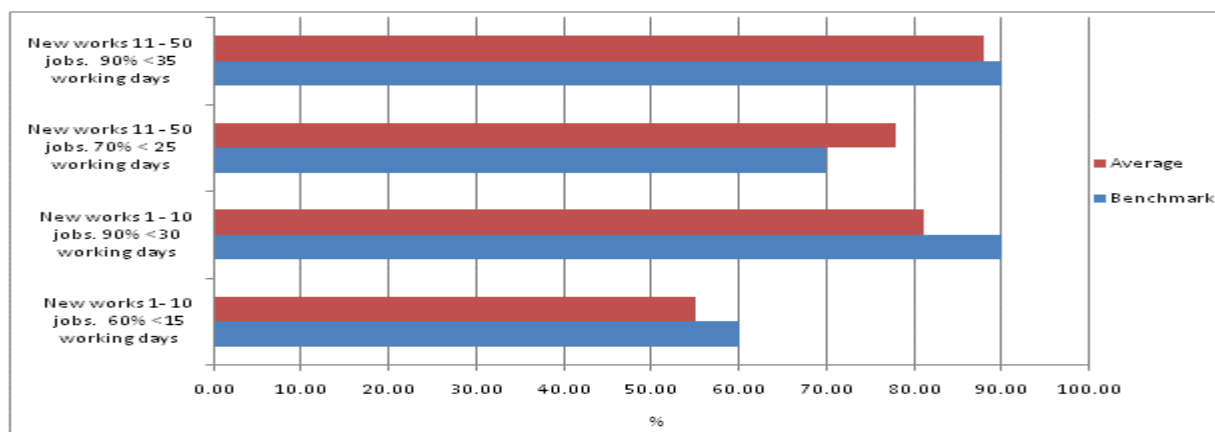
¹⁷ It should be noted that until 2008-09 in the SHEPD area there were no SLAs in place and that SHEPD received a dispensation under which they only started recording data against KPIs from 1 April 2008.

New / transferred connections

1.6. The second standard requires DNOs to meet minimum benchmarks for new and transferred connections. These may include new capital lighting schemes, road improvement schemes, provision of connection/disconnections, service transfer, new service and disconnections.

There are two categories in this standard, new works 1-10 jobs¹⁸ and new works 11-50 jobs, each of which has two standards, making four standards in total. As illustrated in Figure A9.15, on average, DNOs only met one of the four standards 'New works 11-50 jobs, 70% < 25 working days'. This appendix provides further detail on individual DNO performance against each standard, further information and comment on DNO performance against the unmetered KPIs can be found in chapter three of the main CIR report.

Figure A9.15 - Industry performance against benchmarks for new / transferred connections



¹⁸ A job can be defined as a unit. For example an order for new works would fall into this category if it contained 1-10 jobs.

Table A9.16 – Summary of DNO performance against the unmetered key performance indicators in 2008-09

KPI	NEDL	YEDL	CN East	CN West	EDFE EPN	EDFE LPN	EDFE SPN	ENW	SP Dist.	SP Manweb	SHEPD	SEPD	WPD S. Wales	WPD S. West	ALL
Emergency response	x	x	✓	✓	x	x	x	✓	x	✓	✓	x	x	x	5/14 (36%)
High priority fault repair 50% < 1 working day	✓	-	x	✓	x	x	x	✓	✓	x	x	x	x	x	4/13 (31%)
High priority fault repair 90% < 10 working day	✓	-	x	✓	x	x	x	✓	✓	x	✓	x	✓	x	6/13 (46%)
Multiple unit fault repair 75% < 10 working days	x	✓	x	✓	x	x	x	x	x	x	x	x	✓	x	3/14 (21%)
Multiple unit fault repair 90% < 20 working days	x	✓	x	✓	x	x	x	x	x	x	x	x	✓	x	3/14 (21%)
Single unit fault repair 60% < 10 working days	✓	✓	✓	✓	✓	x	x	✓	x	x	✓	x	✓	✓	9/14 (64%)
Single unit fault repair 80% < 20 working days	✓	✓	✓	✓	✓	x	x	✓	x	x	x	✓	✓	✓	9/14 (64%)
New works 1- 10 jobs. 60% < 15 working days	✓	x	x	✓	✓	x	x	x	x	x	✓	✓	✓	✓	7/14 (50%)
New works 1 - 10 jobs. 90% < 30 working days	✓	✓	x	x	x	x	x	x	x	x	✓	✓	✓	x	5/14 (36%)
New works 11 - 50 jobs. 70% < 25 working days	✓	✓	x	✓	✓	x	x	-	x	✓	x	✓	-	x	6/12 (50%)
New works 11 - 50 jobs. 90% < 35 working days	✓	✓	x	✓	x	x	x	-	x	✓	x	✓	-	x	5/12 (42%)
ALL	8/11 (73%)	7/9 (78%)	3/11 (27%)	10/11 (92%)	4/11 (27%)	0/11 (0%)	0/11 (0%)	5/9 (56%)	2/11 (18%)	3/11 (27%)	5/11 (45%)	5/11 (45%)	7/9 (78%)	3/11 (27%)	62/148 (42%)

Legend: ✓ = DNO met this KPI.
x = DNO failed to meet this KPI.
- = DNO did not provide any services that fell under this KPI

Standard: Emergency response attendance on site within two hours in 80 per cent of cases at any time of day.

1.7. Five of the DNOs met this benchmark in 2008-09 compared to only four in 2007-08. EDF EPN and EDF LPN showed the worst performance attending site within two hours only 22 and 26 per cent of the time respectively. CN West showed the best performance attending site within two hours 94 per cent of the time.

1.8. Although the number of requests for emergency response rose in 2008-09 (8,747 requests compared to only 3,486 requests in 2007-08) we would expect DNOs to treat attending emergency response situations as a priority and at least achieve the KPI benchmark to attend the site within two hours 80 per cent of the time.

Figure A9.16- Individual DNO performance against standard for emergency response attendance on site within two hours.

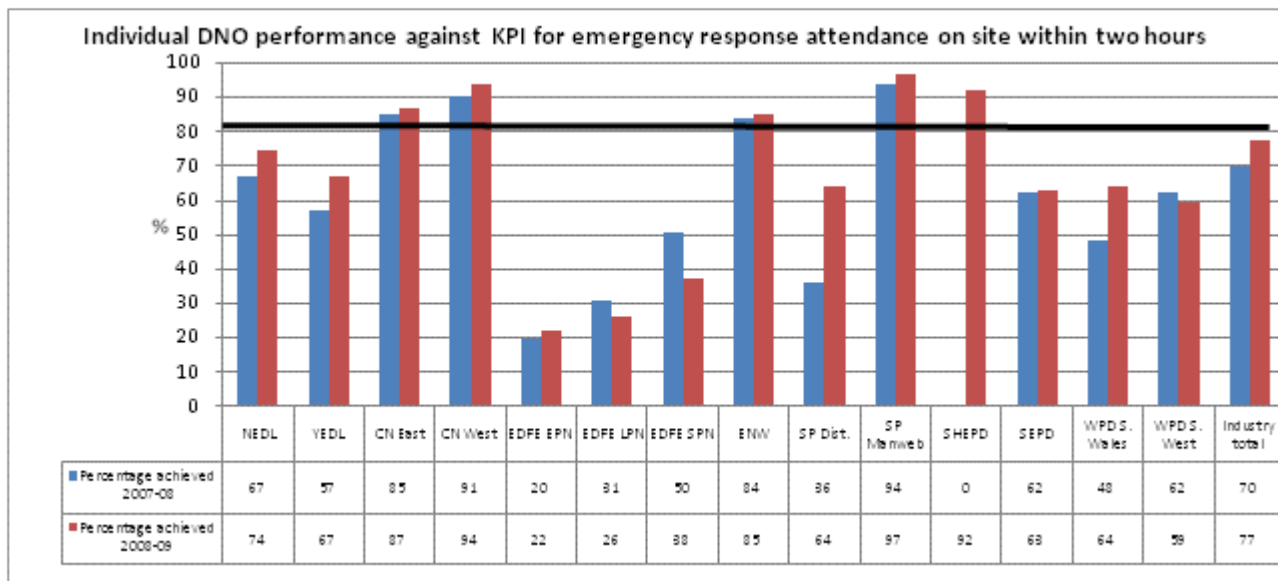


Table A9.17 - Individual DNO performance against standard for emergency response attendance on site within two hours.

DNO	2007-08				2008-09			
	In Standard	Out of Standard	% achieved 2007-08	Total	In Standard	Out of Standard	% achieved 2008-09	Total
NEDL	139	68	67	207	212	73	74	285
YEDL	414	314	57	728	891	444	67	1,335
CN East	181	32	85	213	463	69	87	532
CN West	545	57	91	602	2,404	164	94	2,568
EDFE EPN	17	69	20	86	66	232	22	298
EDFE LPN	22	50	31	72	38	106	26	144
EDFE SPN	118	116	50	234	135	225	38	360
ENW	464	89	84	553	1,507	264	85	1,771
SP Dist.	9	16	36	25	39	22	64	61
SP Manweb	211	14	94	225	384	13	97	397
SHEPD	-	-	-	0	45	4	92	49
SEPD	111	67	62	178	290	171	63	461
WPD S. Wales	100	107	48	207	210	118	64	328
WPD S. West	97	59	62	156	94	64	59	158
Industry total	2,428	1,058	70	3,486	6,778	1,969	77	8,747

Standard: 50 percent of high priority fault repairs undertaken within one working day.

1.38. Four of the DNOs met this benchmark in 2008-09 compared to eight in 2007-08. One DNO did not receive any requests to undertake high priority fault repairs. Despite the fact that DNOs received an increased number of requests to undertake high priority fault repairs in 2008-09 compared to 2007-08, we consider this reduction in performance disappointing.

1.39. SHEPD showed the worst level of performance in 2008-09 undertaking high priority fault repairs within one working day only 13 per cent of the time. SHEPD did not report against the unmetered KPIs in 2007-08. ENW achieved the best performance in 2008-09 undertaking 89 per cent of high priority fault repairs within one working day, this compares to 91 per cent within one working day in 2007-08.

Figure A9.17 - Individual DNO performance against standard for high priority fault repairs undertaken within one working day.

