



**Consumer
Focus**
Campaigning for a fair deal

2008/2009 report on the Guaranteed Standards of Performance for electricity distribution

April 2010

Contents

Executive summary	3
The scope of the report	5
Introduction	6
Section 1: Total payments made under the Guaranteed Standards	13
Section 2: Individual DNO performance against the Guaranteed Standards	30
Section 3: Voluntary payments	46
Section 4: Conclusions	51
Appendix 1	52

About Consumer Focus

Consumer Focus is the statutory consumer champion for England, Wales and Scotland, and (for postal consumers) Northern Ireland. We operate across the whole of the economy, persuading businesses, public services and policy makers to put consumers at the heart of what they do.

Consumer Focus tackles the issues that matter to consumers, and aims to give people a stronger voice.

We don't just draw attention to problems – we work with consumers and with a range of organisations to champion creative solutions that make a difference to consumers' lives.



Executive summary

Consumer Focus believes that the Guaranteed Standards of Performance continue to be a useful yardstick with which to measure the performance of Distribution Network Operators (DNOs) in England, Scotland and Wales. As DNOs operate regional monopolies, the Guaranteed Standards are a necessary part of the regulatory regime.

In 2008/09, there was a 42 per cent increase in the number of payments made by DNOs against the Guaranteed Standards. Consumer Focus is concerned by this increase in payments, especially the high frequency of payments made under GS2, the Guaranteed Standard that stipulates that in normal weather conditions the DNO must reconnect supply within 18 hours. Consumer Focus intends to maintain a vigilant eye as to whether this increase is the beginning of an upward trend.

From the work carried out in this report, Consumer Focus notes that many of the Guaranteed Standards payments made in 2007/08 and 2008/09 were made for non-automatic Guaranteed Standards, which require customers to make a claim. From the information provided by Ofgem and the DNOs, customers appear to be more likely to receive payments for non-automatic Guaranteed Standards (which they need to claim for) than for the Guaranteed Standards which secure an automatic payment (and do not require a claim). We suspect this is partly explained by DNOs offering proactive payments.

Consumer Focus recognises that voluntary and proactive payments are not required by Ofgem and may be made by DNOs for legitimate reasons. Consumer Focus accepts that proactive DNOs may be going beyond the level expected of them by Ofgem and this is praiseworthy. When both voluntary and claimed/automatic Guaranteed Standards payments are taken into account, performance across the DNOs is markedly similar. Consumer Focus is keen to see voluntary payments continue but is concerned by the possibility that DNOs may have adopted differing views as to whether proactive payments made by the DNO, in the absence of a valid claim from the customer, should be reported to Ofgem. Consumer Focus supports a consistent approach and is in favour of both greater transparency and a higher degree of publicity for these proactive payments.

Consumer Focus believes that customers should be well-informed about the arrangements governing electricity distribution, including the Guaranteed Standards. For this to be the case, customers need to be aware of the existence of their regional DNO. Consumer Focus was pleased to be able to confirm that each DNO provides information about the Guaranteed Standards to customers' suppliers. Suppliers are supposed to ensure that each of their customers receives this information and this area may form the basis for future investigation by Consumer Focus.

The scope of the report

Consumer Focus is the statutory organisation campaigning for a fair deal for customers, and was formed on 1 October 2008 from the merger of energywatch, Postwatch and the National Consumer Council. Approximately two-thirds of our funding comes from energy suppliers and the postal industry, with the rest provided by the Department for Business, Innovation and Skills.

This report is published by Consumer Focus in accordance with our duties under section 42A of the Electricity Act 1989 and Section 20 of the Utilities Act 2000. This is the report on the Guaranteed Standards published by Consumer Focus and covers the period 01 April 2008 to 31 March 2009. The report details the performance of the fourteen Distribution Network Operators (DNOs) and six Independent Distribution Network Operators (IDNOs) in England, Scotland and Wales. IDNOs operate on a much smaller scale than DNOs and, as such, Ofgem does not collect the same amount of information on IDNOs' performance against the Guaranteed Standards.

This report measures and compares the occurrence of payments recorded and reported by DNOs under the Guaranteed Standards regime. Where possible, we include additional information on the number of instances of DNOs making proactive and voluntary payments, not included under the Guaranteed Standards, to customers who received an unacceptable level of service.

The information provided by Ofgem includes some details of the Guaranteed Standards payments made to businesses in the non-domestic sector. However, information for payments made to the domestic and non-domestic sectors is not provided for each Guaranteed Standard and, for the purposes of this report, the information presented on payments is the combined figure for the domestic and non-domestic sectors.

This Report analyses all those Guaranteed Standards which apply across England, Scotland and Wales. For this reason we do not consider GS12, which applies only to the Highlands and Islands and would not be applicable to most DNOs.

This Report does not offer any analysis of GS11A, GS11B, or GS11C because these Guaranteed Standards only apply in severe weather conditions and, as the weather will differ across DNOs on an annual basis, it would not act as a fair or consistent measure of comparison.

Introduction

Distribution Network Operators (DNOs)

DNOs are responsible for the local distribution of electricity to homes and businesses, transporting electricity along overhead power-lines and through underground cables. Before market opening, electricity was delivered by regional electricity boards (12 in England and Wales and two in Scotland). There are now 14 DNOs, corresponding to the old regional boards, owned by seven separate groups and, based on Metering Point Administration Numbers (MPANs), distributing electricity to more than 28.8 million¹ domestic households. In addition to these DNOs, there are also six licensed IDNOs.

The DNOs have a responsibility to ensure that their customers have a reliable supply of electricity and must restore customers' electricity supply promptly in the event of an interruption. Where these standards of supply are not met, the Guaranteed Standards operate to ensure payment to affected customers. There is no requirement on the DNOs to have their Guaranteed Standards data independently audited. However, Ofgem has made an informal request to the DNOs to have their data audited externally, as part of the Best Practice guidelines.

Consumer Focus believes that electricity customers in England, Wales and Scotland benefit from a secure distribution network, and the Guaranteed Standards protect both domestic and non-domestic customers by ensuring that DNOs provide a minimum level of service. The Guaranteed Standards are necessary because DNOs operate regional monopolies in electricity distribution. For this reason, Consumer Focus views the Guaranteed Standards as an important part of the regulatory regime.

