

**Revised Overall Standards of Performance
arrangements for gas transporters**

Consultation on the draft determinations

March 2005

Summary

Overall Standards of Performance were introduced for gas transporters in April 2002, following consultation as part of the last Transco price control review. They are applicable to customers connected to Transco's Distribution Networks and those connected to independent gas transporter's networks.

The Overall Standards cover areas where Ofgem considers customers in general have a right to expect licensees to deliver pre-determined minimum levels of service, but in areas where it is not necessarily appropriate to put in place guarantees for individual customers. For example they cover performance with respect to telephone response to the national emergency number and customer complaint handling. Each gas transporter is required to meet the minimum level of performance defined by the Overall Standards. Failure to do so may lead to the Authority taking enforcement action.

A number of changes to the Overall Standards are required in light of the ongoing DN Sales process and the introduction of new standards of performance for connections services, which come into effect in May 2005. This document constitutes statutory notice as required by the Gas Act 1986 to revise the Overall Standards from 1 May 2005. These revisions reflect the structural and contractual changes resultant from the DN Sales process and ensure that any overlap between the Overall Standards and the amended connections standards is minimised.

Ofgem considers that these revisions result in no change to the regulatory protection provided to customers by the Overall Standards.

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1. Introduction

- 1.1. This document constitutes the statutory notice for revising the Overall Standards of Performance for gas transporters.
- 1.2. The revisions are being proposed in light of industry changes as part of the ongoing DN Sales process and the introduction of new connections standards of performance arrangements. In addition, Ofgem considers it is appropriate to rationalise the complaint handling Overall Standards so that they focus on the overall level of service that customers receive.
- 1.3. The revised Overall Standards of Performance will be implemented through new statutory determinations to be issued by the Gas and Electricity Markets Authority (“the Authority”) and applicable to all Distribution Network (“DN”) licensees and independent gas transporters (“IGTs”) from 1 May 2005.

Purpose and structure of this document

- 1.4. This document invites representations on the draft determinations required to revise the Overall Standards of Performance for gas transporters.
- 1.5. Chapter 2 provides background on the existing Overall Standards of Performance arrangements, Chapter 3 explains the proposed revisions to these and Chapter 4 sets out the timetable for the implementation of the revised arrangements. Appendix 1 sets out the statutory notice for revising the Overall Standards, with Appendices 2, 3 and 4 setting out the draft Authority determinations for the revised arrangements for Transco’s retained DN licensees, for the independent DNs and for the IGTs respectively.

Responses to this document

- 1.6. Any representations on the proposals contained in this document must be made by 21 April 2005. They should be sent to:

Richard Clay
Ofgem
9 Millbank
London
SW1P 3GE

Email: richard.clay@ofgem.gov.uk
Fax: 020 7901 7406
Tel: 020 7901 7264

- 1.7. Unless marked as confidential, all responses will be published by placing them in Ofgem's library and on the website. It would be helpful if responses could be submitted both electronically and in writing. Any questions on the issues raised in this document should also, in the first instance, be directed to Richard Clay.

2. Summary of existing Overall Standards of Performance

- 2.1. Section 33BA of the Gas Act 1986 (“the Act”) provides for the Authority to determine Overall Standards of Performance for gas transporters from time to time. These Standards cover areas where Ofgem considers customers in general have a right to expect licensees to deliver pre-determined minimum levels of service, but in areas where it is not necessarily appropriate to put in place guarantees for individual customers. They set service levels for minimum average levels of performance that gas transporters are required to achieve over a 12-month period¹ in specific service areas.
- 2.2. The existing Overall Standards came into effect on 1 April 2002, and were consulted on widely as part of the last Transco price control review. The Overall Standards cover all customers connected to the DNs owned and operated by Transco and the IGTs.
- 2.3. The existing Overall Standards are summarised in Table 2.1 below.