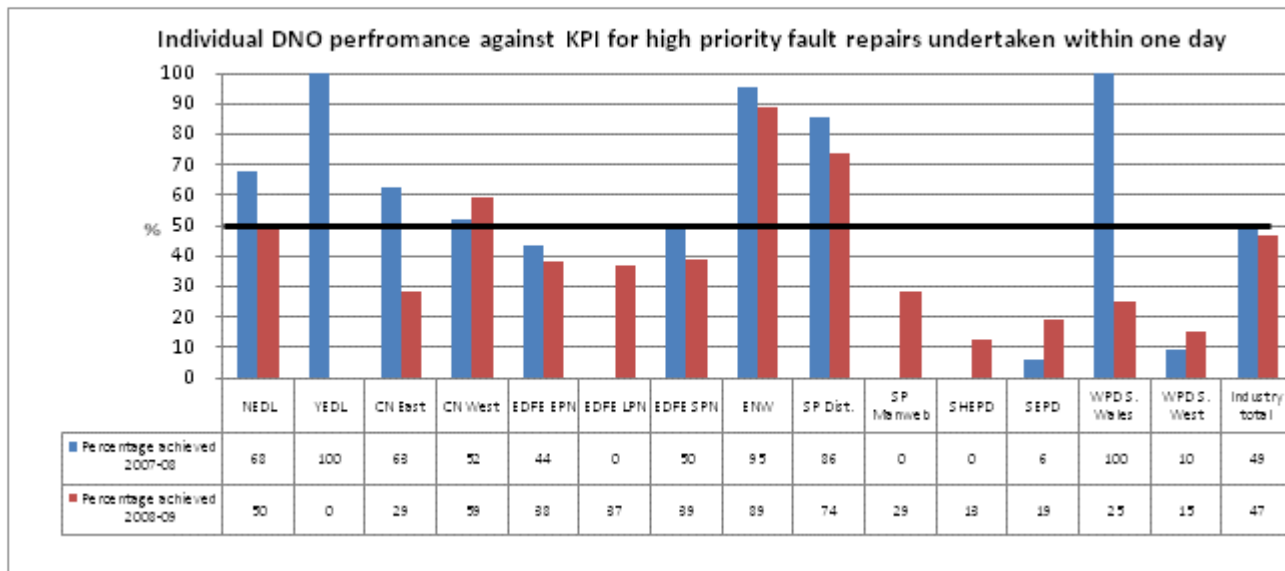


Table A9.18 - Individual DNO performance against standard for high priority fault repairs undertaken within one working day.

DNO	2007-08				2008-09			
	In Standard	Out of Standard	% achieved 2007-08	Total	In Standard	Out of Standard	% achieved 2008-09	Total
NEDL	25	12	68	37	176	174	50	350
YEDL	1	0	100	1	0	0	-	0
CN East	22	13	63	35	24	60	29	84
CN West	48	44	52	92	221	152	59	373
EDFE EPN	76	98	44	174	168	270	38	438
EDFE LPN	0	0	-	0	22	38	37	60
EDFE SPN	21	21	50	42	66	104	39	170
ENW	20	1	95	21	48	6	89	54
SP Dist.	143	24	86	167	248	88	74	336
SP Manweb	0	0	-	0	2	5	29	7
SHEPD	-	-	-	0	1	7	13	8
SEPD	3	48	6	51	49	209	19	258
WPD S. Wales	1	0	100	1	4	12	25	16

WPD S. West	13	123	10	136	11	62	15	73
Industry total	373	384	49	757	1,040	1,187	47	2,227

Standard : 90 percent of high priority fault repairs undertaken within 10 working days.

1.40. Six DNOs met the KPI to undertake high priority fault repairs within 10 working days 90 per cent of the time, this compares to seven in 2007-08. One DNO did not receive any requests to undertake high priority fault repairs.

1.41. EDFE EPN showed the worst level of performance in 2008-09 undertaking only 73 per cent of repairs within the time period, this was a drop in performance from 2007-08 when they undertook 91 per cent within the time period. Both ENW and SHEPD undertook 100 per cent of high priority fault repairs within 10 working days. We note that some DNOs receive more requests for high priority fault repairs than others, however we would expect DNOs to be adequately resourced to respond to faults within a reasonable timeframe.

Figure A9.18 - Individual DNO performance against standard for high priority fault repairs undertaken within 10 working days.

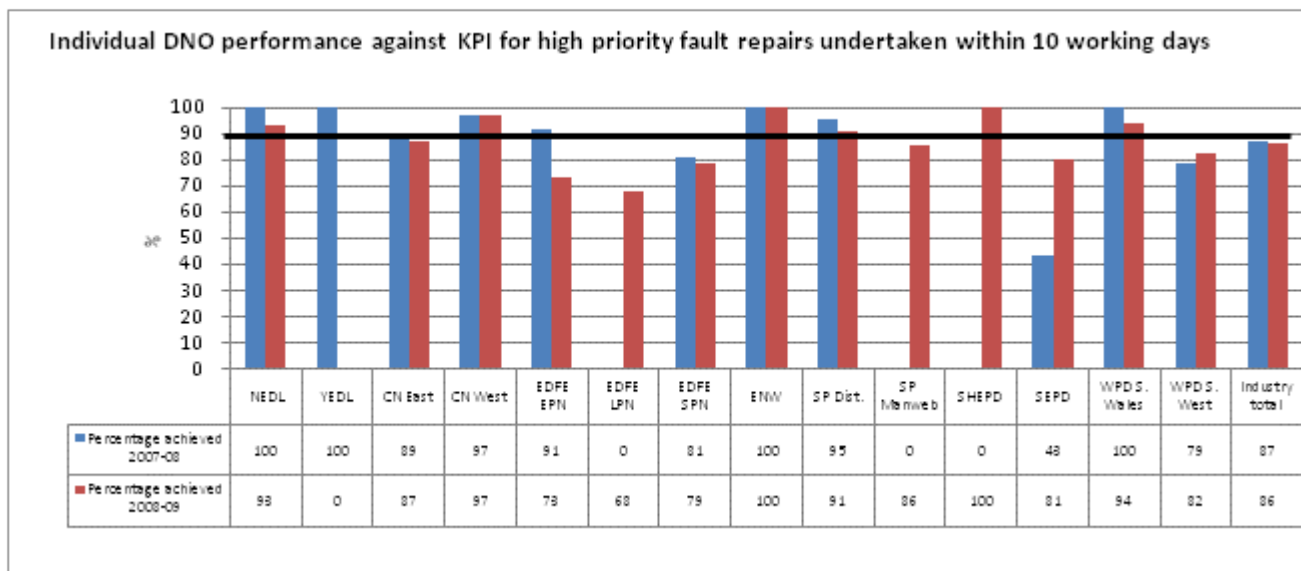


Table A9.19 - Individual DNO performance against standard for high priority fault repairs undertaken within 10 working days.

DNO	2007-08				2008-09			
	In Standard	Out of Standard	% achieved 2007-08	Total	In Standard	Out of Standard	% achieved 2008-09	Total
NEDL	37	0	100	37	326	24	93	350
YEDL	1	0	100	1	0	0	-	0
CN East	31	4	89	35	73	11	87	84
CN West	89	3	97	92	363	10	97	373
EDFE EPN	159	15	91	174	321	117	73	438
EDFE LPN	0	0	-	0	41	19	68	60
EDFE SPN	34	8	81	42	134	36	79	170
ENW	21	0	100	21	54	0	100	54
SP Dist.	159	8	95	167	306	30	91	336
SP Manweb	0	0	-	0	6	1	86	7
SHEPD	-	-	-	-	8	0	100	8
SEPD	22	29	43	51	208	50	81	258
WPD S. Wales	1	0	100	1	15	1	94	16
WPD S. West	107	29	79	136	60	13	82	73
Industry total	661	96	87	757	1,915	312	86	2,227

Standard: 75 percent of multiple unit fault repairs undertaken within 10 working days.

1.42. In 2008-09 only two DNOs met the KPI to undertake 75 per cent of multiple unit fault repairs within 10 working days, this compares to three in 2007-08.

1.43. EDF SPN showed the worst level of performance in 2008-09 managing to undertake multiple unit fault repairs within 10 working days in only 25 per cent of cases, this compares to 26 per cent of cases in 2007-08. WPD Wales achieved the best level of performance (87 per cent) in 2008-09, despite receiving a noticeable increase in requests this was consistent with performance in 2007-08.

Figure A9.20 - Individual DNO performance against standard for multiple unit fault repairs undertaken within 10 working days

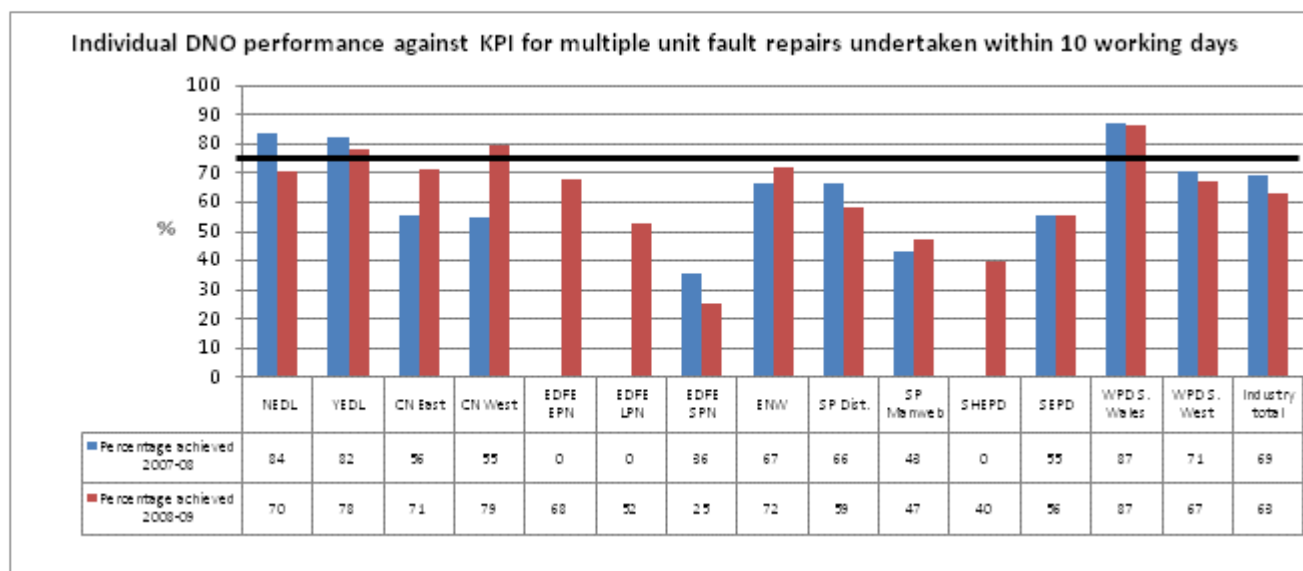


Table A9.20 - Individual DNO performance against standard for multiple unit fault repairs undertaken within 10 working days

DNO	2007-08				2008-09			
	In Standard	Out of Standard	% achieved 2007-08	Total	In Standard	Out of Standard	% achieved 2008-09	Total
NEDL	73	14	84	87	88	37	70	125
YEDL	784	169	82	953	1,166	323	78	1,489
CN East	166	133	56	299	324	131	71	455
CN West	156	130	55	286	297	77	79	374
EDFE EPN	0	0	-	0	330	154	68	484
EDFE LPN	0	0	-	0	43	39	52	82
EDFE SPN	19	34	36	53	258	768	25	1,026
ENW	72	36	67	108	331	127	72	458
SP Dist.	127	64	66	191	209	148	59	357
SP Manweb	10	13	43	23	39	44	47	83
SHEPD	-	-	-	-	33	50	40	83
SEPD	306	246	55	552	738	586	56	1,324
WPD S. Wales	190	28	87	218	306	47	87	353

WPD S. West	560	233	71	793	604	298	67	902
Industry total	2,463	1,100	69	3,563	4,766	2,829	63	7,595

Standard: 90 percent of multiple unit fault repairs undertaken within 20 working days.

