

ofgem Promoting choice and value for all gas and electricity customers

Item 10 Fuel Poor Network Extensions

Karron Baker



Item 10 – fuel poor network extensions

What is the scope of the scheme?

How successful has the current scheme been?

Are there alternative ways of targeting more vulnerable customers?

How can we improve the incentive?



ofgem Promoting choice and value for all gas and electricity customers

Scope of the Scheme

Non Gas Fuel Poor Property Types Fuel poor and in high rise flats Fuel Poor in a flat Fuel Poor remote rural Fuel Poor near to mains

Property Type	(m)
Fuel poor and in high rise flats	0.02
Fuel Poor in a flat	0.12
Fuel Poor remote rural	0.13
Fuel Poor near to mains	0.33

- Approximately 2.7m people are without a gas connection of which it is estimated 0.6m are fuel poor (23%).
- Approximately 40% of off-grid fuel poor more difficult to connect than others
- 0.45m could potentially benefit from alternative affordable fuels.

* Figures provided by DECC based on 2007 surveys



Success of the current scheme

- Estimated 10 000 non gas households would need to be connected over the 5 year period for the scheme to pay for itself
- More connections have been completed than first expected
- WWU and NGN estimate potentially 3000 connections will be made in the coming year



	Type of Connection			Total
	One-Off	Community	UIP related	
National Grid	0	3180	0	3180
Northern Gas	70	713	6	789
Scotia	2650	830	0	3480
Wales and West	640		0	640
			Total	8089



Incentive for GDPCR2

• Are there alternative ways of targeting vulnerable customers?

• How can we improve the scheme?



Promoting choice and value for all gas and electricity customers