¹ IGTs are required to report statistics annually under the Overall Standards, although performance is currently measured using a three year average

Table 2.1 Summary of the Overall Standards of Performance for gas transporters applicable from April 2002

No.	Standard	Definition	Target
OS1	Telephone calls (Transco only)	Telephone calls to the national emergency number (which operates 24 hours a day), the dedicated meter enquiry line and meter point reference number helpline (during the hours, which they operate) will be answered by an individual within 30 seconds of the call being connected	90%
OS2	Notification of planned supply interruptions	For planned maintenance or replacement work, which involves interruption of the gas supply, the gas transporter ("GT") will provide written notification of the need for the interruption at least 5 working days in advance of starting the work. The notice need not specify the date and time of the interruption. Its purpose is that it informs customers that an interruption may be required as a result of planned activities.	95%
OS3	Informing customers of when they are due to be reconnected	For unplanned supply interruptions or gas emergencies which are expected to last over 24 hours the GT or its contractor shall:	
		(a) Where up to 250 customers are affected, notify individual customers that they have been interrupted and the expected programme for reconnection (including the expected date of reconnection) within 12 hours of it having knowledge of the interruption;	97%
		(b) Where 250 or more customers are affected, provide public announcements (for example, using local public address broadcasts and local radio) throughout the area affected describing the expected programme for reconnection (including the expected date of reconnection) within 12 hours of it having knowledge of the interruption; and	97%
(c) Provide a progress report and revised information on the expected date of reconnection after each succeeding period of 24 hours from the original announcement or notification	97%		
OS4	Initial response to correspondence and complaints	GTs shall issue a written or verbal response to:	
		(a) Correspondence relating to a provision of a connection to its system within 5 working days of receipt; and (b) Written complaints relating to its licensable activities within 5 working days of receipt (Where this is not a substantive response it will indicate when a substantive response may be expected)	90% 90%
OS5	Visits following issue under OS4	Where a visit is appropriate following receipt of written correspondence or a complaint under standard 4 the GT will:	
		a) Make contact within 2 working days of receipt of the correspondence or complaint; and b) Make the visit within 5 working days (unless the customer agrees a later date) of making an appointment, where the customer needs to be present, and in any other case of making contact	93% 93%
OS6	Substantive response to complaints	The GT shall dispatch a substantive response to any oral or written complaint relating to its licensable activities within 10 working days other than in exceptional circumstances. (This will include an indication of any further work the GT considers to be required, if appropriate)	90%
OS7	Gas emergencies (Transco only)	Where the GT receives a report of a gas escape or other gas emergency, including a significant spillage of carbon monoxide or other hazardous situations, it will attend as quickly as possible within the following timescales:	
		a) All uncontrolled gas escapes or uncontrolled gas emergencies within 1 hour; and b) All controlled gas escapes or other controlled gas emergencies within 2 hours	97% 97%

2.4. In addition to the Overall Standards, section 33AA of the Act also provides for the Authority, with the consent of the Secretary of State of Trade and Industry, to make Regulations for Guaranteed Standards of Performance. These set service levels that must be met in each individual case. If a gas transporter fails to provide the level of service required, it must make a payment to the customer affected, subject to certain exemptions. Ofgem has recently amended the Guaranteed Standards of Performance to introduce new connections standards from 1 May 2005².

² See Ofgem document 270/04: 'Improving the provision of gas connections services by gas transporters – consultation and update document', December 2004

3. Proposed revisions to the Overall Standards of Performance

- 3.1. Ofgem considers it appropriate to revise the existing Overall Standards of Performance from 1 May 2005 for two main reasons. These are explained further below.

DN Sales

- 3.2. The existing Overall Standards for Transco require it to report performance overall and disaggregated by each DN, with the exception of OS1 which is applicable at the national level only. Subject to successful completion of the DN Sales process³, the Overall Standards will, at a minimum, need re-issuing by the Authority so that the existing obligations migrate to each DN licensee. Ofgem considers that there needs to be three generic versions of the Overall Standards going forward applicable to: Transco's retained DNs; to the independent DNs; and to the IGTs. The draft determinations are included as appendices to this document.
- 3.3. In addition, there are a number of industry changes coming into effect as a result of the DN Sales that will have consequential effects on the existing Overall Standards. Ofgem considers that OS7 need revising in light of this.