1.44. Only two DNOs managed to meet the KPI for undertaking 90 per cent of multiple unit fault repairs within 20 working days, this compares to three in 2007-08.

1.45. EDF SPN was the worst performing DNO undertaking only 48 per cent of multiple unit fault repairs within 20 working days, this compares to 75 per cent in 2007-08. While we acknowledge that the number of requests received by EDF SPN increased significantly in 2008-09 (from 53 to 1,026 requests) we would expect to see a higher proportion being undertaken within the relevant time period. We note that YEDL received 1,489 requests in 2008-09 and undertook 93 per cent of fault repairs within 20 working days. WPD Wales was the best performing DNO in 2008-09 undertaking 96 per cent of multiple unit fault repairs within 20 working days.

Figure A9.21 - Individual DNO performance against standard for multiple unit fault repairs undertaken within 20 working days

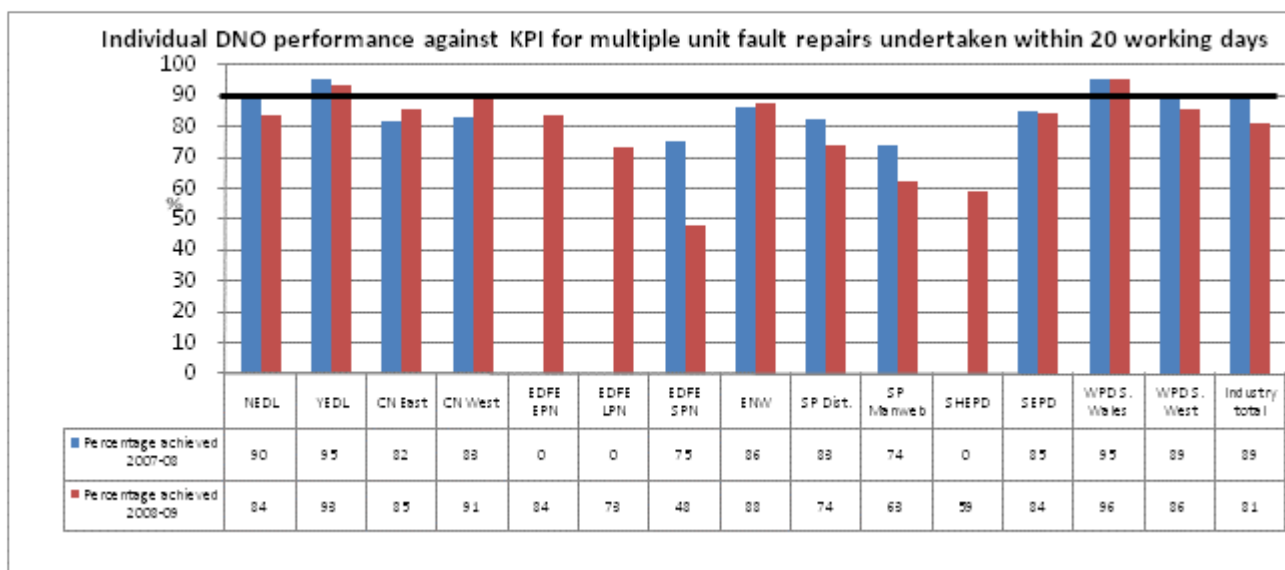


Table A9.21 - Individual DNO performance against standard for multiple unit fault repairs undertaken within 20 working days.

DNO	2007-08				2008-09			
	In Standard	Out of Standard	% achieved 2007-08	Total	In Standard	Out of Standard	% achieved 2008-09	Total
NEDL	78	9	90	87	105	20	84	125
YEDL	909	44	95	953	1,388	101	93	1,489
CN East	245	54	82	299	389	66	85	455
CN West	237	49	83	286	341	33	91	374
EDFE EPN	0	0	-	0	406	78	84	484
EDFE LPN	0	0	-	0	60	22	73	82
EDFE SPN	40	13	75	53	495	531	48	1,026
ENW	93	15	86	108	401	57	88	458
SP Dist.	158	33	83	191	265	92	74	357
SP Manweb	17	6	74	23	52	31	63	83
SHEPD	-	-	-	-	49	34	59	83
SEPD	471	81	85	552	1,114	210	84	1,324
WPD S. Wales	208	10	95	218	338	15	96	353
WPD S. West	704	89	89	793	776	126	86	902
Industry total	3,160	403	89	3,563	6,179	1,416	81	7,595

Standard: 60 percent of single unit fault repairs in 10 working days

1.46. Ten DNOs met the KPI for undertaking 60 per cent of single unit fault repairs within 10 working days, compared with only six in 2007-08. We note that while NEDL, YEDL and ENW received significantly more requests to undertake single unit fault repairs in 2008-09 than in 2007-08, they all surpassed this KPI.

1.47. The worst performing DNO was EDF SPN which undertook only 469 out of 1,214 (28 per cent) single unit fault repairs within 10 working days, this percentage level of performance was consistent to that achieved in 2007-08. The best performing DNO was ENW, which undertook 73 per cent of single unit fault repairs within 10 working days despite receiving 2,905 more requests than in 2007-08.

Figure A9.22 - Individual DNO performance against standard for single unit fault repairs in 10 working days

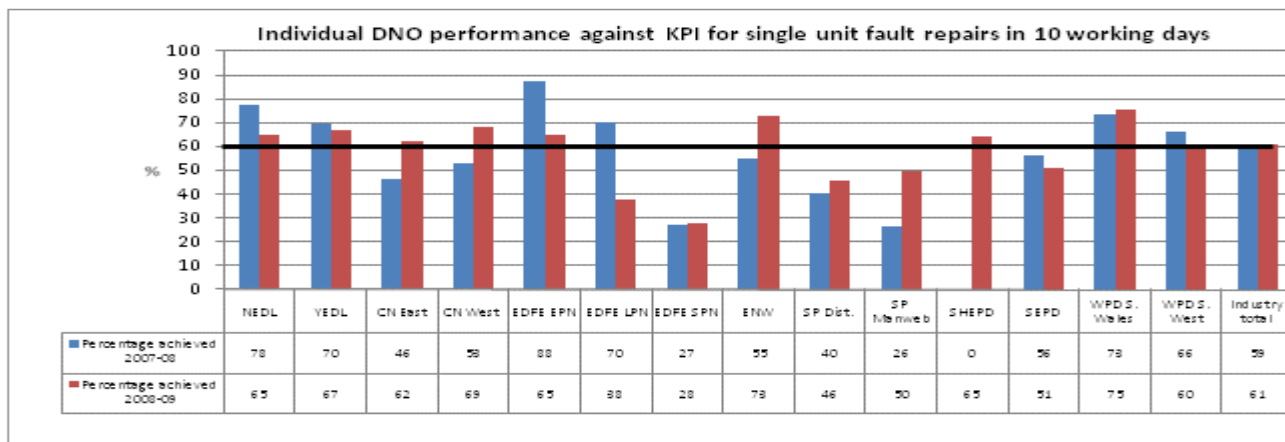


Table A9.22 - Individual DNO performance against standard for single unit fault repairs in 10 working days

DNO	2007-08				2008-09			
	In Standard	Out of Standard	% achieved 2007-08	Total	In Standard	Out of Standard	% achieved 2008-09	Total
NEDL	846	245	78	1,091	1,391	763	65	2,154
YEDL	2,213	956	70	3,169	4,039	2,008	67	6,047
CN East	624	721	46	1,345	1,711	1,029	62	2,740
CN West	372	332	53	704	1,471	676	69	2,147
EDFE EPN	394	56	88	450	1,370	737	65	2,107
EDFE LPN	43	18	70	61	295	488	38	783
EDFE SPN	282	745	27	1,027	469	1,214	28	1,683
ENW	614	498	55	1,112	2,924	1,093	73	4,017
SP Dist.	162	240	40	402	460	548	46	1,008
SP Manweb	194	539	26	733	705	718	50	1,423
SHEPD	-	-	-	-	71	39	65	110
SEPD	857	668	56	1,525	1,866	1,798	51	3,664
WPD S. Wales	837	305	73	1,142	926	303	75	1,229
WPD S. West	686	354	66	1,040	713	477	60	1,190
Industry total	8,124	5,677	59	13,801	18,411	11,891	61	30,302

Standard: 80 percent of single unit fault repairs in 20 working days.

1.48. Nine DNOs met the KPI for undertaking 80 per cent of single unit fault repairs within 20 working days, this compares to eight in 2007-08.

1.49. EDF SPN was the worst performing DNO undertaking only 53 per cent of repairs within 20 working days, this compares to 39 per cent in 2007-08. WPD Wales was the best performing DNO undertaking 90 per cent of single unit fault repairs within 20 working days, this compares to 87 per cent in 2007-08.