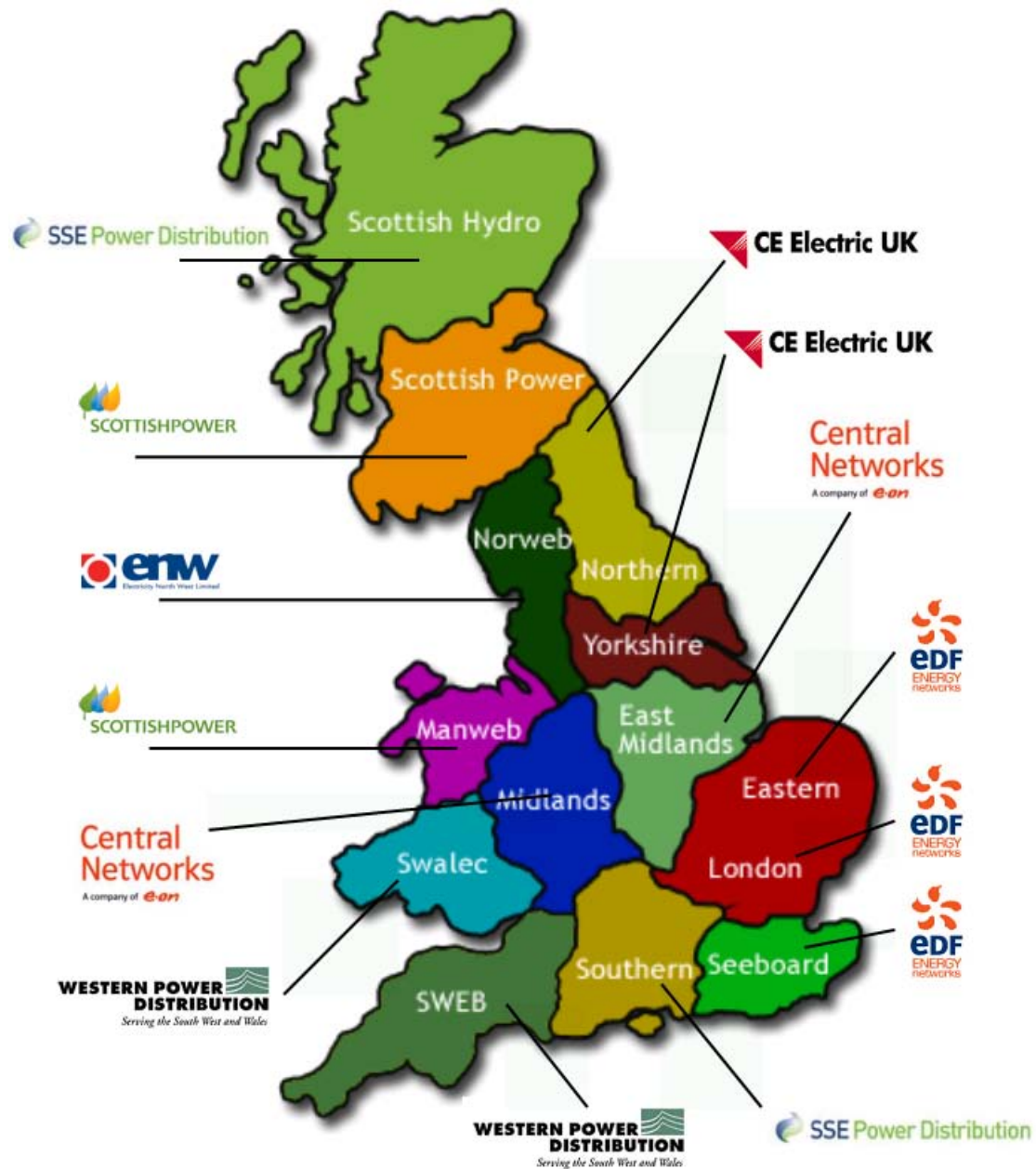
DNOs are regional monopolies and customers rely on regulation, rather than normal competition, to ensure that the service they receive is delivered at a reasonable price. The allowed revenue and expenditure of the DNOs is regulated by price controls which are reviewed by Ofgem approximately every five years. The price controls set the maximum amount of revenue that energy network owners can take through charges they levy on users of their networks to cover their costs and earn them a return in line with the regulatory settlement.

The current review of the allowed revenue and expenditure, the Distribution Price Control Review 5 (DPCR5), is coming to its conclusion and Ofgem is proposing two new Guaranteed Standards, and is tightening and clarifying four of the existing Guaranteed Standards, including increasing all payment levels to reflect inflation over the period April 2005 to November 2009.

Map 1 below shows the areas covered by each DNO (excluding IDNOs).

¹ Customer numbers relate to the definition of a customer as set out in the Quality of Service RIGs version 5.

Map 1: Electricity distribution network operators in UK by region







As Map 1 suggests, the geographical extent of each DNO varies significantly. DNOs such as Scottish and Southern Electric - Hydro cover a largely rural area and have a comparatively small number of customers. On the other hand, DNOs such as EDF Energy Networks (LPN) plc cover a comparatively small area but are responsible for a large number of customers. Table 1 overleaf describes the geographical extent and population covered by each DNO.

Table 1: Extent of DNO coverage

Modern Distribution Network Operator (DNO)	Historical Electricity Board	Geographical area covered	Major towns and cities	Number of domestic customers
Central Networks – East 	East Midlands Electricity Board	East Midlands	Nottingham, Derby, Chesterfield, Leicester, and Northampton	2,591,542
Central Networks – West 	Midlands Electricity Board, GPU Power and Aquilla Networks	West Midlands	Stoke On Trent, Shrewsbury, Birmingham, and Cheltenham	2,435,566
ENW 	North Western Electricity Board	North West England	Manchester	2,356,612
CE Electric – NEDL 	North Eastern Electricity Board	Northeast of England	Newcastle upon Tyne, Sunderland, Middlesbrough, Darlington and York	1,568,612
CE Electric – YEDL 	Yorkshire Electricity Board	Yorkshire and North Lincolnshire	Leeds, Sheffield, Hull, Doncaster, Halifax, Huddersfield and Grimsby	2,247,727
Western Power Distribution - S Wales 	South Wales Electricity Board and Infracore	South and West Wales, including the south Wales valleys	Cardiff and Swansea	1,088,889
Western Power Distribution - S West 	South Western Electricity Board	South West England	Bristol, Taunton, Exeter and Plymouth	1,520,440
EDF Energy Networks (LPN) plc 	London Electricity Board and London Power Networks	London	Covers the whole of central London	2,223,548
EDF Energy Networks (SPN) plc 	South Eastern Electricity Board and Seeboard Power Networks	Kent, Surrey and Sussex	Tunbridge Wells, Croydon, Crawley and Brighton	2,229,279
EDF Energy Networks (EPN) plc 	TXU Europe Distribution, Eastern Power Networks and Eastern Electricity	East Anglia, Essex, Hertfordshire and Cambridgeshire	Colchester, Cambridge, Norwich, Bedford and Stevenage	3,496,181

Table 1: Continued

Modern Distribution Network Operator (DNO)	Corresponding Electricity Board	Geographical area covered	Major towns and cities	Number of domestic customers
Scottish Power Distribution 	South of Scotland Electricity Board	Central and Southern Scotland	Glasgow, Edinburgh, Dumfries, Ayr and Fife	1,991,331
Scottish Power Manweb 	Merseyside and North Wales Electricity Board	Merseyside, Cheshire and North Wales	Liverpool, Chester, Bangor and Aberystwth	1,482,550
Scottish and Southern Electric - Hydro 	North of Scotland Hydro Electric Board	North Scotland	Covers 1/3 of the UK land mass, stretching from Shetland to Perth and incorporating Aberdeen, Dundee and Inverness	729,290
Scottish and Southern Electric - Southern 	Southern Electricity Board	South England	Slough, Reading, Swindon, Oxford, Southampton, Portsmouth, and Bournemouth	2,905,434
			TOTAL	28,867,001

Independent Distribution Network Operators (IDNOs)

IDNOs own and operate electricity distribution networks which are normally extensions to the existing network, such as new housing developments.

Ofgem has issued six distribution licences to IDNOs:

- 1) ESP Electricity Ltd (formerly known as Laing O'Rourke Energy Ltd)
- 2) Independent Power Networks Ltd
- 3) Energetics Electricity Ltd
- 4) The Electricity Network Company Ltd
- 5) ECG (Distribution) Ltd
- 6) EDF Energy (IDNO) Ltd

Ofgem is currently considering an application from UK Utilities (Electricity) Ltd. As explained in 1.2, Ofgem does not collect or publish the same amount of data on IDNOs and, in the absence of this data, Consumer Focus cannot analyse or comment on the performance of IDNOs against the Guaranteed Standards.

The cost of distribution to the consumer

The average domestic customer, with typical annual electricity consumption of 3,300 kWh, pays £76 per year for the distribution of electricity to their home. This makes up approximately 16 per cent of the average domestic customer's bill. Across all the DNOs in England, Scotland and Wales, electricity customers pay £3.6 billion annually for distribution. The overall cost of distribution has increased from the £60 quoted by Ofgem in 2004/05 but, because of the rise in energy bills in the past five years, this represents a smaller proportion of the overall bill than in 2004/05².

² Ofgem publication 258/05: 2004/05 Electricity Distribution Quality of Service Report

While the cost of distribution to domestic customers is comparatively low, business customers face a wider range of electricity distribution bills. Smaller businesses pay around £270 per year, medium-sized businesses around £2,000 per year and the larger business users of electricity may pay anything up to £28,000 per year³.

As part of DPCR5, Ofgem is allowing DNOs to increase the amount they charge customers for the distribution of their electricity. The amount of this allowed increase varies according to region and the percentage increase and the average annual increase are detailed in Table 2 below.