Overall Standard 7 – Gas emergencies

- 3.4. When Transco receives a report of a gas escape or other gas emergency, OS7 requires Transco to attend the site within 1 hour for all uncontrolled escapes, and within 2 hours for controlled gas escapes in 97 per cent of cases.
- 3.5. Although the independent DNs will have discharged their responsibility for answering calls to the national emergency telephone line to Transco through contract going forward, responsibility for attending sites to make properties safe will rest with each DN licensee. As such, Ofgem considers it appropriate that OS7 is revised to enable each DN

³ For further detail on the DN Sales process, see the relevant section of the Ofgem website, in particular the Authority's Decision in respect of the sale of gas distribution networks, published in February 2005

licensee to report performance separately and to ensure that a consistent start time is applied by all DN licensees for measuring performance under this Overall Standard. The proposed revisions are included in the draft determinations.

New connections standards

- 3.6. Ofgem recently concluded a workstream to revoke the 1999 Gas Act Enforcement Order⁴, and replace the standards contained therein with new Guaranteed Standards of Performance set out in Statutory Instrument⁵ and performance standards through a new licence condition⁶.
- 3.7. Some of the existing Overall Standards cover connections activities, for example OS4 covers responding to correspondence relating to the provision of a new connection. Ofgem considers these areas are now more effectively regulated through the new connections standards arrangements and is proposing to remove any overlap by revising the relevant Overall Standards⁷ so that they only cover complaints.

Consolidation of Overall Standards 4-6

- 3.8. At the same time as considering the impact of the new connections arrangements on the Overall Standards, Ofgem has also been considering whether the complaint handling standards (i.e. Overall Standards 4, 5, and 6) could be simplified further.
- 3.9. Overall Standards 4-6 cover various stages of the complaint handling process. OS4 is concerned with the initial response to a customer complaint, OS5 is about making visits to the customer when necessary to resolve a complaint and OS6 is about providing a substantive reply to the customer.
- 3.10. These three existing Overall Standards focus on certain inputs to the complaint resolution process. However, Ofgem considers that the standards should focus on the

⁴ See Ofgem publication 74/05: 'Notice of proposal to revoke the Transco final enforcement order dated 19th February 1999'; March 2005

⁵ See Ofgem publication 270/04: 'Improving the provision of gas connections services by gas transporters – consultation and update document'; December 2004

⁶ See Ofgem publication 45/05: 'National Grid Transco – Potential Sale of Gas Distribution Network Businesses. Formal Consultation under Section 23 and Section 8AA of the Gas Act 1986'; February 2005

key output of whether customers receive a response to complaints in appropriate timescales going forward. As such, Ofgem considers that there should be one consolidated complaints handling standard which combines the existing requirements of OS4 and OS6.

- 3.11. This means that from 1 May 2005, Ofgem is proposing that DN licensees and IGTs will be required to provide an initial response to complaints within 5 days and provide a further response within 10 days if the initial response is not substantive, in 90 per cent of cases.

Other issues

- 3.12. The existing Overall Standards for IGTs are measured using a three year average, rather than annually as is the case for Transco. The target levels for performance are the same. This was considered appropriate at the time when the Overall Standards were introduced given the relatively small customer base of these companies⁸.
- 3.13. Going forward, Ofgem considers it appropriate that the Overall Standards for IGTs are measured on a rolling three year basis. This will continue to make allowances given their relative small customer bases of IGTs, but will ensure that IGTs' performance can be monitored on an annual rather than tri-annual basis.
- 3.14. However, given the revisions to the Overall Standards, Ofgem recognises that this method of measuring performance is not possible until three years data has been collected on the revised basis. As such, IGT performance will be measured using a three year average for the first three year period, and then on a rolling three year basis thereafter. Each IGT will continue to be required to report annually on its performance under each Overall Standard in the same way as the DN licensees.