Figure A9.23 - Individual DNO performance against standard for single unit fault repairs in 20 working days

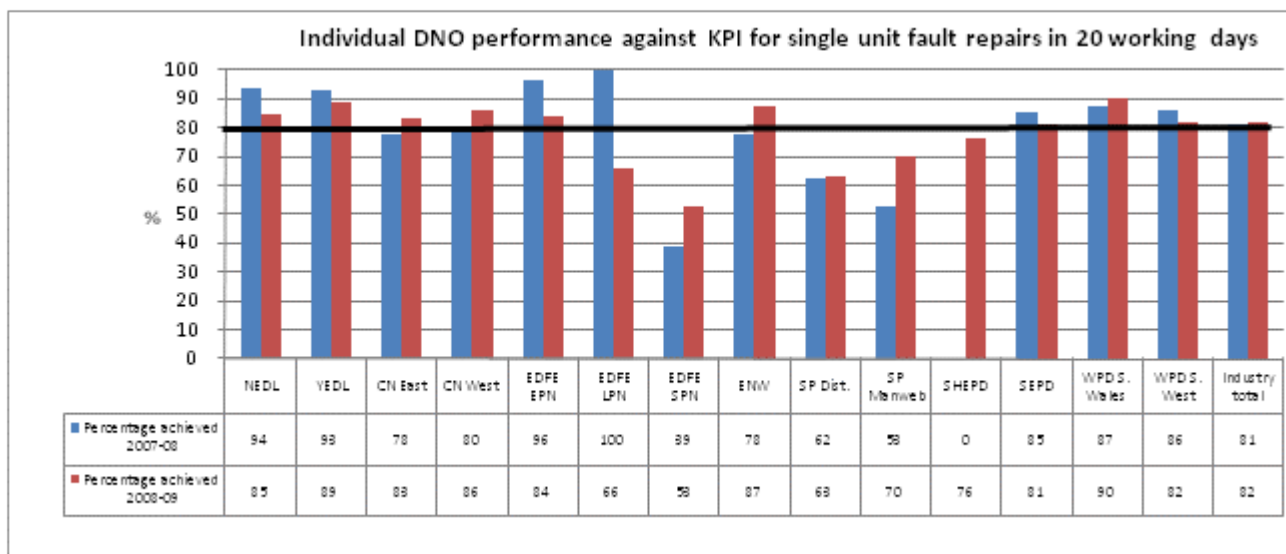


Table A9.23 - Individual DNO performance against standard for single unit fault repairs in 20 working days

DNO	2007-08				2008-09			
	In Standard	Out of Standard	% achieved 2007-08	Total	In Standard	Out of Standard	% achieved 2008-09	Total
NEDL	1,021	70	94	1,091	1,831	323	85	2,154
YEDL	2,959	210	93	3,169	5,382	665	89	6,047
CN East	1,050	295	78	1,345	2,282	458	83	2,740
CN West	564	140	80	704	1,843	304	86	2,147
EDFE EPN	434	16	96	450	1,771	336	84	2,107
EDFE LPN	61	0	100	61	514	269	66	783
EDFE SPN	400	627	39	1,027	892	791	53	1,683
ENW	862	250	78	1,112	3,504	513	87	4,017
SP Dist.	250	152	62	402	634	374	63	1,008
SP Manweb	389	344	53	733	999	424	70	1,423
SHEPD	-	-	-	-	84	26	76	110
SEPD	1,299	226	85	1,525	2,971	693	81	3,664
WPD S. Wales	998	144	87	1,142	1,110	119	90	1,229
WPD S. West	898	142	86	1,040	972	218	82	1,190
Industry total	11,185	2,616	81	13,801	24,789	5,513	82	30,302

Standard: 1 - 10 jobs 60 percent within 15 working days

1.50. Seven DNOs met the KPI for completing 60 per cent of orders (1-10 jobs) within 15 working days, this compares to only four in 2007-08.

1.51. EDF SPN was the worst performing DNO completing only 11 per cent of orders (1-10 jobs) within 15 working days, this compares 13 per cent in 2008-09. SEPD and WPD Wales were the best performing DNOs both completing 82 per cent of orders (1-10 jobs) within 15 working days, this compares to 78 and 80 per cent respectively in 2007-08.

Figure A9.24 - Individual DNO performance against standard for 1-10 jobs within 15 working days

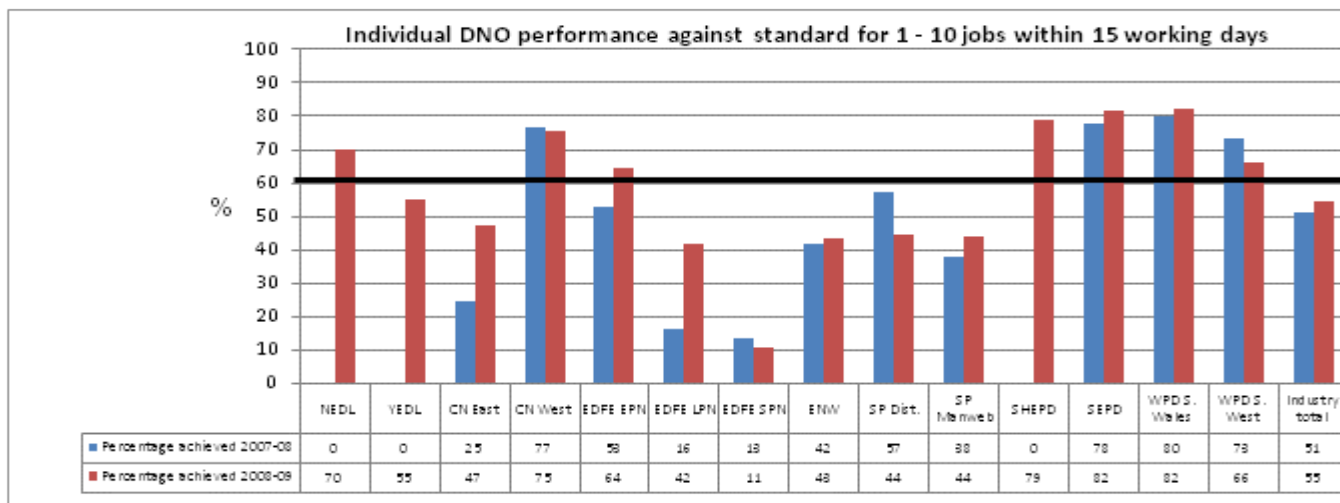


Table A9.24- Individual DNO performance against standard for 1-10 jobs within 15 working days

DNO	2007-08				2008-09			
	In Standard	Out of Standard	% achieved 2007-08	Total	In Standard	Out of Standard	% achieved 2008-09	Total
NEDL	0	0	-	0	1,234	525	70	1,759
YEDL	0	0	-	0	2,851	2,349	55	5,200
CN East	494	1,518	25	2,012	2,700	3,019	47	5,719
CN West	2,293	699	77	2,992	6,920	2,269	75	9,189
EDFE EPN	321	289	53	610	2,278	1,266	64	3,544
EDFE LPN	79	412	16	491	1,032	1,433	42	2,465
EDFE SPN	150	983	13	1,133	493	4,085	11	4,578
ENW	1,959	2,734	42	4,693	7,409	9,673	43	17,082
SP Dist.	804	607	57	1,411	1,148	1,445	44	2,593
SP Manweb	804	1,335	38	2,139	1,976	2,505	44	4,481
SHEPD	-	-	-	-	416	111	79	527
SEPD	1,992	578	78	2,570	7,610	1,727	82	9,337
WPD S. Wales	320	79	80	399	336	74	82	410
WPD S. West	669	244	73	913	661	340	66	1,001
Industry total	9,885	9,478	51	19,363	37,064	30,821	55	67,885

Standard: 1 - 10 jobs 90 percent within 30 working days

1.52. In 2008-09 five DNOs met the KPI to complete 90 per cent of orders (1-10 jobs) within 30 working days, this compares to only four in 2007-08.

1.53. The worst performing DNO against this KPI in 2008-09 was EDFE SPN which completed only 29 per cent of orders (1-10 jobs) within 30 working days, this compares to 5 per cent of orders in 2007-08. The best performing DNO (SHEPD) completed 97 per cent of orders (1-10 jobs) within 30 working days.

Figure A9.25 - Individual DNO performance against standard for 1-10 jobs within 30 working days

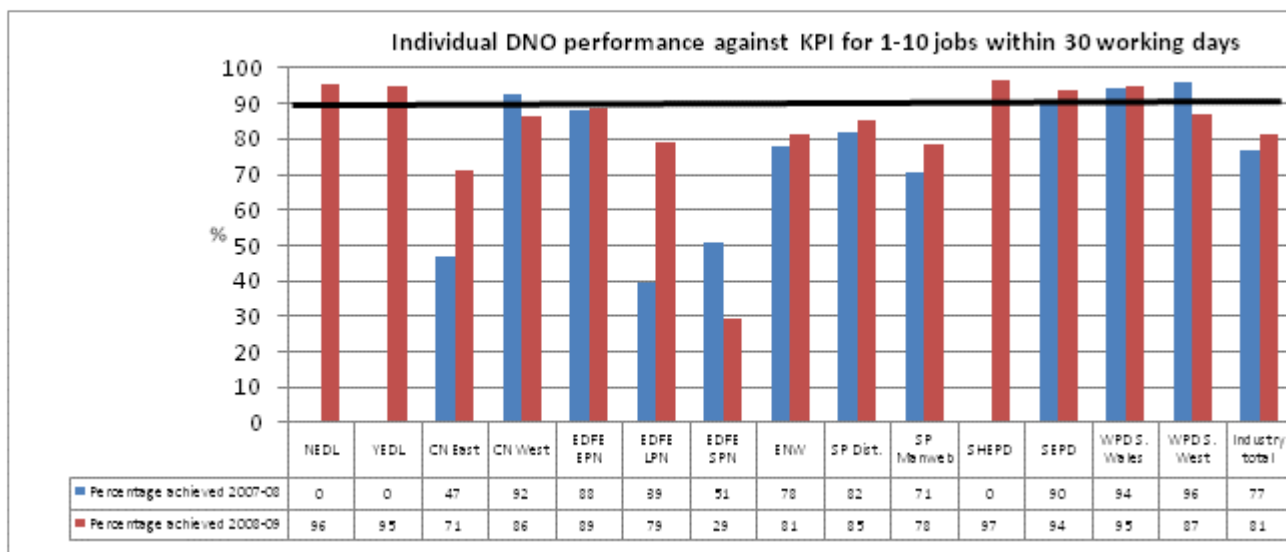


Table A9.25 - Individual DNO performance against standard for 1-10 jobs within 30 working days

DNO	2007-08				2008-09			
	In Standard	Out of Standard	% achieved 2007-08	Total	In Standard	Out of Standard	% achieved 2008-09	Total
NEDL	0	0	-	0	1,680	79	96	1,759
YEDL	0	0	-	0	4,930	270	95	5,200
CN East	944	1,068	47	2,012	4,060	1,659	71	5,719
CN West	2,764	228	92	2,992	7,931	1,258	86	9,189
EDFE EPN	537	73	88	610	3,150	394	89	3,544
EDFE LPN	193	298	39	491	1,953	512	79	2,465
EDFE SPN	574	559	51	1,133	1,328	3,250	29	4,578
ENW	3,645	1,048	78	4,693	13,915	3,167	81	17,082
SP Dist.	1,157	254	82	1,411	2,205	388	85	2,593
SP Manweb	1,513	626	71	2,139	3,517	964	78	4,481
SHEPD	-	-	-	-	510	17	97	527
SEPD	2,315	255	90	2,570	8,771	566	94	9,337
WPD S. Wales	377	22	94	399	390	20	95	410
WPD S. West	879	34	96	913	868	133	87	1,001
Industry total	14,898	4,465	77	19,363	55,208	12,677	81	67,885

Standard: 11- 50 jobs 70 percent within 25 working days

1.54. In 2008-09 six DNOs met the KPI to complete 70 per cent of orders (11-50) jobs within 25 working days, this compares to five DNOs in 2007-08. Two DNOs did not receive any requests to complete orders consisting of 11-50 jobs. In 2008-09 the worst performing DNO was EDF SPN (23 per cent) and the best performing DNO was NEDL (88 per cent).

