

R/15

15 March 2006

NETWORK OPERATORS URGED TO ENTER AWARD SCHEME FOR INITIATIVES TO HELP VULNERABLE CUSTOMERS

Local electricity network operators are being urged to enter an Ofgem award scheme recognising best practice in meeting and exceeding their obligations to help vulnerable customers.

The 14 distribution network operators (DNOs) will be able to submit details of programmes which assist priority customers who are either elderly, disabled or suffer from long-term sickness. The scheme also has a category for communication strategies DNOs have implemented with key bodies, such as emergency service control centres and customers who depend on electricity for medical equipment, or have other special communication needs. It also recognises good corporate social responsibility initiatives.

A total of £1 million will be available across all DNOs for each year of the current distribution price control period (2005-2010). The companies will submit their entries to a judging panel comprising Ofgem, energywatch and other organisations, which will make recommendations on which DNO initiatives will receive awards.

The scheme will reward DNOs which have holistic approaches embedded in their broader business processes, not necessarily 'flagship' projects or one-off initiatives. Ofgem is also inviting the DNOs to seek the involvement of stakeholders, such as voluntary groups to support their entries should they wish.

The deadline for DNOs to submit entries to Ofgem will be May 10, 2006.

- ends -

Notes to Editors:

1. In November 2004, the final proposals for the Distribution Price Control Review 2005-2010 established a discretionary reward scheme to encourage best practise in the following three areas:

- Initiatives to help priority customers such the elderly, the disabled or people suffering from long-term sickness. DNOs are required to maintain a register of priority customers who require advance notice of planned interruptions to supply because they depend on electricity

for medical reasons or have special communications needs. DNOs also need to liaise with energy suppliers who operate Priority Service Registers and offer a wider range of free services to vulnerable customers.

- Corporate Social Responsibility initiatives such as allowing staff to participate in educational projects which relate to the industry and its work.
- Wider communication strategies implemented by DNOs including liaison with health authorities, local authorities and emergency service control centres.

2. The scheme will have a total annual reward of £1 million available across all DNOs. The total reward amount will be spread across the three categories for the first year of the scheme, as follows:

Priority customer care initiatives	£600,000
Initiatives relating to corporate social responsibility (CSR)	£200,000
Wider communication strategies implemented by DNOs	£200,000

3. Electricity distribution companies run the wires that transmit electricity to homes and businesses. Distribution and metering charges account for about 21 per cent of domestic customer bills.

4. Copies of the document “Decision letter on Ofgem's Electricity Distribution Customer Service Reward Scheme” are available on the Ofgem website www.ofgem.gov.uk. Hard copies can be ordered from the Ofgem distribution centre on 020 7901 7116 or by email from distribution@ofgem.gov.uk

5. Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. Ofgem’s aim is to bring choice and value to all gas and electricity customers by promoting competition and regulating monopolies. The Authority's powers are provided for under the Gas Act 1986, the Electricity Act 1989 and the Utilities Act 2000.

For further press information contact:

Chris Lock 020 7901 7225
Out of hours (07766 511470)

Mark Wiltsher 020 7901 7006
Out of hours: (07818 457969)