

Subject: Electricity Distribution Price Control Review Initial Proposals

Comments from Nottinghamshire County Council as Highway Authority are as follows

1. We, Nottinghamshire County Council, support the initiatives developed by OFGEM generally, but remain concerned about the continued lack of significant progress and the lack of consistency across DNO's with regards to un-metered supply connections delivery, choice and prices and with regards to DNO Fault restoration. **We are also very concerned about the lack of consistency across regions within the same DNO.**

2. We, Nottinghamshire County Council, are concerned that DNOs can move rapidly to including margins in their pricing without first satisfying the basic competition requirements that were expected under the existing "competition in connections" initiatives previously implemented. The lack of significant progress in competition in connections across the UK over the past number of years, highlights this concern and DNOs ability to frustrate competition and we would strongly request that a "baseline competition test" is established that all DNO's should meet on 1st April 2010 or before they can introduce charging of margins? *Note: We understand that a sample questionnaire has been developed by ASLEC, and is in OFGEM's possession. This could be used as the basis of establishing that DNO's meet the requirements previously expected of them as agreed with OFGEM, rather than potentially waiting until 2013 to establish whether OFGEM's existing requirements as at 2009 have been met or no?*

3. We strongly request that OFGEM ensure DNO's are adequately policed and audited to the appropriate and detailed level against the proposed competition tests on an annual basis as self-auditing / self declaration does not appear to have produced the industry-wide improvements required.

4. We strongly request greater OFGEM involvement and action where DNOs continue to obstruct or delay competition initiatives.

5. We would ask that OFGEM ensures and checks through audits, that a more consistent and transparent approach is taken by all DNO's **and within DNO's.**

6. We would ask that OFGEM ensure that best practice is identified and adopted by all DNO's, in relation to customer awareness of competitive alternatives, facilitation of competition, choice, pricing transparency and increases and that there is greater emphasis placed on ensuring that DNOs properly deal with complaints, and properly report against existing and proposed standards and licence conditions. In this respect, it would appear that the requirements on DNO's for metered connections seems to be more than those on un-metered connections. We would suggest that these two areas should be aligned where possible in terms of performance requirements (see Appendix 3 at <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=255&refer=Networks/ElecDist/PriceCtrls/DPCR5>)

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