Figure A9.26 - Individual DNO performance against standard for 11-50 jobs within 25 working days

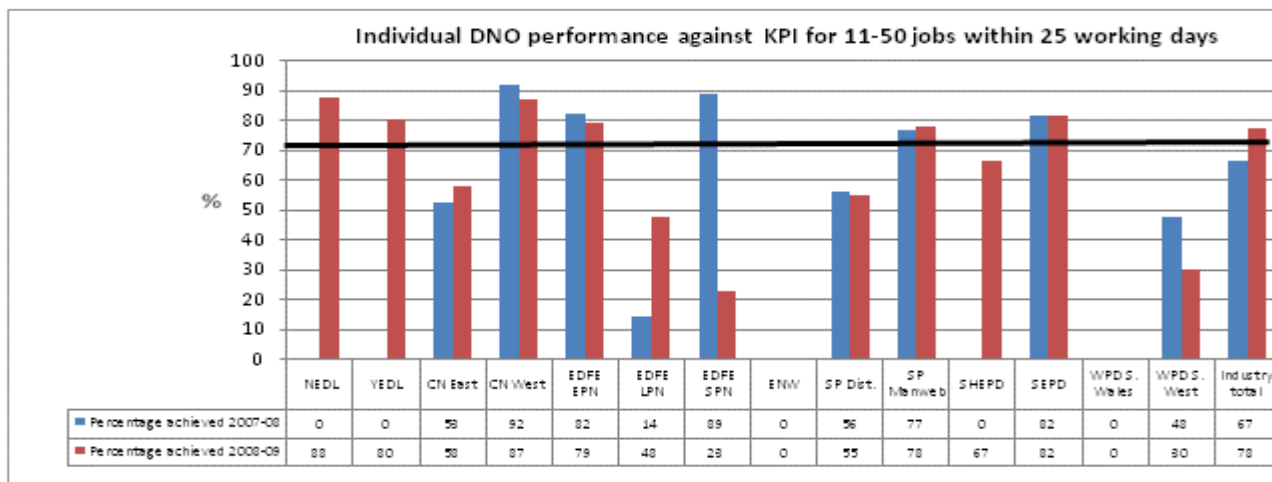


Table A9.26 - Individual DNO performance against standard for 11-50 jobs within 25 working days

DNO	2007-08				2008-09			
	In Standard	Out of Standard	% achieved 2007-08	Total	In Standard	Out of Standard	% achieved 2008-09	Total
NEDL	0	0	-	0	1,513	206	88	1,719
YEDL	0	0	-	0	6,175	1,505	80	7,680
CN East	833	748	53	1,581	2,990	2,152	58	5,142
CN West	2,485	208	92	2,693	7,318	1,073	87	8,391
EDFE EPN	831	180	82	1,011	1,172	303	79	1,475
EDFE LPN	241	1,426	14	1,667	613	662	48	1,275
EDFE SPN	8	1	89	9	39	132	23	171
ENW	0	0	-	0	0	0	-	0
SP Dist.	119	92	56	211	242	197	55	439
SP Manweb	491	146	77	637	532	150	78	682
SHEPD	-	-	-	-	4	2	67	6
SEPD	1,056	235	82	1,291	7,394	1,626	82	9,020
WPD S. Wales	0	0	-	0	0	0	-	0
WPD S. West	22	24	48	46	7	16	30	23
Industry total	6,086	3,060	67	9,146	27,999	8,024	78	36,023

Standard: 11- 50 jobs 90 percent within 35 working days

1.9. In 2008-09 five DNOs met the KPI to complete 90 per cent of orders (11-50 jobs) within 35 working days, this compares to four in 2007-08. Two DNOs did not receive any requests to complete orders consisting of 11-50 jobs. EDF SPN was the worst performing DNO completing only 32 per cent of orders (11-50 jobs) within 35 working days, this compares to 100 per cent in 2007-08. The best performing DNO was YEDL (98 per cent).

Figure A9.27 - Individual DNO performance against standard for 11-50 jobs 11-50 jobs within 35 working days

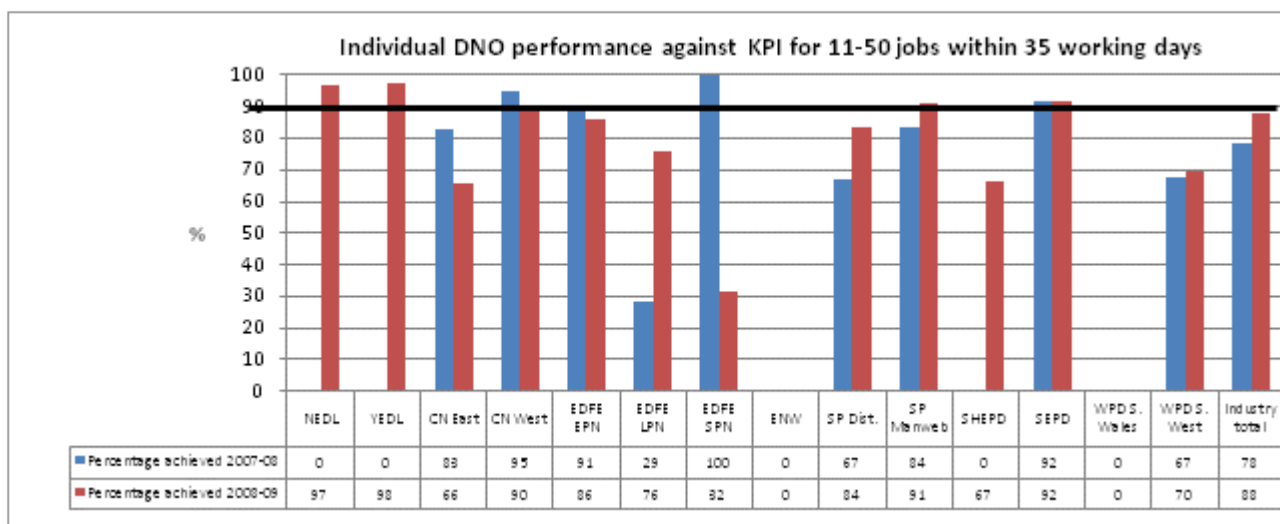


Table A9.27 - Individual DNO performance against standard for 11-50 jobs within 35 working days

DNO	2007-08				2008-09			
	In Standard	Out of Standard	% achieved 2007-08	Total	In Standard	Out of Standard	% achieved 2008-09	Total
NEDL	0	0	-	0	1,667	52	97	1,719
YEDL	0	0	-	0	7,498	182	98	7,680
CN East	1,314	267	83	1,581	3,372	1,770	66	5,142
CN West	2,549	144	95	2,693	7,587	804	90	8,391
EDFE EPN	918	93	91	1,011	1,269	206	86	1,475
EDFE LPN	477	1,190	29	1,667	967	308	76	1,275
EDFE SPN	9	0	100	9	54	117	32	171
ENW	0	0	-	0	0	0	-	0
SP Dist.	142	69	67	211	367	72	84	439
SP Manweb	534	103	84	637	620	62	91	682
SHEPD	-	-	-	-	4	2	67	6
SEPD	1,188	103	92	1,291	8,269	751	92	9,020
WPD S. Wales	0	0	-	0	0	0	-	0
WPD S. West	31	15	67	46	16	7	70	23
Industry total	7,162	1,984	78	9,146	31,690	4,333	88	36,023

Performance against gas guaranteed standards

1.10. This section is supplementary to the performance against gas connections guaranteed standards section in chapter three of the main document.

1.11. Connections related Guaranteed Standards of performance were introduced into both the Gas (Standards of Performance) Regulations 2005¹⁹ and GDNs' D10 Licence Condition²⁰ at the time of National Grid's Distribution Network (DN) sales in 2005. In the main document we presented a summary of performance against the standards. In this appendix we present a breakdown of performance against the guaranteed standards by GT. Where payments are referred to in the subsequent text, these relate to compensation due to customers under the Regulations, not any potential fines in respect of licence breaches.

1.12. Standard Special Condition D10 of the Gas Distribution licence applies to all GDNs. The condition obliges GDNs to ensure that the timescales set out in the guaranteed standards are met in 90 per cent of cases.

1.13. While the Standard Special Condition does not apply to IGTs we would expect that competition would ensure that IGT performance equals or outstrips GDN.

1.14. Due to differences in the way IGTs report performance against the guaranteed standards we are unable to include data from three IGTs²¹ for the majority of the guaranteed standards featured in this report, data is included for GS 7 – Accuracy of quotations. We hope that this issue will be resolved in future reporting periods.

GS 4 - Provision of standard connection quotations \leq 275 KWh per hour

1.15. GTs must provide a standard quotation for providing a new or altering an existing connection up to and including 275 kWh per hour within six working days. Where a GT fails to achieve this, a fixed payment of £10 must be made in respect of the initial failure and each additional day during which the failure continues. Where a quotation is later found to be inaccurate it has to be treated as if it wasn't provided on time. The cap per customer is the lesser of £250 or the quotation sum.

On average DNO performance against GS 4 was up in 2008-09 with almost 99 per cent of standard connection quotations \leq 275 KWh per hour being provided within 6 working days, compared to only 98 per cent in 2007-08. Where we are able to report IGT performance against the standard (see paragraph 1.14 above) it remained at 100 per cent.

¹⁹ Statutory Instrument 2005 No.1135

²⁰ Standard Special Licence Condition D.10 of the Gas Transporters licence. National Grid Gas' performance against SLCD10 is measured in aggregate across their four GDNs which operate under a single licence

²¹ Independent Pipelines Ltd, Quadrant Pipelines Ltd and SSE Pipelines Ltd.