Table 2: Average annual allowed revenue increase by region and illustrative impact on average domestic bill⁴

DNO	Constant X annual increase	Average annual increase (£)
Central Networks – West	4.3%	2.70
Central Networks – East	4.7%	2.75
ENW	8.5%	5.66
CE Electric – NEDL	7.7%	5.57
CE Electric – YEDL	6.5%	4.41
Western Power Distribution – S Wales	6.2%	5.67
Western Power Distribution – S West	7.5%	6.84
EDF ENERGY NETWORKS (LPN) PLC	7.1%	4.36
EDF ENERGY NETWORKS (SPN) PLC	8.8%	4.98
EDF ENERGY NETWORKS (EPN) PLC	5.5%	3.52
Scottish Power Distribution	-4.3%	-3.95
Scottish Power Manweb	11.1%	8.98
Scottish and Southern Electric – Hydro	4.3%	4.95
Scottish and Southern Electric –Southern	3.9%	3.15
Total	5.6%	4.26

The Guaranteed Standards of Performance for electricity

The Guaranteed Standards are set by Ofgem under powers provided under sections 39 and 39A of the Electricity Act (1989). Guaranteed Standards provide for a minimum level of service which must be met for each individual consumer. The consumer will receive a set payment if certain standards of service are not reached, and the DNO involved has to report to Ofgem the number of payments made during a prescribed timeframe.

There are currently eight Guaranteed Standards which apply for the distribution of electricity. The Guaranteed Standards were last updated in 2005 and Ofgem has recently consulted on proposed amendments to the current Standards, as well as looking at the introduction of new Standards.

DNOs are allowed to make voluntary and proactive payments to customers who have not received the required level of service but this should not negate their responsibility to make payments and report the payment to Ofgem, unless the customer agrees.

According to the guidance issued by Ofgem⁵, there is no requirement for customers to mention the Guaranteed Standards when they call their distributor to make a claim.

³ Ofgem publication 162/09: 2008/09 Electricity Distribution Quality of Service Report

⁴ Ofgem publication 144/09: 2009/10 Electricity Distribution Price Control Review Final Proposals

⁵ Ofgem Publication: *Guaranteed Standards: OFGEM Guidance and Proposals on Best Practice - Electricity Distribution*

Ofgem is of the view that distributors should adopt a common-sense approach as to what constitutes a complaint, and should not insist that customers make a formal claim. Claims should be accepted via any of the usual media, including by letter, e-mail, telephone or personal call.

Some payments under the Guaranteed Standards are made automatically and do not require a claim from the customer. These Standards are listed in Table 3 below.

Table 3: Automatic Guaranteed Standards

Reporting code	Service	Performance level	Penalty payment
GS1	Respond to failure of distributor's fuse (Regulation 10)	If the consumer reports that the distributor's fuse in their property has failed it must send a person to replace the fuse within 3 hours on weekdays if notified between 7am and 7pm and within 4 hours on other days if notified between 9am and 5pm	£20 for domestic and non-domestic customers
GS3	Estimate of charges for connection (Regulation 11)	If the consumer requests an estimate for charges for connecting to the distributor's network this must be provided within 5 working days for a simple job and within 15 working days for a more complex job	£40 for domestic and non-domestic customers
GS5	Investigation of voltage complaints (Regulation 13)	If the consumer complains about voltage which is fluctuating or outside the statutory limits (between +10% and - 6%) the distributor must provide a substantive response within 5 working days. Alternatively, if the distributor needs to visit to investigate it an appointment must be offered within 7 working days	£20 for domestic and non-domestic customers
GS8	Making and keeping appointments (Regulation 17)	If the consumer requests an appointment or the distributor wishes to visit a customer's home it must offer an appointment within a maximum two-hour time band, or if acceptable to the consumer a morning appointment up until 1pm or afternoon appointment after 12pm. It must then keep the appointment within the time specified. The distributor has only kept the appointment if the person visiting the consumer has the skills and equipment necessary to complete the job	£20 for domestic and non-domestic customers
GS9	Payments owed under the standards (Regulation 19)	If a distributor has failed any Guaranteed Standard with an automatic payment it must inform the consumer in writing that a payment is due. The notification and the payment must be dispatched within 10 working days of the original failure or of receipt of a valid claim (as appropriate), otherwise the consumer is entitled to another compensation payment	£20 for domestic and non-domestic customers

Other Guaranteed Standards payments are not made automatically and require customers to make a claim. These are listed in Table 4 below.

Table 4: Non-automatic Guaranteed Standards

Reporting code	Service	Performance level	Penalty payment
GS2	Supply restoration: normal conditions (Regulation 5)	In normal weather conditions, the distributor must restore a supply of electricity following a fault within 18 hours. <i>Note: this guaranteed standard does not apply in any part of the Highlands and Islands</i>	£50 for domestic customers and £100 for non-domestic customers, plus £25 for each further 12 hours
GS2A	Supply restoration: multiple interruptions (Regulation 9)	If the consumer suffers four or more interruptions to their electricity supply between 1 April and 31 March each year, with each lasting longer than three hours they are entitled to compensation	£50 for domestic and non-domestic customers
GS4	Notice of planned interruption to supply (Regulation 12)	If the distributor needs to interrupt a customer's electricity supply to carry out maintenance or repair work, it must provide the consumer with at least 2 days' written notice	£20 for domestic and £40 for non-domestic customers
GS11A	Supply restoration: Category 1 severe weather conditions (Regulation 6)	Supplies must be restored within 24 hours (see table 2.2 below), otherwise a payment must be made	£25 for domestic and non-domestic customers, plus £25 for each further 12 hours up to a cap of £200 per customer
GS11B	Supply restoration: Category 2 severe weather conditions (Regulation 6)	Supplies must be restored within 48 hours, otherwise a payment must be made	£25 for domestic and non-domestic customers, plus £25 for each further 12 hours up to a cap of £200 per customer
GS11C	Supply restoration: Category 3 severe weather conditions (Regulation 6)	Supplies must be restored within the period calculated using the following formula: $48 \times \left(\frac{\text{total number of customers interrupted}}{\text{category 3 threshold number of customers}} \right)^2$	£25 for domestic and non-domestic customers, plus £25 for each further 12 hours up to a cap of £200 per customer
GS12	Supply restoration: Highlands and Islands (Regulation 7)	Supply must be restored within 18 hours, otherwise a payment must be made	£50 for domestic customers and £100 for non-domestic customers, plus £25 for each further 12 hours

There are a number of exemptions that apply for each Guaranteed Standard. These exemptions are listed in Annex 1.

Section 1: Total payments made under the Guaranteed Standards

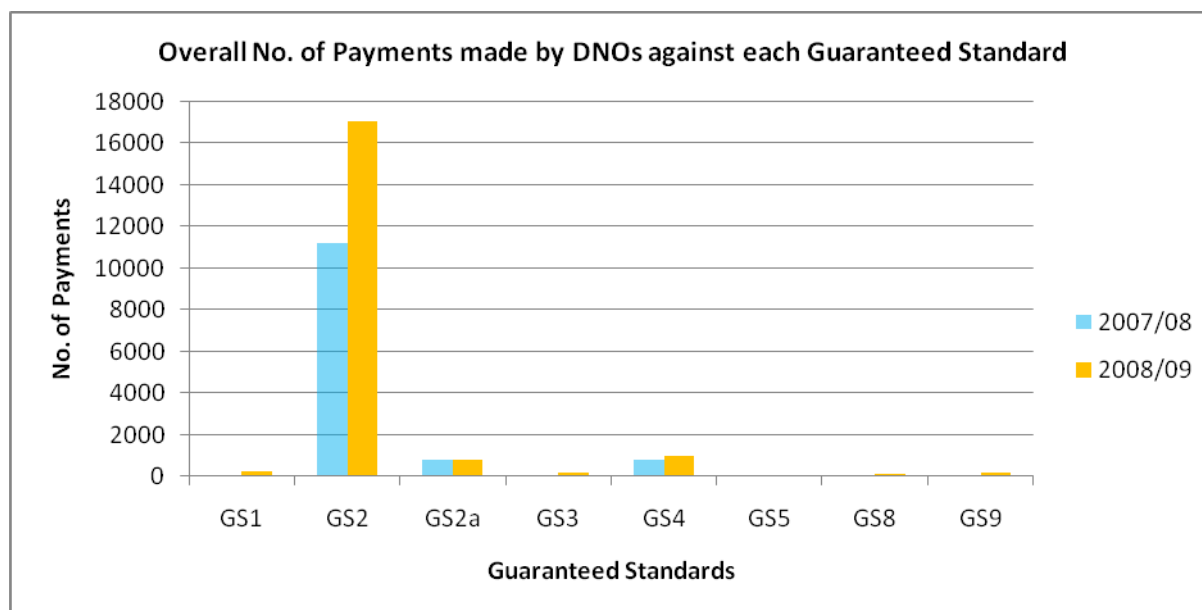
Customers do not claim uniformly across the Guaranteed Standards, with more claims made against some Guaranteed Standards than others. Table 5 below demonstrates that in 2008/09 most claims were made against GS2, which requires DNOs to restore power within 18 hours in normal weather conditions. Very few payments are made against GS5 annually, which probably reflects customers' general lack of concern about, and knowledge of, voltage fluctuations.