⁷ The relevant Overall Standards are OS4, OS5 and OS6

⁸ See Ofgem document 79/01: 'Guaranteed and overall standards of performance for independent gas transporters – final proposals', December 2001

4. Next steps and timetable for implementation

- 4.1. This document invites comments on the draft determinations required to implement the revised Overall Standards of Performance for gas transporters from May 2005. The consultation period on the draft determinations is 28 days. In the light of this, any representations on the proposals contained in this document and its appendices must be received by 21 April 2005.
- 4.2. Following the consultation period and subject to the consideration of any representations, a final version of the determinations will be made by the Authority. Ofgem aims to make the determinations by 28 April 2005 with the intention that the revised Overall Standards of Performance for all DN licensees and the IGTs come into effect on 1 May 2005.
- 4.3. A more detailed timetable is set out in Table 4.1 below:

Table 4.1 – Timetable for implementation of revised Overall Standards

Date	Activity
21 April 2005	Responses to this consultation due
By 28 April	Determinations made and issued
1 May	Revised Overall Standards of Performance intended to come into effect

- 4.4. The statutory notice for the proposed revisions to the Overall Standards is set out in Appendix 1 to this document. The draft determinations for Transco's retained DN's and the generic drafts for the independent DNs and the IGTs are set out in Appendices 2, 3 and 4 respectively.

Appendix 1 Notice under Section 33BAA of the Gas Act 1986

- 1.1 This appendix sets out the notice under Section 33BAA of the Gas Act 1986 to determine revised Overall Standards of Performance for gas transporters.

NOTICE UNDER SECTION 33BAA OF GAS ACT 1986

1. The Gas and Electricity Markets Authority (“the Authority”) hereby gives notice under section 33BAA of the Gas Act 1986 (“the Act”) of its intention to determine new overall standards of performance (“the Standards”) under section 33BA of the Act for holders of gas transportation licences granted or treated as granted under section 7 of the Act.
2. The Standards will replace the overall standards of performance determined by the Authority and introduced on 1 April 2002.
3. Subject to the consideration of any representations from interested parties on the proposals it is intended that the Standards will take effect from 1 May 2005.
4. In summary, the effect of the proposed Standards is to revise the current overall standards of performance to reflect industry changes as part of the proposed distribution network sales process and the introduction of new connections standards arrangements.
5. The reasons why the Authority proposes to determine the Standards are set out more fully by the Authority in a consultation document on the revised determinations: ‘Revised Overall Standards of Performance arrangements for gas transporters’ published in March 2005.
6. Copies of the draft directions introducing the Standards and other documents referred to in this notice are available (free of charge) from the Ofgem library (telephone 020 7901 1600) or on the Ofgem website (www.ofgem.gov.uk) and the draft directions introducing the Standards are annexed to this notice.

7. Any representations on the Standards may be made in writing by 21 April 2005 to Richard Clay at Ofgem, 9 Millbank, London SW1P 3GE or by e-mail to richard.clay@ofgem.gov.uk.

David Gray

Managing Director – Networks

On behalf of the Authority

Appendix 2 Draft determination for Transco's retained Distribution Networks

- 2.1 This appendix sets out the draft determination to bring into effect revised Overall Standards of Performance for Transco's retained DNs with effect from 1 May 2005.

OVERALL GAS TRANSPORTER STANDARDS OF PERFORMANCE FOR TRANSCO PLC

The Gas and Electricity Markets Authority ("the Authority"), in accordance with the powers contained in section 33BA of the Gas Act 1986 ("the Act") and after the consultation and research required by section 33BAA of the Act, hereby determines the standards of overall performance in connection with the provision of gas transportation services to be achieved by Transco plc registered with company number 2006000 ("the Company") as follows:

1. (1) Unless the context otherwise requires, words and expressions used in this determination shall bear the same meaning as in Part I of the Act.
- (2) The following words and expressions shall have the meaning attributed to them in the conditions of the DN operator licence granted to the Company under section 7 of the Act:

customer
primary sub-deduct premises
secondary sub-deduct premises
transportation business

In this determination:

"Distribution Network ("DN")" means the relevant gas distribution network defined with reference to its constituent Local Distribution Zones, as defined in Special Licence Condition E2A ('Revenue Restriction definitions in respect of the Distribution Network') of the DN operator licence;

“premises” shall include primary sub-deduct premises and secondary sub-deduct premises; and

“relevant period” means the period 1 May 2005 – 31 March 2006 and thereafter each succeeding period of 12 months starting on 1 April.