Figure A9.28 - Standard connection quotations \leq 275 kWh per hour

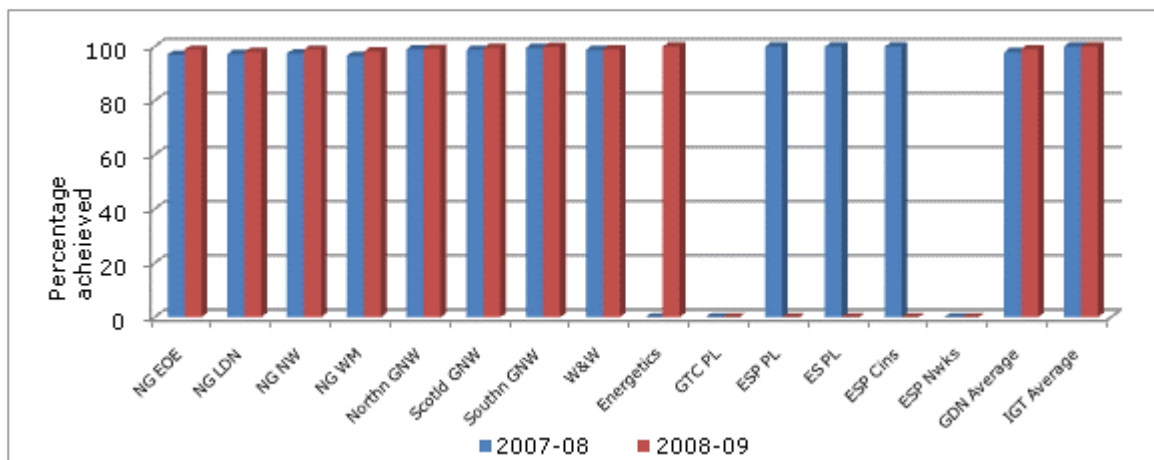


Table A9.28 - Standard connection quotations \leq 275 kWh per hour (GDN)

GDN	2007-08			2008-09		
	Number of Requests	Provided within timescale	% achieved	Number of requests	Provided within timescale	% achieved
NG EOE	12,731	12,346	97.0	9207	9104	98.9
NG LDN	5,932	5,770	97.3	4354	4267	98.0
NG NW	7,309	7,122	97.4	4728	4674	98.9
NG WM	5,380	5,195	96.6	3279	3221	98.2
Northn GNW	4,196	4,155	99.0	2855	2831	99.2
Scotld GNW	3,309	3,272	98.9	2200	2188	99.5
Southn GNW	4,767	4,747	99.6	3524	3520	99.9
W&W	8,811	8,708	98.8	5871	5810	99.0
Total	52,435	51,315	97.9	36,018	35,615	98.9

Table A9.29 - Standard connection quotations \leq 275 kWh per hour (IGT)

GT	2007-08			2008-09		
	Number of requests	Provided within timescale	% achieved	Number of requests	Provided within timescale	% achieved
Energetics	0	0	-	1	1	100
GTC PL	0	0	-	0	0	-
ESP PL	1	1	100.0	0	0	-
ES PL	27	27	100.0	0	0	-
ESP Cons	40	40	100.0	0	0	-
ESP Nwks	0	0	-	0	0	-
Total	68	68	100.0	1	1	100

GS 5 - Provision of nonstandard connection quotations \leq 275 kWh per hour

1.16. GTs must provide a non-standard quotation for providing a new, or altering an existing, connection up to and including 275 kWh per hour within 11 working days. Where a GT fails to achieve this, a fixed payment of £10 must be made in respect of the initial failure and each additional day during which the failure continues. Where a quotation is later found to be inaccurate it is treated as if it wasn't provided on time. The cap per customer is the lesser of £250 or the quotation sum.

1.17. In 2008-09 average GDN performance against GS 5 was at a similar level to that in 2007-08 (97 per cent). While no GDNs breached the 90 per cent performance threshold four GDNs (NG East of England, NG London, NG North West and NG West Midlands) performance decreased in 2008-09. The remaining GDN's performance increased in 2008-09 when compared to 2007-08 performance levels.

1.18. Where we are able to report IGT performance against GS 5 on average it fell in 2008-09. While the performance of two IGTs remained at 100 per cent, ESP connections performance dropped slightly and ESP Networks performance dropped from 100 per cent in 2007-08 to 60 per cent in 2008-09. ESP Networks performance causes particular concern. While we acknowledge that the number of requests received by ESP Networks rose in 2008-09 and that it failed to provide only two connections in the timeframe, we note that if it was a GDN it could have faced possible enforcement action for breaching the 90 per cent threshold. In general we would expect to see a higher level of service.

Figure A9.29 - Nonstandard connection quotations ≤ 275 kWh per hour

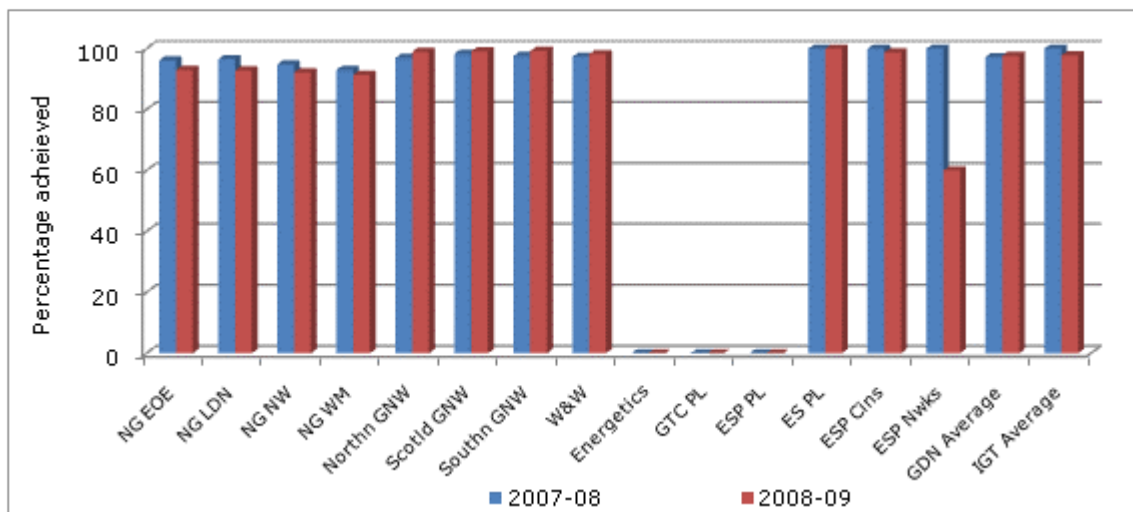


Table 9.30– Nonstandard connection quotations ≤ 275 kWh per hour (GDN)

GDN	2007-08			2008-09		
	Number of requests	Provided within timescale	% achieved	Number of requests	Provided within timescale	% achieved
NG EOE	2,996	2,879	96.1	2230	2074	93.0
NG LDN	1,673	1,615	96.5	1466	1361	92.8
NG NW	1,487	1,409	94.8	997	919	92.2
NG WM	1,255	1,167	93.0	898	820	91.3
Northn GNW	2,226	2,159	97.0	2311	2287	99.0
Scotld GNW	7,837	7,702	98.3	6528	6470	99.1
Southn GNW	8,676	8,470	97.6	7886	7825	99.2
W&W	9,212	8,967	97.3	6653	6532	98.2
Total	35,362	34,368	97.2	28,969	28,288	97.6

Table A9.31 – Nonstandard connection quotations ≤ 275 kWh per hour (IGT)

IGT	2007-08			2008-09		
	Number of requests	Provided within timescale	% achieved	Number of requests	Provided within timescale	% achieved
Energetics	0	0	-	0	0	-
GTC PL	0	0	-	0	0	-
ESP PL	0	0	-	0	0	-
ES PL	48	48	100.0	49	49	100.0
ESP Cons	54	54	100.0	77	76	98.7
ESP Nwks	1	1	100.0	5	3	60.0
Total	103	103	100.0	131	128	97.7

GS6 - Provision of nonstandard connection quotations >275 kWh per hour

1.19. GTs must provide a nonstandard quotation for providing a new, or altering an existing, connection greater than 275 kWh per hour within 21 working days. Where a GT fails to achieve this, a fixed payment of £20 must be made in respect of the initial failure and each additional day during which the failure continues. Where a quotation is later found to be inaccurate it is treated as if it wasn't provided on time. The cap per customer is the lesser of £500 or the quotation sum.

1.20. On average GDN performance against GS6 improved slightly in 2008-09 compared to performance in 2007-08. Although where performance did decrease dips were only marginal, we note that the number of requests for nonstandard connection quotations >275 KWh per hour decreased in the period and we would therefore have expected to see a rise in performance standards.

1.21. Where we were able to report IGT performance, no IGTs received requests for non standard connection quotations >275 per hour all quotations were provided within the designated timescale.

Figure A9.30 - Provision of nonstandard connection quotations >275 kWh per hour

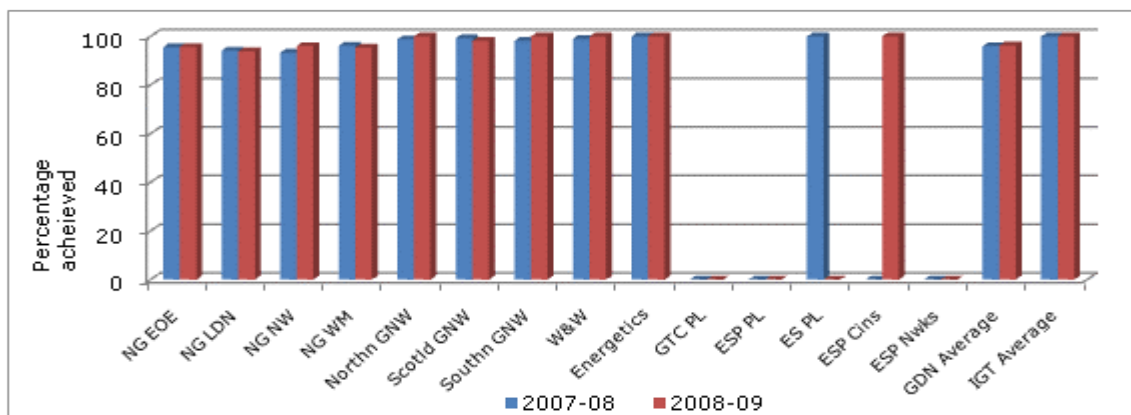


Table A9.32 - Provision of nonstandard connection quotations >275 kWh per hour (GDN)

GDN	2007-08			2008-09		
	Number of requests	Provided within timescale	% achieved	Number of requests	Provided within timescale	% achieved
NG EOE	697	666	95.6	484	463	95.7
NG LDN	544	512	94.1	425	399	93.9
NG NW	418	390	93.3	327	314	96.0
NG WM	367	353	96.2	260	248	95.4
Northn GNW	169	167	98.8	161	161	100.0
Scotld GNW	139	138	99.3	55	54	98.2
Southn GNW	322	316	98.1	169	169	100.0
W&W	93	92	98.9	77	77	100.0
Total	2,749	2,634	95.8	1958	1885	96.3

Table A9.33 - Provision of nonstandard connection quotations >275 kWh per hour (IGT)

IGT	2007-08			2008-09		
	Number of requests	Provided within timescale	% achieved	Number of requests	Provided within timescale	% achieved
Energetics	15	15	100.0	2	2	100
GTC PL	0	0	-	0	0	-
ESP PL	0	0	-	0	0	-
ES PL	2	2	100.0	0	0	-
ESP Cons	0	0	-	1	1	100.0
ESP Nwks	0	0	-	0	0	-
Total	17	17	100.0	3	3	100.0

GS7 - The accuracy of quotations

1.22. Where a customer challenges a quotation under the GTs published accuracy scheme and the quotation is found to be inaccurate the GTs must refund any overcharge that has been made. The quotation is treated as a failure under the relevant Guaranteed Standard until a revised quotation has been provided.