Table 5 also demonstrates that 2008/09 saw a rise in both the number of payments, and the value of payments, from the 2007/08 position. The rise in payments was nearly 50 per cent between 2007/08 and 2008/09 and this is of concern. Please note that, while certain Guaranteed Standards are generally more frequently claimed by customers, the annual change in claims varies widely across the Guaranteed Standards.

Table 5: Total payments made under the Guaranteed Standards

Guaranteed Standard	Total No. of payments	Total value of payments (£)	Total No. of payments	Total value of payments (£)	Total value of payments (percentage change from previous year)
	2007/08		2008/09		
GS1 – fuse	101	£2,020	275	£5,500	+172%
GS2 – restoration	11,237	£556,600	17,069	£819,475	+47%
GS2A – multiple interruptions	842	£42,100	801	£40,050	-5%
GS3 – connection	51	£2,040	161	£6,440	+216%
GS4 – notice	814	£19,000	1,005	£22,980	+21%
GS5 – voltage	11	£220	6	£120	-45%
GS8 – appointments	96	£1,920	157	£3,140	+64%
GS9 – payments	60	£1,200	218	£4,360	+263%
Total	13,212	£625,100	19,692	£902,065	+44%

Figure 1: Overall no. of payments made by DNOs against each Guaranteed Standard



Guaranteed Standards Performance across all DNOs

GS1 – Response to failure of distributor’s fuse

This Guaranteed Standard applies where a distributor is notified by a telephone call, made by a customer whose premises are directly connected to that distributor’s distribution system, of an actual or apparent operation of its fuse so as to disconnect the supply to those premises, and the notification is received during working hours. It is required to send an appropriate person to replace or reinstate the fuse and restore supply within three hours on working days and within four hours on any other day.⁶

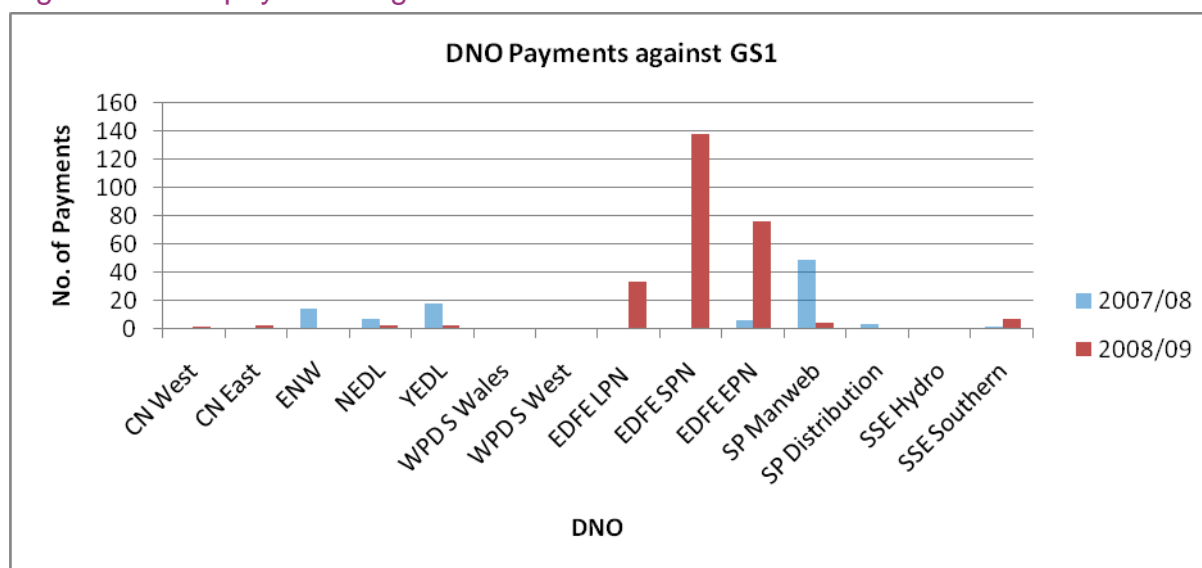
Table 6 below demonstrates the number of payments made by each DNO. With the exception of ENW, each DNO made at least one payment under this Guaranteed Standard in 2008/09. The three EDF DNOs (London, Seeboard and Eastern) were responsible for a significant majority of the payments in 2008/09. The total payment made under GS1 amounts to 0.6 per cent of the total value of GS payments made against all Guaranteed Standards in 2008/09.

⁶ Ofgem Publication: *Guaranteed Standards: OFGEM Guidance and Proposals on Best Practice – Electricity Distribution*

Table 6: DNO performance against GS1

DNO	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
Central Networks – West	0	0	2	40
Central Networks – East	0	0	3	60
ENW	15	300	0	0
CE Electric – NEDL	7	140	3	60
CE Electric – YEDL	18	360	3	60
Western Power Distribution – S Wales	0	0	1	20
Western Power Distribution – S West	0	0	1	20
EDF Energy Networks (LPN) plc	0	0	34	680
EDF Energy Networks (SPN) plc	0	0	138	2,760
EDF Energy Networks (EPN) plc	6	120	76	1,520
Scottish Power Manweb	49	980	5	100
Scottish Power Distribution	4	80	1	20
Scottish and Southern Electric – Hydro	0	0	1	20
Scottish and Southern Electric – Southern	2	40	7	140
Total	101	2,020	275	5,500

Figure 2: DNO payments against GS1



GS2 – Restoration of supply following a fault

This Guaranteed Standard applies in the event of the supply to a customer’s premises during normal conditions being discontinued as a result of a failure of, or a fault in or damage to, the distribution system (but not the distributor’s fuse), the distributor must restore supply to the customer’s premises within 18 hours of the time from which it was (or should reasonably have been) aware of the fault. Please note that the figures below include additional payments of £25 for each additional 12 hour period for which the customer was without supply⁷

Table 7 below demonstrates the number of payments made by each DNO. A number of DNOs did not make any payments under GS2 in 2008/09, including all DNOs operated by Western Power Distribution, Central Networks and Scottish and Southern Electric. The three EDF DNOs (London, Seaboard and Eastern) were responsible for a significant majority of the payments in 2008/09. The total payment made under GS2 amounts to 91 per cent of the total value of GS payments made against all Guaranteed Standards in 2008/09.