2. For the purpose of this determination:
 - (a) where more than one person is a customer in respect of a particular premises, a notice given by the Company to one person who is a customer in respect of those premises shall be a sufficient notice to any other person who is a customer in respect of those premises at the time the notice is given;
 - (b) where a person is a customer in respect of more than one premises, a reference in this determination to “customer” is a reference to that person in respect of each of the premises of which that person is a customer to which the determination applies;
 - (c) any reference to a customer shall include any person having apparent authority to represent the customer; and
 - (d) “customer” includes any person whom the Company reasonably believes to be the customer of the premises in relation to which the service relates.
3. The overall standard of performance to be achieved by the Company in respect of Service 1 is that, of the occasions during each relevant period upon which he is requested or required to perform the service, he shall provide the service described in column 1 in no less than the percentage of such occasions specified in column 2 opposite that service.
4. In addition to the overall standard of performance to be achieved under paragraph 3, the Company shall also, in respect of each of the Services 2 – 5 (inclusive) described in column 1, during each relevant period secure that the service is provided separately in relation to each of the Company’s DNs within the time specified in column 1 in no less than the percentage of such occasions specified in column 2 opposite that service.

Column 1

Column 2

Service 1

In respect of telephone calls to:

- (a) the telephone service which the Company operates pursuant to standard special condition A8 of the DN operator licence; and
- (b) the dedicated meter enquiry line and meter point reference number helpline, to the extent, and during such hours that the Company operates such lines,

each telephone call will be answered by an individual within 30 seconds. 90 per cent

For the purpose of Service 1, where the Company uses telephone lines shared with one or more other DN operators for the purpose of procuring the services in (a) and (b), performance under this standard shall be measured by aggregating all calls received on those lines.

Service 2

Where the Company proposes to carry out maintenance or replacement work to its pipe-line system which will require it to interrupt the conveyance of gas to customers, the Company will provide a written notification of the need for the interruption to each customer likely to be affected not less than 5 working days before the expected interruption. 95 per cent

Service 3

Where:

- a) the conveyance of gas to customers' premises is interrupted as a result of an emergency or other unplanned cause; and
- b) the Company expects that the interruption will continue for more than 24 hours,

the Company shall:

- (i) where 250 premises or less are affected, inform each customer (either orally or by means of an appropriate written notification delivered to the customer's premises) of the expected programme for (including the expected date of) restoration of supply and the means by which the Company will comply with paragraph (iii) within 12 hours of the time at which the Company is made aware that an interruption has or could reasonably be expected to have occurred; 97 per cent
- (ii) where more than 250 premises are affected, provide public announcements (including by means of local public address announcements, local radio or other equivalent means) throughout the area affected describing the expected programme for (including the expected date of) restoration of supply and the means by which the Company will comply with paragraph (iii) within 12 hours of the time at which the Company is made aware that an interruption has or could reasonably be expected to have occurred; and 97 per cent
- (iii) upon the expiry of each succeeding period of 24 hours from the notification or announcement under (i) or (ii) above, provide, (including, where appropriate, but not limited to, by means of the telephone enquiry service provided under standard special condition A8 of the DN operator licence) a progress report and revised information on the expected date of restoration of supply unless the customer or customers have already been made aware of the current progress and current expected date of restoration by such means. 97 per cent

Service 4

Where the Company receives an oral or written complaint relating to its gas transportation business to which it would reasonably expect that the customer would anticipate a response, the Company shall provide an oral response or despatch a written response to the customer within 5

working days of receipt of the complaint (including an indication of any further action that the Company considers to be required, including but not limited to the date by which the substantive response is to be despatched). Where the response is not a substantive reply then the Company shall (other than in exceptional circumstances) despatch the substantive response within 10 working days of receipt of the complaint.