1.23. In 2008-09 all GDNs received requests for quotations to be reviewed under their accuracy scheme, only one IGT received such requests. Although IGTs received less quotation requests than GDNs the fact the majority of IGTs did not receive any

requests under the price accuracy review scheme could suggest that their customers are not aware of its existence.

1.24. On average where GDNs received requests for accuracy reviews 14 per cent of quotations were found to be inaccurate. It should be noted that 4 GDNs did not find any reviewed quotations to be inaccurate while National Grid North West found 25 per cent and National Grid East of England found 31 per cent of reviewed quotations to be inaccurate. As stated in chapter three of the main document we are concerned that a GDN would find that high a level of reviewed quotations to be inaccurate.

1.25. As stated previously one IGT (IPL) received requests for quotations to be reviewed for accuracy. Of the 10 requests received IPL found 4 (40%) of the quotations to be inaccurate, we are concerned that a IGT would find this percentage of reviewed quotations to be inaccurate.

1.26. Although a number of GTs found quotations to be inaccurate no refunds were issued in 2006-07, 2007-08, or 2008-09. It is likely that no refunds were issued because the inaccurate quotations had not been paid for by customers, therefore, a refund was not required and the GDNs subsequently reissued the quotations.

Table A9.34 - The accuracy of quotations (GDN)

GDN	2007-08			2008-09		
	Number of requests	Number of quotations found to be inaccurate	% inaccurate	Number of requests	Number of quotations found to be inaccurate	% inaccurate
NG EOE	21	3	14.29%	19	6	31.58%
NG LDN	27	2	7.41%	7	1	14.29%
NG NW	9	0	0.00%	4	1	25.00%
NG WM	11	2	18.18%	5	0	0.00%
Northn GNW	16	2	12.50%	11	0.0	0.00%
Scotld GNW	9	0	0.00%	13	1.0	7.69%
Southn GNW	8	2	25.00%	2	0.0	0.00%
W&W	0	0	-	1	0.0	0.00%
Total	101.0	11.0	10.89%	62	9	14.52%

Table A9.35 - The accuracy of quotations (IGT)

IGT	2007-08			2008-09		
	Number of requests	Number of quotations found to be inaccurate	% inaccurate	Number of requests	Number of quotations found to be inaccurate	% inaccurate
IPL	2	0	0.00%	10	4	40.00%
QPL	0	0	-	0	0	-
Energetics	0	0	-	0	0	-
GTC PL	0	0	-	0	0	-
ESP PL	0	0	-	0	0	-
ES PL	0	0	-	0	0	-
ESP Cons	0	0	-	0	0	-
ESP Nwks	0	0	-	0	0	-
SSE PL	0	0	-	0	0	-
Total	2	0	0.00%	10	4	40.00%

GS8 - Response to land enquiries within 5 working days

1.27. A GT must respond to a land enquiry in respect of a new connection or alteration of an existing connection within 5 working days. Where a GT fails to achieve this, a fixed payment of £40 must be made in respect of the initial failure and each additional day during which the failure continues. There is a cap per customer of £250 for a new connection or altering an existing connection up to 275 kWh per hour and £500 for > 275 kWh per hour.

1.28. GDN performance against this standard improved in 2008-09 with 99.5 per cent of land enquires being responded to within 5 working days, this compares to 99 per cent in 2007-08.

1.29. Where we were able to report IGT performance no IGT reported any land enquiry requests.

Figure A9.31 - Response to land enquiries within 5 working days

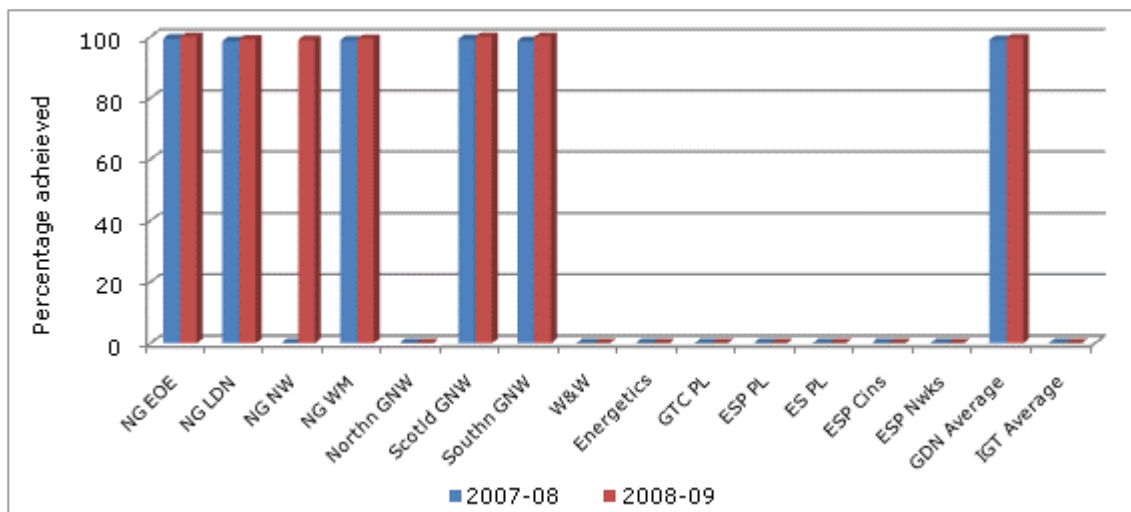


Table A9.36 - Response to land enquiries within 5 working days (GDN)

GDN	2007-08			2008-09		
	Number of requests	Responded within timescale	% achieved	Number of requests	Responded within timescale	% achieved
NG EOE	186	185	99.5	365	365	100.0
NG LDN	73	72	98.6	252	250	99.2
NG NW	118	117	-	295	292	99.0
NG WM	88	87	98.9	157	156	99.4
Northn GNW	-	-	-	-	-	-
Scotld GNW	147	146	99.3	41	41	100.0
Southn GNW	300	296	98.7	121	121	100.0
W&W	-	-	-	-	-	-
Total	912	903	99.0	1,231	1,225	99.5

GS9 - Offering a date for commencement and substantial completion of connection work (≤ 275 kWh per hour)

1.30. Where a customer has accepted a quotation, the GT must offer a date for commencement of the work and substantial completion within 20 working days. Where a GT fails to achieve this, a fixed payment of £20 will be made in respect of the initial failure and each additional day during which the failure continues. The cap per customer is the lesser of £250 or the contract sum.

1.31. On average GDN performance against GS9 improved in 2008-09 (99.8 per cent within the time frame compared to 98.9 per cent in 2007-08). Where we are able to report IGT performance it remained at 100 per cent.

Figure A9.32- Offering a date for commencement and substantial completion of connection work (≤ 275 kWh per hour)

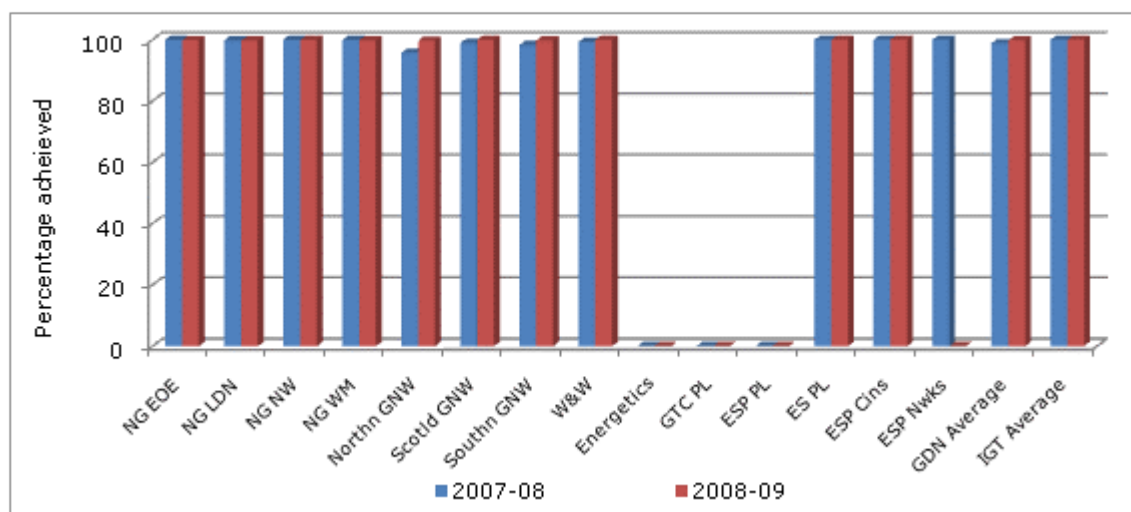


Table A9.37 - Offering a date for commencement and substantial completion of connection work (≤ 275 kWh per hour) (GDN)

GDN	2007-08			2008-09		
	Number of quotations accepted	Both dates were offered within timescale	% achieved	Number of quotations accepted	Both dates were offered within timescale	% achieved
NG EOE	9,930	9,924	99.9	7,181	7,169	99.8
NG LDN	3,907	3,898	99.8	2,431	2,424	99.7
NG NW	5,628	5,626	100.0	3,692	3,689	99.9
NG WM	3,644	3,642	99.9	2,626	2,621	99.8
Northn GNW	8,203	7,856	95.8	6,009	5,991	99.7
Scotld GNW	9,159	9,059	98.9	7,140	7,137	100.0
Southn GNW	8,335	8,192	98.3	6,365	6,347	99.7
W&W	11,060	10,982	99.3	8,006	7,997	99.9
Total	59,866	59,179	98.9	43,450	43,375	99.8

Table A9.38 - Offering a date for commencement and substantial completion of connection work (≤ 275 kWh per hour) (IGT)

GT	2007-08			2008-09		
	Number of requests	Both dates were offered within timescale	% achieved	Number of requests	Both dates were offered within timescale	% achieved
Energetics	0	0	-			-
GTC PL	0	0	-	0	0	-
ESP PL	0	0	-	0	0	-
ES PL	58	58	100.0	34	34	100.0
ESP Cons	76	76	100.0	54	54	100.0
ESP Nwks	1	1	100.0	0	0	-
Total	135	135	100.0	88	88	100.0

GS10 - Offering a date for commencement and substantial completion of connection work (> 275 kWh per hour)

1.32. Where a customer has accepted a quotation, the GT must offer a date for commencement of the work and substantial completion within 20 working days. Where a GT fails to achieve this, a fixed payment of £40 will be made in respect of the initial failure and each additional day during which the failure continues. The cap per customer is the lesser of £500 or the contract sum.