Table 7: DNO performance against GS2

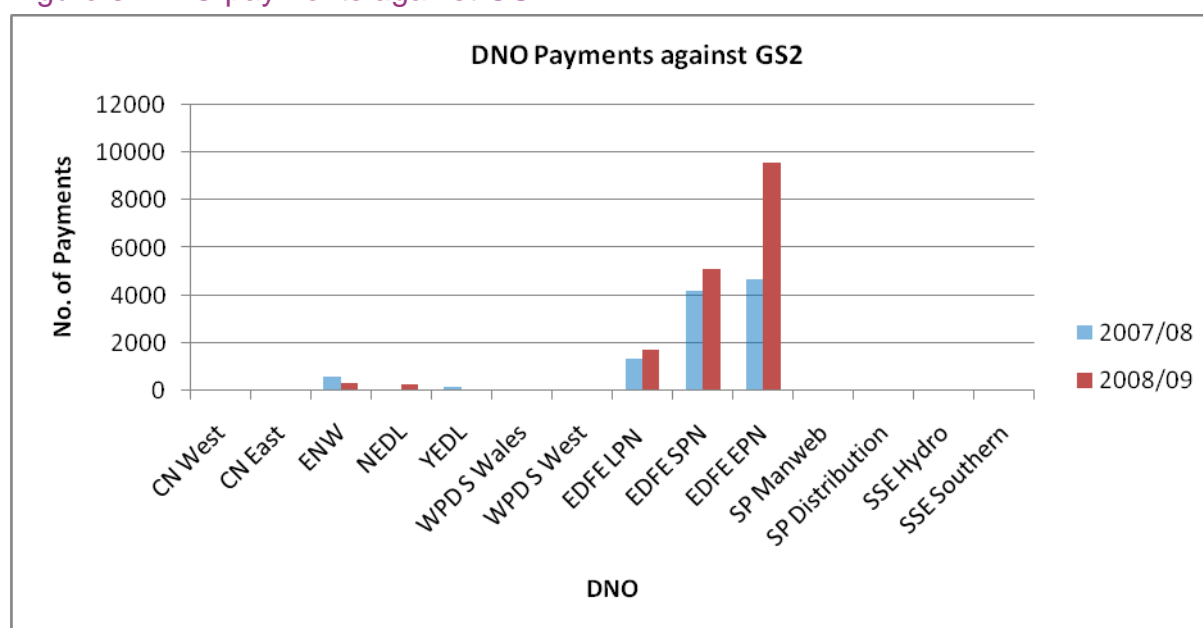
DNO	2007/08		2008/09	
	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
Central Networks – West	0	0	0	0
Central Networks – East	0	0	0	0
ENW	609	31,275	308	15,675
CE Electric – NEDL	17	875	295	14,850
CE Electric – YEDL	173	8,725	36	1,975
Western Power Distribution – S Wales	0	0	0	0

⁷ Ofgem Publication: *Guaranteed Standards: OFGEM Guidance and Proposals on Best Practice – Electricity Distribution*

Table 7: continued

Western Power Distribution – S West	0	0	0	0
EDF Energy Networks (LPN) plc	1,385 ⁸	74,200	1,712	80,725
EDF Energy Networks (SPN) plc	4,226	209,050	5,120	235,075
EDF Energy Networks (EPN) plc	4,693 ⁹	226,050	9,592	47,0925
Scottish Power Manweb	62	2,500	2	75
Scottish Power Distribution	72	3,925	4	175
Scottish and Southern Electric – Hydro	0	0	0	0
Scottish and Southern Electric – Southern	0	0	0	0
Total	11,237	556,600	17,609	819,475

Figure 3: DNO payments against GS2



GS2A – Multiple interruptions

This Guaranteed Standard applies where the customer's supply is interrupted for four or more periods each of not less than three hours during any period of 12 months commencing in each case on 1 April. The period of an interruption is deemed to start at

⁸ EDFE (LPN) provided a different figure to that provided by Ofgem. EDFE (LPN) indicates that 1,386 payments were made by EDFE (LPN) in 2007/08. This has been raised with Ofgem but, for the sake of consistency, the Ofgem figures are used throughout.

⁹ EDFE (EPN) provided a different figure to that provided by Ofgem. EDFE (EPN) indicates that 4,708 payments were made by EDFE (EPN) in 2007/08. This has been raised with Ofgem but for the sake of consistency, the Ofgem figures are used throughout.

the first time the distributor is informed by a customer or another person that the supply to a customer's premises has been interrupted, or is made aware by the operation of any automatic system operated by the distributor of circumstances in which the supply to the customer has been or may reasonably be expected to have been interrupted.

Any temporary restoration of supply which does not exceed three minutes must be ignored and the interruption must be treated as continuous. The interruptions have to be experienced by the same customer at the same premises.¹⁰

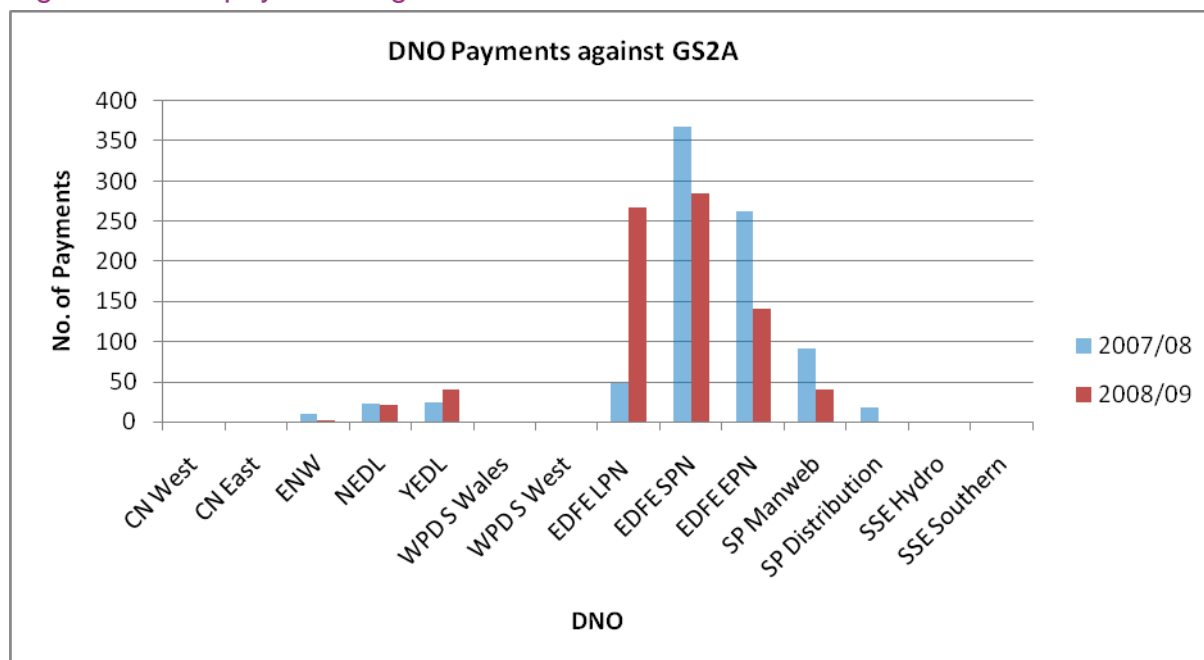
Table 8 below demonstrates the number of payments made by each DNO. A number of DNOs did not make any payments under GS2A in 2008/09, including both DNOs operated by Western Power Distribution. The three EDF DNOs (London, Seeboard and Eastern) were responsible for a significant majority of the payments. The total payment made under GS2A amounts to 4 per cent of the total value of GS payments made against all Guaranteed Standards in 2008/09.

Table 8: DNO performance against GS2A

DNO	2007/08		2008/09	
	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
Central Networks – West	0	0	1	50
Central Networks – East	0	0	0	0
ENW	9	450	2	100
CE Electric – NEDL	22	1,100	21	1,050
CE Electric – YEDL	24	1,200	41	2,050
Western Power Distribution – S Wales	0	0	0	0
Western Power Distribution – S West	0	0	0	0
EDF Energy Networks (LPN) plc	48	2,400	267	13,350
EDF Energy Networks (SPN) plc	368	18,400	285	14,250
EDF Energy Networks (EPN) plc	263	13,150	141	7,050
Scottish Power Manweb	17	850	1	50
Scottish Power Distribution	91	4,550	41	2,050
Scottish and Southern Electric – Hydro	0	0	1	50
Scottish and Southern Electric – Southern	0	0	0	0
Total	842	42,100	801	40,050

¹⁰ Ofgem Publication: *Guaranteed Standards: OFGEM Guidance and Proposals on Best Practice - Electricity Distribution*

Figure 4: DNO payments against GS2A



GS3 – Estimating charges for connection

This Guaranteed Standard covers the provision of an estimate for the installation of a distributor’s fuse and a service line, i.e. provision of a connection, for the delivery of a low voltage supply to a single customer once the customer has: (1) given notice under section 16A(1) of the Electricity Act 1989; (2) requested the estimate; and (3) given all information (which does not have to be in writing) which could reasonably be said to be within the knowledge of the customer and is required by the distributor for him to provide the required estimate.