90 per cent

Service 5

Where a report of a gas emergency including a gas escape, a significant escape of carbon monoxide, fumes or other hazardous situation relating to the Company's DNs is received on the telephone service operated under standard special licence condition A8, or by any other means, the Company shall attend or procure the attendance of an emergency service provider at the site of the incident as quickly as possible and in any event:

- (a) in respect of an uncontrolled gas escape or other uncontrolled gas emergency, within 1 hour of the call being received by telephone, or by any other means; and
- (b) in respect of a controlled gas escape or other controlled gas emergency, within 2 hours of the call being received by telephone, or by any other means.

97 per cent

97 per cent

For the purpose of Service 5:

"emergency service provider" shall have the same meaning as in the Gas Safety (Management) Regulations 1996; and

"controlled gas escape or other controlled gas emergency" means a gas escape or other gas emergency where the person reporting the escape or other emergency, after carrying out (or causing to be carried out) the actions required by the telephone operator, advises the operator that the escape of gas or other emergency appears to have ceased.

5. Upon commencement of the relevant period, this determination shall replace the overall standards of performance which were introduced on 1 April 2002 following a previous determination by the Authority under section 33BA of the Act.

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Duly Authorised by the Authority
[] April 2005

Appendix 3 Generic draft determination for the independent Distribution Networks

- 3.1 This appendix sets out the draft determination to bring into effect revised Overall Standards of Performance for the independent DNs with effect from 1 May 2005.

OVERALL GAS TRANSPORTER STANDARDS OF PERFORMANCE FOR INDEPENDENT DISTRIBUTION NETWORKS

The Gas and Electricity Markets Authority (“the Authority”), in accordance with the powers contained in section 33BA of the Gas Act 1986 (“the Act”) and after the consultation and research required by section 33BAA of the Act, hereby determines the standards of overall performance in connection with the provision of gas transportation services to be achieved by [*insert company name*] registered with company number [*insert company number*] (“the Company”) as follows:

1. (1) Unless the context otherwise requires, words and expressions used in this determination shall bear the same meaning as in Part I of the Act.

- (3) The following words and expressions shall have the meaning attributed to them in the standard conditions of the DN operator licence granted to the Company under section 7 of the Act:

customer
primary sub-deduct premises
secondary sub-deduct premises
transportation business

In this determination:

“Distribution Network (“DN”) means the relevant gas distribution network defined with reference to its constituent Local Distribution Zone, as defined in Special Licence Condition E2A (‘Revenue Restriction definitions in respect of the Distribution Network’) of the DN operator licence;

“premises” shall include primary sub-deduct premises and secondary sub-deduct premises; and

“relevant period” means the period 1 May 2005 – 31 March 2006 and thereafter each succeeding period of 12 months starting on 1 April.

6. For the purpose of this determination:
 - (e) where more than one person is a customer in respect of a particular premises, a notice given by the Company to one person who is a customer in respect of those premises shall be a sufficient notice to any other person who is a customer in respect of those premises at the time the notice is given;
 - (f) where a person is a customer in respect of more than one premises, a reference in this determination to “customer” is a reference to that person in respect of each of the premises of which that person is a customer to which the determination applies;
 - (g) any reference to a customer shall include any person having apparent authority to represent the customer; and
 - (h) “customer” includes any person whom the Company reasonably believes to be the customer of the premises in relation to which the service relates.
7. The overall standard of performance to be achieved by the Company in respect of Services 1-5 (inclusive) described in column 1 is that, of the occasions during each relevant period upon which he is requested or required to perform the service, he shall provide the service in no less than the percentage of such occasions specified in column 2 opposite that service.

Column 1

Column 2

Service 1

In respect of telephone calls to:

- (c) the telephone service which the Company operates pursuant to standard special condition A8 of the DN operator licence; and
- (d) the dedicated meter enquiry line and meter point reference number helpline, to the extent, and during such hours that, the Company operates such lines,

each telephone call will be answered by an individual within 30 seconds.