1.33. GDN performance against GS10 improved in 2008-09 with 98 per cent of dates for commencement and substantial completion of connection work > 275 kWh per hour being provided within 20 working days.

1.34. Where we are able to report IGT performance, IGT's offered dates all were offered within the 20 day period.

Figure A9.33 - Offering a date for commencement and substantial completion of connection work (> 275 kWh per hour)

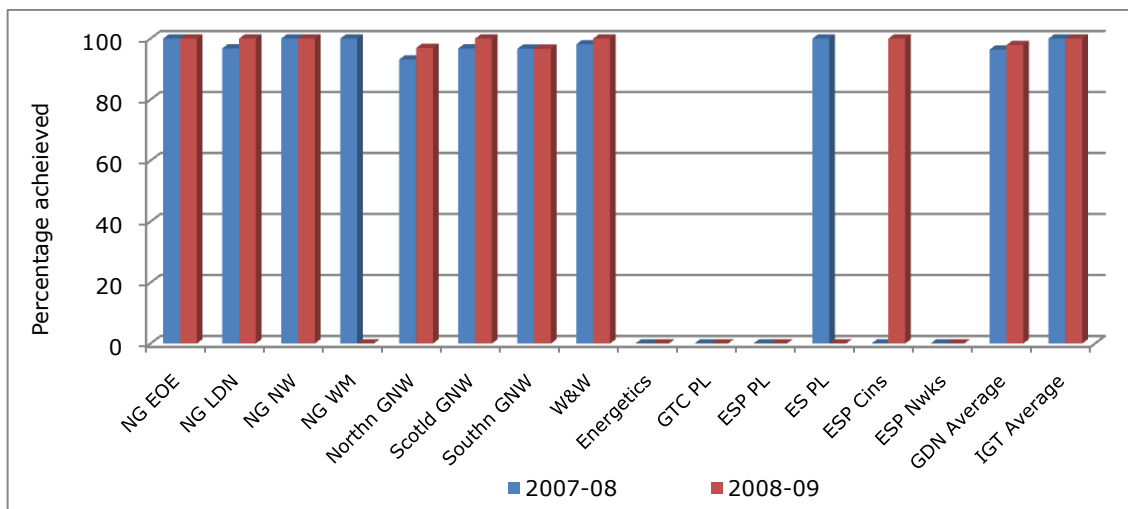


Table A9.39 - Offering a date for commencement and substantial completion of connection work (> 275 kWh per hour) (GDN)

GDN	2007-08			2008-09		
	Number of quotations accepted	Both dates offered within timescale	% achieved	Number of quotations accepted	Both dates offered within timescale	% achieved
NG EOE	12	12	100.0	2	2	100
NG LDN	31	30	96.8	2	2	100
NG NW	6	6	100.0	3	3	100
NG WM	7	7	100.0	0	0	-
Northn GNW	73	68	93.2	65	63	97
Scotld GNW	31	30	96.8	26	26	100
Southn GNW	90	87	96.7	60	58	97
W&W	54	53	98.1	29	29	100
Total	304	293	96.4	187	183	98

Table A9.40 - Offering a date for commencement and substantial completion of connection work (> 275 kWh per hour) (IGT)

GT	2007-08			2008-09		
	Number of requests	Both dates offered within timescale	% achieved	Number of requests	Both dates offered within timescale	% achieved
Energetics	0	0	-			-
GTC PL	0	0	-	0	0	-
ESP PL	0	0	-	0	0	-
ES PL	12	12	100.0	0	0	-
ESP Cons	0	0	-	2	2	100.0
ESP Nwks	0	0	-	0	0	-
Total	12	12	100.0	2	2	100.0

GS11 - Completion of the work on the agreed date

1.35. Where a GT fails to substantially complete a connection on the date agreed with the customer, a payment will be made in respect of the initial failure and each additional day during which the failure continues. The Payment levels are set as follows: connections up to and including £1k - £20 (capped at lesser of £200 or the contract sum); >£1k but not exceeding £4k - lesser of £100 or 2.5% of contract sum (cap at 25% of contract sum); >£4k not exceeding £20k - £100 (cap at 25% of contract sum); >£20k but not exceeding £50k - £100 (cap at £5000); >£50k but not exceeding £100k - £150 (cap at £9000).

1.36. While three GDNs performance improved and one GDN's performance remained the same, on average, GDN's performance against GS11 decreased slightly in 2008-09 when compared to performance in 2007-08. Northern Gas Networks suffered the biggest reduction performance (2.6 per cent). While no reduction in performance was significant it should be noted that the number of jobs relevant to this standard reduced dramatically in 2008-08 (down to 41,836 in 2008-9 from 58,901 in 2007-08). As the number of jobs reduced we would have expected to see an increase in performance.

1.37. Where we are able to report IGT performance only one IGT achieved 100 per cent performance against GS11 in 2008-09 and average IGT performance decreased from 100 per cent in 2007-08 to 93.4 per cent in 2008-09. ES Pipelines performance dropped from 100 per cent in 2007-08 to 92.9 per cent in 2008-09 while ESP Connections performance dropped to 93.5 from 100 per cent in 2007-08. We are concerned about this drop in performance especially since the number of jobs received by ESP Connections dropped from 76 in 2007-08 to 46 in 2008-09.

Figure A9.34 - Completion of the work on the agreed date

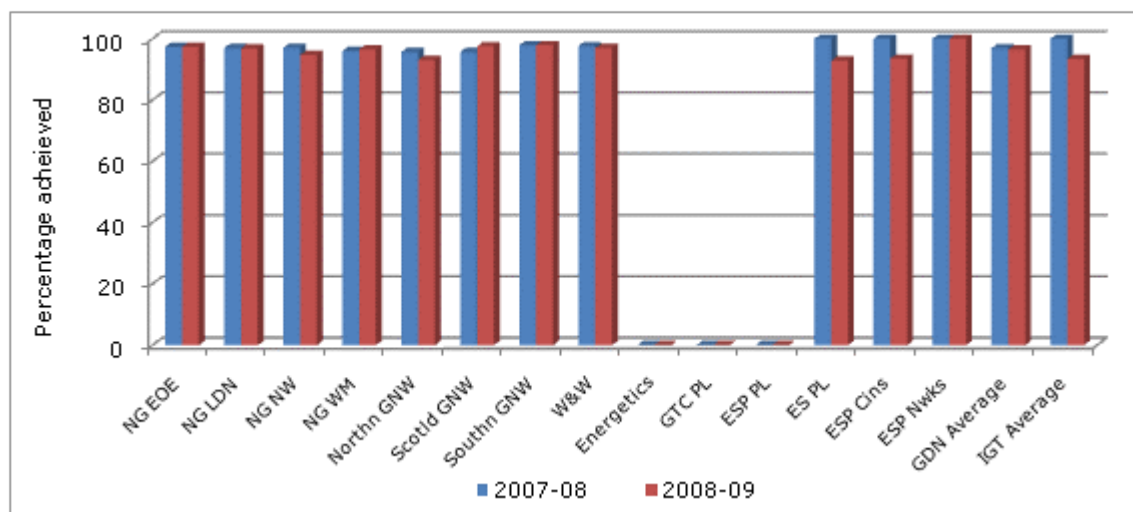


Table A9.41 - Completion of the work on the agreed date (GDN)

GDN	2007-08			2008-09		
	Works Substantially Completed	Within agreed timescale	% achieved	Works Substantially Completed	Within agreed timescale	% achieved
NG EOE	11,475	11,168	97.3	6438	6268	97.4
NG LDN	4,223	4,095	97.0	2363	2288	96.8
NG NW	6,035	5,858	97.1	3156	2989	94.7
NG WM	4,095	3,932	96.0	2502	2415	96.5
Northn GNW	7,272	6,960	95.7	5622	5232	93.1
Scotld GNW	8,118	7,770	95.7	6871	6704	97.6
Southn GNW	8,417	8,237	97.9	6492	6355	97.9
W&W	11,152	10,881	97.6	8392	8136	96.9
Total	60,787	58,901	96.90	41836	40387	96.5

Table A9.42- Completion of the work on the agreed date (IGT)

GT	2007-08			2008-09		
	Works Substantially Completed	Within agreed timescale	% achieved	Works Substantially Completed	Within agreed timescale	% achieved
Energetics	0	0	-	0	0	-
GTC PL	0	0	-	0	0	-
ESP PL	0	0	-	0	0	-
ES PL	58	58	100.0	28	26	92.9
ESP Cons	76	76	100.0	46	43	93.5
ESP Nwks	1	1	100.0	2	2	100.0
Total	135	135	100.0	76	71	93.4

Appendix 10 - Update on Competition in Connections

This appendix contains information about the work of the ECSG and the changes that have been introduced since the publication of last year's CIR document.

Work of the ECSG

1.55. The Electricity Connections Steering Group (ECSG) advises Ofgem on the measures that are required to support the development of competition in the electricity connections market. The group is attended by representatives of each DNO, third party connections providers, house building developers and Local Authorities.

1.56. The ECSG has worked with Ofgem to develop standard licence conditions 15 (formerly 4F) and 19 (formerly 4C) and the unmetered service level agreement / key performance indicators. The group has also been a driving force behind the extension of contestability. During 2009 we established a number of ECSG sub-groups to take forward our policy for connections in DPCR5.

Connections in DPCR5

1.57. Two industry working groups were formed to focus on the development of our proposals to stimulate competition (market segmentation, margins and competition tests) and our work on developing connections standards. The proposals we have reached are set out in the main CIR document.

Extending the scope of contestability

1.58. Competition in electricity connections is limited to a number of "contestable activities" that can be carried out by a DNO/IDNO or an ICP. There are other "non-contestable" areas of connection works that can only be provided by the host DNO/IDNO, due to economic, technical or safety issues.

1.59. The ECSG and its sub-groups have been the main forums for discussions about the feasibility of extending the scope of contestability in connections, highlighting and pursuing areas where it could be beneficial to make "non-contestable" areas "contestable". However, due to our commitments to take forward our DPCR5 policy, we have put on hold further incremental changes to extend contestability.

1.60. Nevertheless, we have liaised with the Electricity Networks Association (ENA) for its support in taking forward the extension of contestability in connections into the unmetered and metered connections markets. The ENA has set up a working group that is considering the safety and operational issues associated with allowing third party providers to undertake jointing activities on DNO networks. This has

previously been a non-contestable activity. A number of industry stakeholders are taking this work forward with Ofgem involvement. Regular progress updates are being provided to the ECSG.

1.61. During 2010 we will work with the ECSG to bring about improvements to the operation of the competitive connections market. We will also use the ECSG as a means of discussing post DPCR5 implementation issues.