



Department of Trade and Industry

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By email: distributionpolicy@ofgem.gov.uk

Dear Mr Cox

**Regulation of Independent Electricity Distribution Network Operators
(IDNOs)
Decision Document 176/05, July 2005**

I am replying on behalf of the Engineering Inspectorate in response to the Decision Document 176/05 ("Regulation of Independent Electricity Distribution Network Operators") that was circulated on the Ofgem website on 27 July 2005. I have comments to make on the issues of boundary equipment and other licence conditions.

Boundary Equipment

I note the content of paragraphs 4.8 to 4.12 regarding boundary equipment and that this reflects the earlier correspondence with the Inspectorate on this issue. I endorse Ofgem's views (paragraphs 4.10 – 4.12), that is simply: the need for one set of isolation equipment (most cases), reasonable access and the IDNO to pay for the protection/isolation equipment at the interface.

Other Licence Conditions

I note that one of the purposes of the document is to set out Ofgem's decisions on the issue of additional licence conditions to "switch on" schedule 3 and schedule 4 of the Electricity Act 1989 as amended.

Schedule 3, of course, relates to the compulsory acquisition of land by licence holders and I note Ofgem's decision to introduce Standard Licence Condition 34 to invoke schedule 3 for the IDNOs.

In the context of schedule 4, the document mainly refers to streetworks (e.g. paragraph 5.7). Schedule 4 however relates to: streetworks, road works in Scotland, protection from interference, acquisition of wayleaves, felling and lopping of trees and entry onto land. Although streetworks may be the most common (initial) application of schedule 4 for IDNOs, I feel it is important that the document reflects the other powers under schedule 4 which may gain in importance as time goes by.

In the document's final proposal paragraph 5.13, it is stated that *"it is not appropriate to limit IDNOs from undertaking projects which require work to be executed in the street Distributors will need to apply safe practices to deal with potentially multiple circuits of different ownership ..."* I feel that this response may not satisfy the concerns of your earlier respondents (paragraph 5.7), who apparently wanted sufficiently robust processes first. Whereas there is sufficient general legislation on this matter (e.g. Health and Safety at Work Act, Electricity at Work Regulations, Electricity Safety, Quality and Continuity Regulations 2002), it will be for the industry to agree suitable procedures – perhaps through the National Joint Utilities Group i.e. outside the scope of the present document. Nevertheless, I expect others will advise you that there will be costs involved in adopting safe methods of working involving the identification of circuits etc and the Ofgem document should have a statement of policy on who should bear the costs.

I hope that my comments are helpful.

Yours sincerely,



P J Fenwick
Chief Engineering Inspector