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By email only

**Statutory consultations on the proposed changes to the Electricity (Standards of Performance) Regulations 2010 for both suppliers and distributors**

Dear Paul,

Thank you for the opportunity to respond to the above consultations dated 16 and 18 December 2014. I am responding on behalf of the fourteen electricity distribution licensees who are Distribution Services Providers. This response is not confidential and can be published on the Ofgem website.

We recognise the efforts by Ofgem to update the standards referred to above in order to reflect the RIIO-ED1 policy decisions and the guaranteed standards review following the December 2013 storms and following the wider review of supplier obligations under the standards. Whilst we agree with the principles behind the proposed changes we have a small number of outstanding issues that require addressing or further clarification in order to avoid any misinterpretation of the proposed statutory instruments.

**1. Stakeholder confusion resulting from the different timings of supplier and DNO changes**

Once the supplier standards have been amended in summer 2015, DNOs will be required to comply with a Statutory Instrument that will have been superseded in a number of parts by regulations that will apply to suppliers only. Not only will this cause confusion for stakeholders, we believe it opens up scope for omissions and misalignment between the different standards. We urge Ofgem to reconsider the timings of the respective changes to both standards to avoid confusion arising.

**2. Notice of Rights (supplier standards)**

As currently drafted, it is not clear who will be responsible for distributing the Notice of Rights to the identified sub-set of customers in respect of Regulation 11 (Supplier standards). We support Ofgem's view that it is no longer necessary for all customers to be notified of their rights in writing. The majority of customers have ready access to this information in the public domain, for example on company websites. However, it is appropriate to continue to provide this information to any customers who may find this

more difficult to locate, such as vulnerable customers or customers who might be entitled to payments under one of the more complex standards such as Worst Served Customers who may be entitled to multiple interruption payments.

We believe that suppliers are best placed to issue Notices of Rights to the identified customers given they have routine communication with the customers, which allows economies of scale to be achieved and distributor and supplier schemes to be presented to potentially vulnerable customers in one document.

In relation to our statements above, we seek clarity on the following:

- I. Whether the lack of a reference in the supplier statutory instrument to the notices only being issued to a subset of customers where interruptions are most common was an oversight or whether this was intentional. If the latter, we would appreciate an understanding behind the reasons for this; and
- II. What distributors can do to help ensure the lists of customers who should receive a copy of the Notice of Rights are sent in a consistent format so as to simplify the process for suppliers issuing the data. For example,
  - a. what data fields are required
  - b. is there a preferred time for the notices to be sent such that all distributors issue them at the same time

We note, however, that such clarity is not for the statutory instrument itself, but will be required in relevant guidance to ensure the smooth operation of the new process.

### **3. Appointments Standard**

The supplier consultation also proposes amendments in respect of Regulation 4 (appointments). It is clear from the consultation that this proposal and the consultations to date have only been made in respect of supplier appointments. We believe that the current arrangements for distributors (AM/PM/2 hour window) are fit for purpose and do not recognise any current driver for a consequential change to the distributor standard to match the proposed new supplier standard.

### **4. Distributor's Fuse – Additions to methods of contact (distributor's standards)**

Whilst we agree that it is important that customers should have varying methods of communication to contact us, it is important to state that the telephone number or e-mail address should be "the company's specified line or specified address", which could be included in the definitions section as "the number /address readily published by the company". For example, if a customer e-mailed an individual employee's e-mail or a separate part of the business, this would inevitably cause delays and should not be seen to have commenced the standard.

### **5. The proposed definition of "Priority Services Register Customer" (distributor standards)**

We believe the current definition leaves a small risk for distributors whereby the customer (or someone acting on their behalf or a Relevant Supplier) has requested that the customer be added to the Priority Services Register, but, before the distributor can action their request, the customer is subject to a qualifying standard. We believe that a minor change to the wording would alleviate this risk and still provide the required outcome:

*"Priority Services Register Customer", means a domestic customer who:*  
*a) is of pensionable age, disabled, or chronically sick, and*

b) because he has special communication needs or is dependent on electricity for medical reasons, requires certain information and advice about interruptions in the supply of electricity to *his* premises; and

c) *his name appears on the Priority Services Register for one of the following reasons:*

(i) *he has* personally asked the licensee to add his name to the Priority Services Register, or

(ii) *he has* had a person acting on his behalf ask for his name to be added to it, or

(iii) *he has* had a Relevant Supplier ask for *his* name to be added to it.

## 6. Regulation numbering

We support the inclusion of “Redundant” regulations so as to avoid the renumbering of regulations that are remaining. Such a renumbering would have had led to users being confused and to consequential cost impacts on systems to update them. Note that “Not used” would be a suitable text to be added against such regulations.

## 7. Minor Formatting correction

The track changes for the statutory instrument have led to some significant pagination issues which have made the draft amendments harder to follow. We assume Ofgem will rectify this as part of the finalisation process for the statutory instrument.

Thank you once again for the opportunity to comment on both these consultations: please do not hesitate to contact us if you require clarity on any of the points raised.

Yours sincerely,



David Smith  
**Chief Executive**

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