



Consumers and their
representatives, DNOs, IDNOs,
electricity suppliers and other
interested parties

*Promoting choice and
value for all customers*

Your Ref: N/A
Our Ref: RBA/DPCR/QOS/24
Direct Dial: 020 7901 7147
Email: laura.nell@ofgem.gov.uk

Date: 23 September 2008

Dear Colleague

Consumer First research: Worst-served customers¹

This letter accompanies Accent's report published today on 'Worst Served Customers – September 2008'.

This research forms part of Ofgem's wider Consumer First initiative aimed at supporting greater engagement with consumers and ensuring that we capture consumer insight at every stage of our work.

As part of the preparatory work for the fifth price review (DPCR5), Ofgem appointed market research consultants, Accent, to undertake a programme of consumer research with the purpose of identifying customers' service priorities and their willingness to pay for improvements. To supplement this work, in July 2008 we commissioned seven qualitative discussion groups with the objective of specifically understanding the expectations, experiences and priorities of those customers that have encountered poor reliability of supply.

The Initial Consultation Document for DPCR5 published in March 2008, set out our concerns about the poor reliability of supply experienced by a minority of customers and our thoughts on ways to address this issue during DPCR5. In December we will publish a DPCR5 Policy Document and will be seeking views on the implications of this research and what we should be doing to encourage DNOs to improve service for worst-served customers.

Stakeholders will have an opportunity to comment on this research through the DPCR5 consultation process. However, should you have any questions about these research findings please contact my colleague Laura Nell, Quality of Service Manager (laura.nell@ofgem.gov.uk or 020 7901 7147).

Yours faithfully,

Rachel Fletcher
Director, Distribution

¹ A definition of worst-served customers has not yet been developed. The respondents that took part in this research were recruited on the basis of residing in an area having had and being able to recollect experiencing 15 or more interruptions within a three year period which may represent an extreme example of the spectrum of worst-served customers.