

**To: Electricity North West Ltd (ENWL)  
Northern Powergrid (Northeast) Ltd (NPgN)  
Northern Powergrid (Yorkshire) plc (NPgY)  
London Power Networks plc (LPN)  
South Eastern Power Networks plc (SPN)  
Eastern Power Networks plc (EPN)  
SP Distribution plc (SPD)  
SP Manweb plc (SPMW)  
Scottish Hydro Electric Power Distribution plc (SSEH)  
Southern Electric Power Distribution plc (SSES)  
Western Power Distribution (West Midlands) plc (WMID)  
Western Power Distribution (East Midlands) plc (EMID)  
Western Power Distribution (South Wales) plc (SWALES)  
Western Power Distribution (South West) plc (SWEST)**

**Notice under Part H of Charge Restriction Condition (CRC) 2C (Broad Measure of Customer Service Adjustment) of the proposed text of the Stakeholder Engagement and Consumer Vulnerability Guidance**

1. Each of the companies to whom this document is addressed is the holder of an electricity distribution licence granted or treated as granted under section 6(1)(c) of the Electricity Act 1989 (the Act).
2. Pursuant to Part H of special condition CRC 2C of the Electricity Distribution Licence (the Licence), the Gas and Electricity Markets Authority (the Authority)<sup>1</sup> will issue Stakeholder Engagement Incentive Guidance (the Guidance) following consultation on the proposed Guidance.
3. On 21 January 2016, the Authority published an informal consultation on its proposed Guidance.<sup>2</sup> It has taken into account the responses to this informal consultation.
4. The Authority hereby gives Notice, pursuant to CRC 2C.29 of the Licence, of the text of the Guidance that it proposes to direct. A link to the proposed text is contained in an Annex to this Notice, and the proposed text is published on our website.
5. The Authority proposes to issue the Guidance to specify the submission procedure and assessment process for the stakeholder engagement and consumer vulnerability incentive. The reasons for the proposed drafting of the Guidance are set out in the following documents:
  - a. RIIO-ED1 Stakeholder Engagement and Consumer Vulnerability (SECV) incentive consultation, 16 December 2014:  
[https://www.ofgem.gov.uk/sites/default/files/docs/2014/12/ed1\\_secv\\_consultation.pdf](https://www.ofgem.gov.uk/sites/default/files/docs/2014/12/ed1_secv_consultation.pdf)
  - b. RIIO-ED1 Stakeholder Engagement and Consumer Vulnerability Incentive Guidance – informal consultation, 21 January 2016:  
[https://www.ofgem.gov.uk/system/files/docs/2016/01/secv\\_consultation\\_jan\\_2016\\_0.pdf](https://www.ofgem.gov.uk/system/files/docs/2016/01/secv_consultation_jan_2016_0.pdf)
  - c. Formal consultation on the Stakeholder Engagement and Consumer Vulnerability (SECV) Guidance Document, 2 March 2016:  
<https://www.ofgem.gov.uk/publications-and-updates/notice-under-part-h-charge-restriction-condition-crc-2c-broad-measure-customer-service->

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<sup>1</sup> The terms 'the Authority', 'Ofgem' and 'we' are used interchangeably in this document. Ofgem is the Office of the Gas and Electricity Markets Authority.

<sup>2</sup> [https://www.ofgem.gov.uk/system/files/docs/2016/01/secv\\_consultation\\_jan\\_2016\\_0.pdf](https://www.ofgem.gov.uk/system/files/docs/2016/01/secv_consultation_jan_2016_0.pdf)

[adjustment-proposed-text-stakeholder-engagement-and-consumer-vulnerability-guidance](#)

6. The Authority proposes that the Guidance should take effect from 1 April 2016.
7. Any representations regarding the proposed Guidance must be made in writing on or before 30 March 2016 to Grant McEachran on 0141 331 6034 or at Ofgem, 9 Millbank, Westminster, SW1P 3GE or via email to [RIIO.ED1@ofgem.gov.uk](mailto:RIIO.ED1@ofgem.gov.uk).
8. All representations will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public, they should clearly mark their response as not for publication. Ofgem prefers to receive responses in an electronic form so they can be placed easily on the Ofgem website.



**Paul Branston**

**Associate Partner – RIIO Networks**

Duly authorised on behalf of the Gas and Electricity Markets Authority  
2 March 2016

## **Annex – the proposed Stakeholder Engagement Incentive Guidance**

The proposed Guidance is available here: <https://www.ofgem.gov.uk/publications-and-updates/notice-under-part-h-charge-restriction-condition-crc-2c-broad-measure-customer-service-adjustment-proposed-text-stakeholder-engagement-and-consumer-vulnerability-guidance>