For the purpose of Service 1, where the Company uses telephone lines shared with one or more other DN operators for the purpose of procuring the services in (a) and (b), performance under this standard shall be measured by aggregating all calls received on those lines. 90 per cent

Service 2

Where the Company proposes to carry out maintenance or replacement work to its pipe-line system which will require it to interrupt the conveyance of gas to customers, the Company will provide a written notification of the need for the interruption to each customer likely to be affected not less than 5 working days before the expected interruption. 95 per cent

Service 3

Where:

- a) the conveyance of gas to customers' premises is interrupted as a result of an emergency or other unplanned cause; and
- b) the Company expects that the interruption will continue for more than 24 hours,

the Company shall:

- (iv) where 250 premises or less are affected, inform each customer (either orally or by means of an appropriate written notification delivered to the customer's premises) of the expected programme for (including the expected date of) restoration of supply and the means by which the Company will comply with paragraph (iii)

within 12 hours of the time at which the Company is made aware that an interruption has or could reasonably be expected to have occurred;

97 per cent

- (v) where more than 250 premises are affected, provide public announcements (including by means of local public address announcements, local radio or other equivalent means) throughout the area affected describing the expected programme for (including the expected date of) restoration of supply and the means by which the Company will comply with paragraph (iii) within 12 hours of the time at which the Company is made aware that an interruption has or could reasonably be expected to have occurred; and

97 per cent

- (vi) Upon the expiry of each succeeding period of 24 hours from the notification or announcement under (i) or (ii) above, provide, (including, where appropriate, but not limited to, by means of the telephone enquiry service provided under standard special condition A8 of the DN operator licence) a progress report and revised information on the expected date of restoration of supply unless the customer or customers have already been made aware of the current progress and current expected date of restoration by such means.

97 per cent

Service 4

Where the Company receives an oral or written complaint relating to its gas transportation business to which it would reasonably expect that the customer would anticipate a response, the Company shall provide an oral response or despatch a written response (including an indication of any further action that the Company considers to be required, including but not limited to the date by which the substantive response is to be despatched) to the customer within 5 working days of receipt of the complaint. Where the response is not a substantive reply then the Company shall (other than in exceptional circumstances) despatch the substantive response within 10 working days of receipt of the

90 per cent

complaint.

Service 5

Where a report of a gas emergency including a gas escape, a significant escape of carbon monoxide, fumes or other hazardous situation relating to the Company's DN is received on the telephone service operated by Transco plc under special standard licence condition A8 of the DN operator licence, or by any other means, the Company shall attend or procure the attendance of an emergency service provider at the site of the incident as quickly as possible and in any event:

- (c) in respect of an uncontrolled gas escape or other uncontrolled gas emergency, within 1 hour of the call being received on the telephone service operated by Transco plc, or by any other means; and 97 per cent
- (d) in respect of a controlled gas escape or other controlled gas emergency, within 2 hours of the call being received on the telephone service operated by Transco plc, or by any other means. 97 per cent

For the purpose of Service 5:

"emergency service provider" shall have the same meaning as in the Gas Safety (Management) Regulations 1996; and

"controlled gas escape or other controlled gas emergency" means a gas escape or other gas emergency where the person reporting the escape or other emergency, after carrying out (or causing to be carried out) the actions required by the telephone operator, advises the operator that the escape of gas or other emergency appears to have ceased.

5. Upon commencement of the relevant period, this determination shall replace the overall standards of performance which were introduced on 1 April 2002 following a previous determination by the Authority under section 33BA of the Act.

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Duly Authorised by the Authority
[] April 2005

Appendix 4 Generic draft determination for the IGTs

- 4.1 This appendix sets out the draft determination to bring into effect revised Overall Standards of Performance for the IGTs with effect from 1 May 2005.

