

ECSG 12th Sept 2012 - UCCG Feedback Items

- Highlight new NMO guidance on unmetered supply regulations challenges some DNO's current position.
- Request DNO's consider common voluntary non contestable service performance measures
- Request DNO's complete our survey of non contestable charges.
- Request DNO's recognise PFI maintenance works as an "LA RMS" during and after the PFI 5 year capex programme and we ask should ECSG prepare for an alternative "PFI" RMS definition with PFI ending.

New NMO guidance August 2012 – Highlights

- “predictability is the key to unmetered supplies – not the size of the load”
- Max Watts measured at the “load” point where it is “consumed” (not always at the DNO network connection point)
- An accurate inventory of predictable loads should limit max variance of +/- 3.5% compared to that of a metered supply
- Existing (pre 2001) unmetered supplies should not be converted unless a new installation (connection) is planned.
- NMO encourages all DNO’s to work towards a uniform approach. How do DNO’s plan to respond?

Non Contestable Service – Performance Measure

Request DNO's consider offering a common:-

- Voluntary measures to show DNO's process and response efficiency, (compared with their non-contestable charges)
 - eg
 - ICP connection scheme/proposal approval response
 - Daily Whereabouts request acknowledgement
 - Minimum required notice periods
 - LV cable ID service response
 - Jointer authorisation service response
- Not covered by SLC15 but could be if performance falls

Survey of DNO non-contestable service charges

Concern that charging methods and rates for recently introduced non contestable services such as “admin” may not be cost reflective or cost recovery is duplicated.

- Little explanation of charging methods for rates in charging statements
- Wide variation in what service activities DNO’s include and charge for.
- High volume PFI type programmes with “per ICP joint” charging methods, over recover against costs that should be incurred by an efficient DNO.
- Charges without any guarantee of service availability or response
- Wide variation in apparent comparative service activity rates

Survey of DNO non-contestable service charges

- Request DNO's volunteer to complete the UCCG survey, to inform all members and allow them to communicate to ICP's and their clients what to expect.
- Propose UCCG circulated directly to DNO's ECSG rep, but review and discuss common issues arising in CCMF.
- Individual DNO's issues taken up directly by members or UCCG on their behalf
- ECSG comments on survey approach or template welcome

Review of PFI RMS for maintenance works and future large Street Lighting capex replacement programmes

- We ask DNO's to consider adopting a common approach recognising Street Lighting PFI "maintenance" works (1 off jobs) as a (new) "LA" Relevant Market Segment, during and after the PFI 5 year capex.
- Existing PFI RMS definition will become obsolete with the end of PFI type government funding. Do we need an alternative RMS definition to cater for all large capex street lighting replacement programmes now and in future, irrespective of funding?
- Will Ofgem monitoring of ICP activity in each unmetered RMS continue beyond Dec 2013? Should we have an enduring common approach to start monitoring now?