The distributor has to provide an estimate to the customer within five working days from the notice and the necessary information having been given, where there is no need for significant additional work other than the provision of a service line and distributor’s fuse to enable the connection to be given or provide such an estimate within 15 working days where significant work is required in addition to that mentioned above.¹¹

Table 9 below demonstrates the number of payments made by each DNO. A number of DNOs did not make any payments under GS3 in 2008/09, including both DNOs operated by Western Power Distribution. The three EDF DNOs (London, Seeboard and Eastern) were responsible for a significant majority of the payments. The total payment made under GS3 amounts to 0.7 per cent of the total value of GS payments made against all Guaranteed Standards in 2008/09.

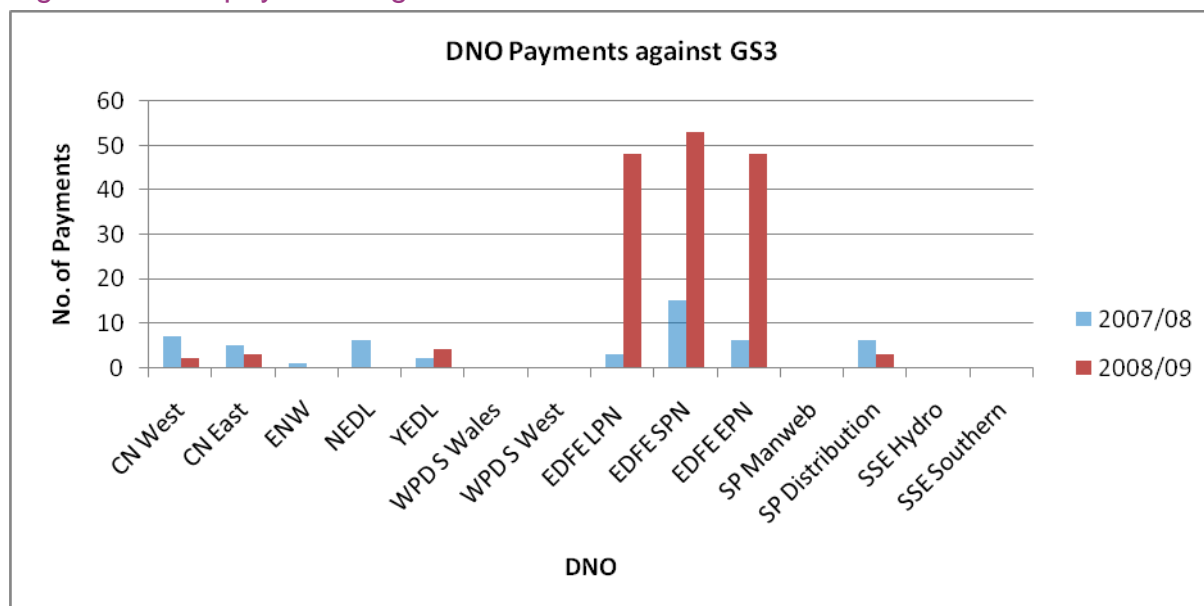
¹¹ Ofgem Publication: *Guaranteed Standards: OFGEM Guidance and Proposals on Best Practice - Electricity Distribution*

Table 9: DNO performance against GS3

DNO	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
Central Networks – West	7	280	2	80
Central Networks – East	5	200	3	120
ENW	1	40	0	0
CE Electric – NEDL	6	240	0	0
CE Electric – YEDL	2	80	4	160
Western Power Distribution – S Wales	0	0	0	0
Western Power Distribution – S West	0	0	0	0
EDF Energy Networks (LPN) plc	3	120	48	1,920
EDF Energy Networks (SPN) plc	15	600	53	2,120
EDF Energy Networks (EPN) plc	6 ¹²	240	48	1,920
Scottish Power Manweb	6	240	3	120
Scottish Power Distribution	0	0	0	0
Scottish and Southern Electric – Hydro	0	0	0	0
Scottish and Southern Electric – Southern	0	0	0	0
Total	51	2,040	161	6,440

¹² EDFE (EPN) provided a different figure to that provided by Ofgem. EDFE (EPN) indicates that 21 payments were made by EDFE (EPN) in 2007/08. This has been raised with Ofgem but, for the sake of consistency, the Ofgem figures are used throughout.

Figure 5: DNO payments against GS3



GS4 – Giving notice of a planned interruption to supply

Under this Guaranteed Standard, the DNO is required to give its customers at least two days' notice in writing, when it discontinues supply for an authorised purpose, stating the day of the interruption.

The purpose of this Regulation is to minimise the inconvenience to customers of necessary interruptions to their electricity supply. The minimum period of notice specified for each distributor seeks to strike a balance between providing adequate notice to customers while not imposing unreasonable costs on the DNOs. It follows that DNOs should give customers as much notice as they can of interruptions even where the amount of notice is less than that required in the standard. In such circumstances, although the standard will have been breached the inconvenience to customers will have been minimised.¹³

Table 10 below demonstrates the number of payments made by each DNO. A number of DNOs did not make any payments under GS4 in 2008/09, including all DNOs operated by Western Power Distribution, Scottish and Southern Electric, and Central Networks. Two of the EDF DNOs (Seeboard and Eastern), ENW, and both CE Electric DNOs were responsible for a significant majority of the payments. The total payment made under GS4 amounts to 3 per cent of the total value of GS payments made against all Guaranteed Standards in 2008/09.

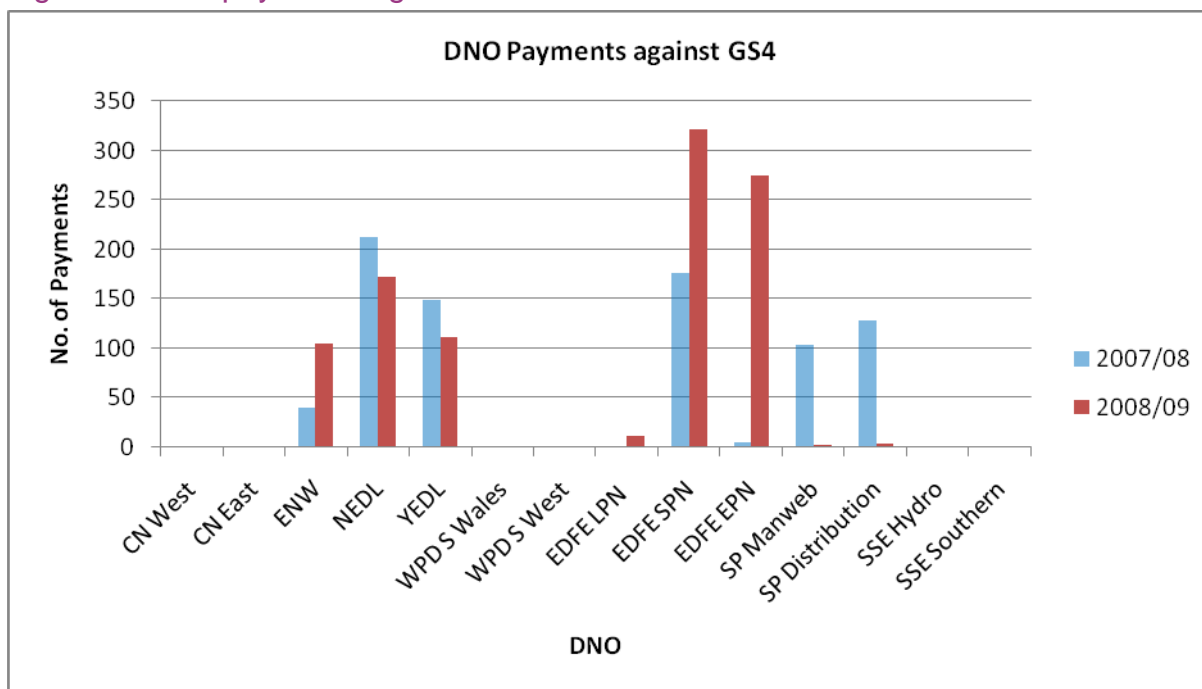
¹³ Ofgem Publication: *Guaranteed Standards: OFGEM Guidance and Proposals on Best Practice – Electricity Distribution*

Table 10: DNO performance against GS4

DNO	Number of payments	Value of Payments (£)	Number of payments	Value of Payments (£)
	2007/08		2008/09	
Central Networks – West	0	0	0	0
Central Networks – East	0	0	0	0
ENW	40	900	105	2,300
CE Electric – NEDL	212	5,240	173	3,880
CE Electric – YEDL	149	3,560	112	2,820
Western Power Distribution – S Wales	0	0	0	0
Western Power Distribution – S West	0	0	0	0
EDF Energy Networks (LPN) plc	1	20	12 ¹⁴	280
EDF Energy Networks (SPN) plc	176	3,960	322	7,200
EDF Energy Networks (EPN) plc	5	100	275	6,380
Scottish Power Manweb	128	2,860	4	80
Scottish Power Distribution	103	2,360	2	40
Scottish and Southern Electric – Hydro	0	0	0	0
Scottish and Southern Electric – Southern	0	0	0	0
Total	814	2,040	1,005	22,980

¹⁴ EDFE (LPN) provided a different figure to that provided by Ofgem. EDFE (LPN) indicates that 0 payments were made by EDFE (LPN) in 2008/09. This has been raised with Ofgem but, for the sake of consistency, the Ofgem figures are used throughout.

