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NEW STANDARDS TO SPEED UP CONNECTIONS

- **New standards will mean electricity network companies must meet deadlines for connections work**
- **Companies could face enforcement action if they don't meet the standards**
- **Customer service must also improve**
- **Competition is developing well in gas where independent firms offer more choice for customers**

Energy regulator Ofgem today (Friday) has announced plans for new requirements to speed up the connection of new housing, business premises and generators to local electricity networks.

Ofgem has taken action following complaints that electricity network operators took too long to complete connections work. The complaints emerged from a review by the regulator of competition in gas and electricity connections.

Ofgem Chief Executive, Alistair Buchanan, said: "The current performance of some electricity network companies in connecting new premises is unacceptable and the delays resulting from this work have caused frustration for developers and businesses. So we are proposing mandatory performance requirements for the companies which should improve the service they offer. If they don't meet these standards they could face enforcement action from Ofgem.

"Our review showed that competition in the gas connections market has developed well in recent years as independent companies have been able to offer customers alternative connection arrangements."

The new standards will be introduced through a formal licence condition for the electricity distribution network operators (DNOs) obliging them to meet a 90 per cent target in three key service areas. Improvements in these areas will ensure that customers with larger connections have an effective choice to use an independent connections provider (ICP) if they are not satisfied with the host distribution network. The three service area requirements are:

- provision of quotations including technical information which is vital so ICPs can complete work within 15 working days for low-voltage connections and 50 days for the extra-high voltage connections used by energy intensive industries;
- approval of an ICP's connection design or a full explanation why it has been rejected within 10 days of a request and;
- as connection works are nearing completion, ICPs will only need to give the DNO 10 days notice to carry out the final connection for low voltage connections and 20 days for high-voltage connections.

Ofgem is urging DNOs to improve their customer service for connections in a variety of ways such as offering a dispute resolution service and carrying out customer feedback surveys. The companies and other stakeholders will have until March 30 to respond to the proposals. If accepted the licence condition will come into force on 1 July and the other proposals are expected to be implemented more quickly.

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Notes to editors

1. The licence conditions which Ofgem proposes relate to non-contestable service areas. This refers to connections work which only a monopoly distribution network company can carry out in its own area.
2. Should Ofgem find that any gas and electricity company has breached licence conditions it has powers to investigate and potentially impose financial penalties of up to 10 per cent of global turnover.
3. 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. The Authority's functions are set out mainly in the Gas Act 1986, the Electricity Act 1989, the Competition Act 1998 and the Utilities Act 2000. In this note, the functions of the Authority under all the relevant Acts are, for simplicity, described as the functions of Ofgem.

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