OVERALL GAS TRANSPORTER STANDARDS OF PERFORMANCE FOR INDEPENDENT GAS TRANSPORTERS

The Gas and Electricity Markets Authority (“the Authority”), in accordance with the powers contained in section 33BA of the Gas Act 1986 (“the Act”) and after the consultation and research required by section 33BAA of the Act, hereby determines the standards of overall performance in connection with the provision of gas transportation services to be achieved by [*IGT company name*] registered with company number [*insert company number*] (“the Company”) as follows:

1. (1) Unless the context otherwise requires, words and expressions used in this determination shall bear the same meaning as in Part I of the Act.

- (4) The following words and expressions shall have the meaning attributed to them in the standard conditions incorporated in the Company’s gas transporter licence granted or treated as granted to the Company under section 7 of the Act:

customer

primary sub-deduct premise

secondary sub-deduct premises

transportation business

In this determination:

“premises” shall include primary sub-deduct premises and secondary sub-deduct premises; and

“relevant period” means the period 1 May 2005 – 31 March 2008 and thereafter each succeeding rolling period of 36 months starting on 1 April.

8. For the purpose of this determination:

- (i) where more than one person is a customer in respect of a particular premises, a notice given by the Company to one person who is a customer in respect of those premises shall be a sufficient notice to any other person who is a customer in respect of those premises at the time the notice is given;
 - (j) where a person is a customer in respect of more than one premises, a reference in this determination to “customer” is a reference to that person in respect of each of the premises of which that person is a customer to which the determination applies;
 - (k) any reference to a customer shall include any person having apparent authority to represent the customer; and
 - (l) “customer” includes any person whom the Company reasonably believes to be the customer of the premises in relation to which the service relates.
9. The overall standard of performance to be achieved by the Company in respect of each Service described in column 1 is that, of the occasions during each relevant period upon which he is requested or required to perform the service, he shall provide the service described in column 1 in no less than the percentage of such occasions specified in column 2 opposite that service.

Column 1

Column 2

Service 1

[not used]

Service 2

Where the Company proposes to carry out maintenance or replacement work to its pipe-line system which will require it to interrupt the conveyance of gas to customers, the Company will provide a written notification of the need for the interruption to each customer likely to be affected not less than 5 working days before the expected interruption.

95 per cent

Service 3

Where:

- a) the conveyance of gas to customers' premises is interrupted as a result of an emergency or other unplanned cause; and
- b) the Company expects that the interruption will continue for more than 24 hours,

the Company shall:

- (vii) where 250 premises or less are affected, inform each customer (either orally or by means of an appropriate written notification delivered to the customer's premises) of the expected programme for (including the expected date of) restoration of supply and the means by which the Company will comply with paragraph (iii) within 12 hours of the time at which the Company is made aware that an interruption has or could reasonably be expected to have occurred; 97 per cent
- (viii) where more than 250 premises are affected, provide public announcements (including by means of local public address announcements, local radio or other equivalent means) throughout the area affected describing the expected programme for (including the expected date of) restoration of supply and the means by which the Company will comply with paragraph (iii) within 12 hours of the time at which the Company is made aware that an interruption has or could reasonably be expected to have occurred; and 97 per cent
- (ix) upon the expiry of each succeeding period of 24 hours from the notification or announcement under (i) or (ii) above, provide, (including, where appropriate, but not limited to, by means of the telephone enquiry service provided under standard condition 6) a progress report and revised information on the expected date of restoration of supply unless the customer or customers have

already been made aware of the current progress and current expected date of restoration by such means.

97 per cent

Service 4

Where the Company receives an oral or written complaint relating to its gas transportation business to which it would reasonably expect that the customer would anticipate a response, the Company shall provide an oral response or despatch a written response (including an indication of any further action that the Company considers to be required, including but not limited to the date by which the substantive response is to be despatched) to the customer within 5 working days of receipt of the complaint. Where the response is not a substantive reply then the Company shall (other than in exceptional circumstances) despatch the substantive response within 10 working days of receipt of the complaint.

90 per cent

Service 5

[not used]

5. Upon commencement of the relevant period, this determination shall replace the overall standards of performance which were introduced on 1 April 2002 following a previous determination by the Authority under section 33BA of the Act.

.....

Duly Authorised by the Authority
[] April 2005