Figure 6: DNO payments against GS4



GS5 – Investigation of voltage complaints

This Guaranteed Standard applies where a customer either has reported that they believe that the supply is or has been outside the permitted voltage range or reports an event which might reasonably lead the distributor to believe that a supply is outside the permitted voltage range. In these circumstances, the distributor must either: (a) where a visit is deemed to be necessary, within seven working days of having received the report referred to above, make an offer to visit the customer’s premises during a specified time within that same seven working day period; or (b) if a visit is deemed not to be necessary, dispatch a written explanation within five working days of receipt of the report.¹⁵

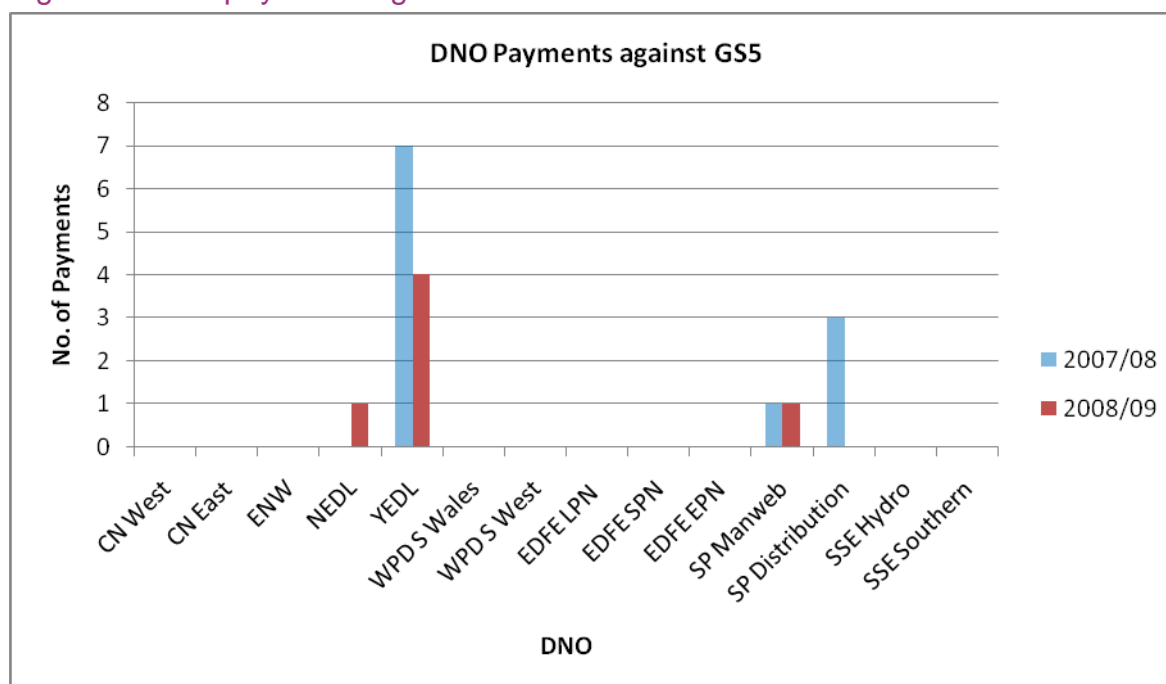
Table 11 below demonstrates the number of payments made by each DNO. Payments made by DNOs against GS5 are rare, with most DNOs making no payments for 2008/09. The total payment made under GS5 amounts to 0.01 per cent of the total value of GS payments made against all Guaranteed Standards in 2008/09.

¹⁵ Ofgem Publication: *Guaranteed Standards: OFGEM Guidance and Proposals on Best Practice – Electricity Distribution*

Table 11: DNO performance against GS5

DNO	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
Central Networks – West	0	0	0	0
Central Networks – East	0	0	0	0
ENW	0	0	0	0
CE Electric – NEDL	0	0	1	20
CE Electric – YEDL	7	140	4	80
Western Power Distribution – S Wales	0	0	0	0
Western Power Distribution – S West	0	0	0	0
EDF Energy Networks (LPN) plc	0	0	0	0
EDF Energy Networks (SPN) plc	0	0	0	0
EDF Energy Networks (EPN) plc	0	0	0	0
Scottish Power Manweb	3	60	0	0
Scottish Power Distribution	1	20	1	20
Scottish and Southern Electric – Hydro	0	0	0	0
Scottish and Southern Electric – Southern	0	0	0	0
Total	11	220	6	120

Figure 7: DNO payments against GS5



GS8 – Making and keeping appointments

This Guaranteed Standard applies where the distributor informs the customer that it wishes to visit the customer’s premises, or where a customer asks the distributor to visit his premises. The distributor must, within a reasonable period from the applicable date, offer a timed appointment. The appointment offered must itself be within a reasonable period from the date when the request for the visit is made. It must be:

- during a specified period up to 1.00 pm (the starting time of this period should also be notified to the customer) on a specified day
- during a specified period after 12 noon (the boundaries of this period must be notified to the consumer) on a specified day or
- during a specified period not exceeding two hours in length on a specified day

If a customer requests an appointment at a particular time on a particular day, the distributor must not unreasonably withhold its agreement to such a request. Although it may choose to do so, it is not obliged to agree to a period of less than two hours’ duration.¹⁶

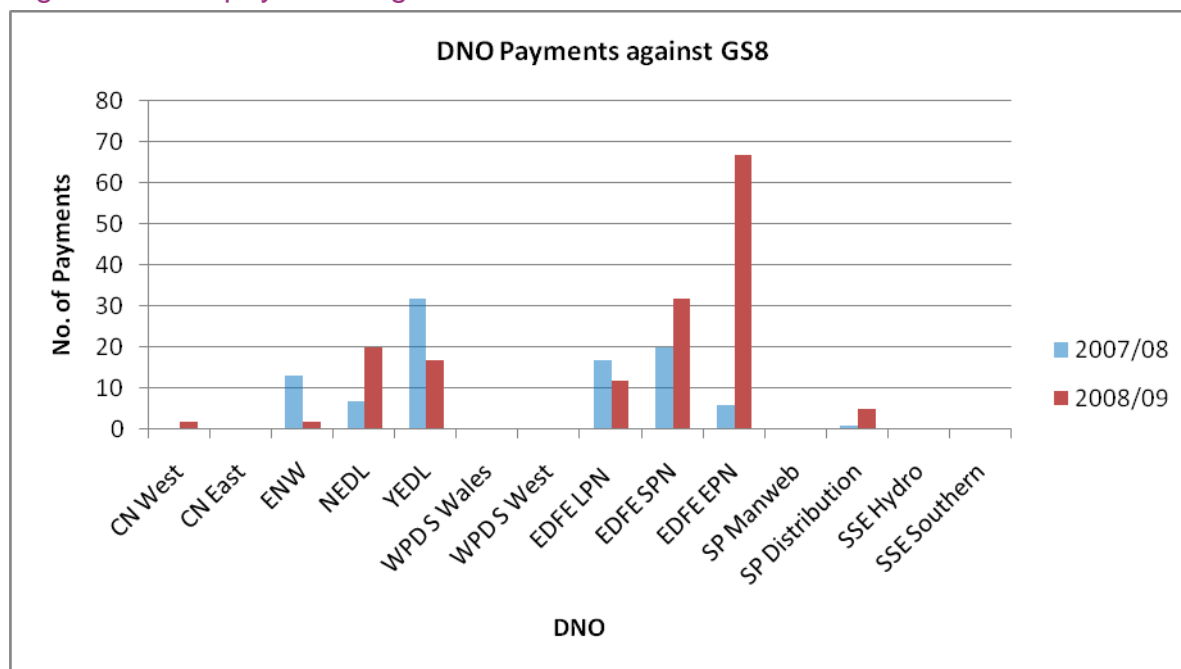
Table 12 below demonstrates the number of payments made by each DNO. A number of DNOs did not make any payments under GS8 in 2008/09, including all DNOs operated by both Western Power Distribution, and Scottish and Southern Electric. Two of the EDF DNOs (Seeboard and Eastern), and both CE Electric DNOs were responsible for a significant majority of the payments. The total payment made under GS8 amounts to 0.3 per cent of the total value of GS payments made against all Guaranteed Standards in 2008/09.

¹⁶ Ofgem Publication: *Guaranteed Standards: OFGEM Guidance and Proposals on Best Practice – Electricity Distribution*

Table 12: DNO performance against GS8

DNO	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
Central Networks – West	0	0	2	40
Central Networks – East	0	0	0	0
ENW	13	260	2	40
CE Electric – NEDL	7	140	20	400
CE Electric – YEDL	32	640	17	340
Western Power Distribution – S Wales	0	0	0	0
Western Power Distribution – S West	0	0	0	0
EDF Energy Networks (LPN) plc	17	340	12	240
EDF Energy Networks (SPN) plc	20	400	32	640
EDF Energy Networks (EPN) plc	6	120	67	1,340
Scottish Power Manweb	1	20	5	100
Scottish Power Distribution	0	0	0	0
Scottish and Southern Electric – Hydro	0	0	0	0
Scottish and Southern Electric – Southern	0	0	0	0
Total	96	1,920	157	3,140

Figure 8: DNO payments against GS8



GS9 – Advising customers of payments due

This Guaranteed Standard deals with those situations where the distributor has to:

- make payments to its own customers
- make payments to customers of another distributor under the guaranteed standards

or where it receives payment from another distributor for onward transmission to its customers.

In the event that a distributor is obliged to make a payment to one of its customers under any of the Guaranteed Standards in this guidance it must make the payment to its customer or its customer's supplier within 10 working days from the date when the obligation to make the payment arises. Where a distributor receives a payment from another distributor for onward payment to one of its customers, the distributor to whose network the customer is connected must make the payment to its customer or its customer's supplier within 10 working days from the date when it received the payment from the other distributor.¹⁷

Table 13 below demonstrates the number of payments made by each DNO. A number of DNOs did not make any payments under GS8 in 2008/09, including DNOs operated by both Western Power Distribution and Central Networks. The three EDF DNOs (London, Seaboard and Eastern) were responsible for a significant majority of the payments. The total payment made under GS9 amounts to 0.5 per cent of the total value of GS payments made against all Guaranteed Standards in 2008/09.

¹⁷ Ofgem Publication: *Guaranteed Standards: OFGEM Guidance and Proposals on Best Practice – Electricity Distribution*

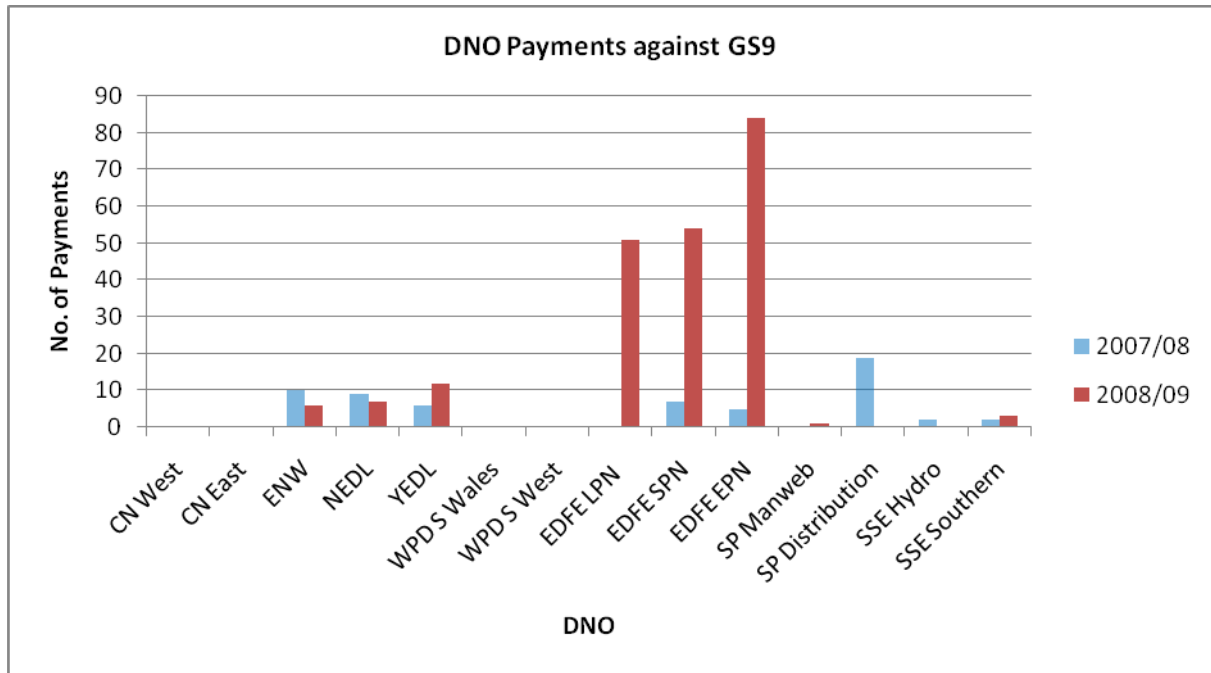
Table 13: DNO performance against GS9

DNO	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
Central Networks – West	0	0	0	0
Central Networks – East	0	0	0	0
ENW	10	200	6	120
CE Electric – NEDL	9	180	7	140
CE Electric – YEDL	6	120	12	240
Western Power Distribution – S Wales	0	0	0	0
Western Power Distribution – S West	0	0	0	0
EDF Energy Networks (LPN) plc	0	0	51	1,020
EDF Energy Networks (SPN) plc	7 ¹⁸	140	54	1,080
EDF Energy Networks (EPN) plc	5 ¹⁹	100	84	1,680
Scottish Power Manweb	19	380	0	0
Scottish Power Distribution	0	0	1	20
Scottish and Southern Electric – Hydro	2	40	0	0
Scottish and Southern Electric – Southern	2	40	3	60
Total	60	1,200	218	4,360

¹⁸ EDFE (SPN) provided a different figure to that provided by Ofgem. EDFE (SPN) indicates that 8 payments were made by EDFE (SPN) in 2007/08. This has been raised with Ofgem but, for the sake of consistency, the Ofgem figures are used throughout.

¹⁹ EDFE (EPN) provided a different figure to that provided by Ofgem. EDFE (EPN) indicates that 24 payments were made by EDFE (EPN) in 2007/08. This has been raised with Ofgem but, for the sake of consistency, the Ofgem figures are used throughout.

Figure 9: DNO payments against GS9



Section 2: Individual DNO performance against the Guaranteed Standards

Performance against the Guaranteed Standards varied across DNOs. Some DNOs made very few payments, with five DNOs (Central Networks – West, Central Networks – East, Western Power Distribution – S Wales, Western Power Distribution – S West, and Scottish and Southern Electric – Hydro) making fewer than ten payments during 2008/09. Other DNOs reported a high number of payments. In 2008/09, CE Electric – YEDL, EDF Energy Networks (LPN) plc, EDF Energy Networks (SPN) plc and EDF Energy Networks (EPN) plc reported more than one thousand payments. Table 14 details the number, and total value, of payments made by each DNO during the years 2007/08 and 2008/09.

Figure 10: DNO Payments against all Guaranteed Standards

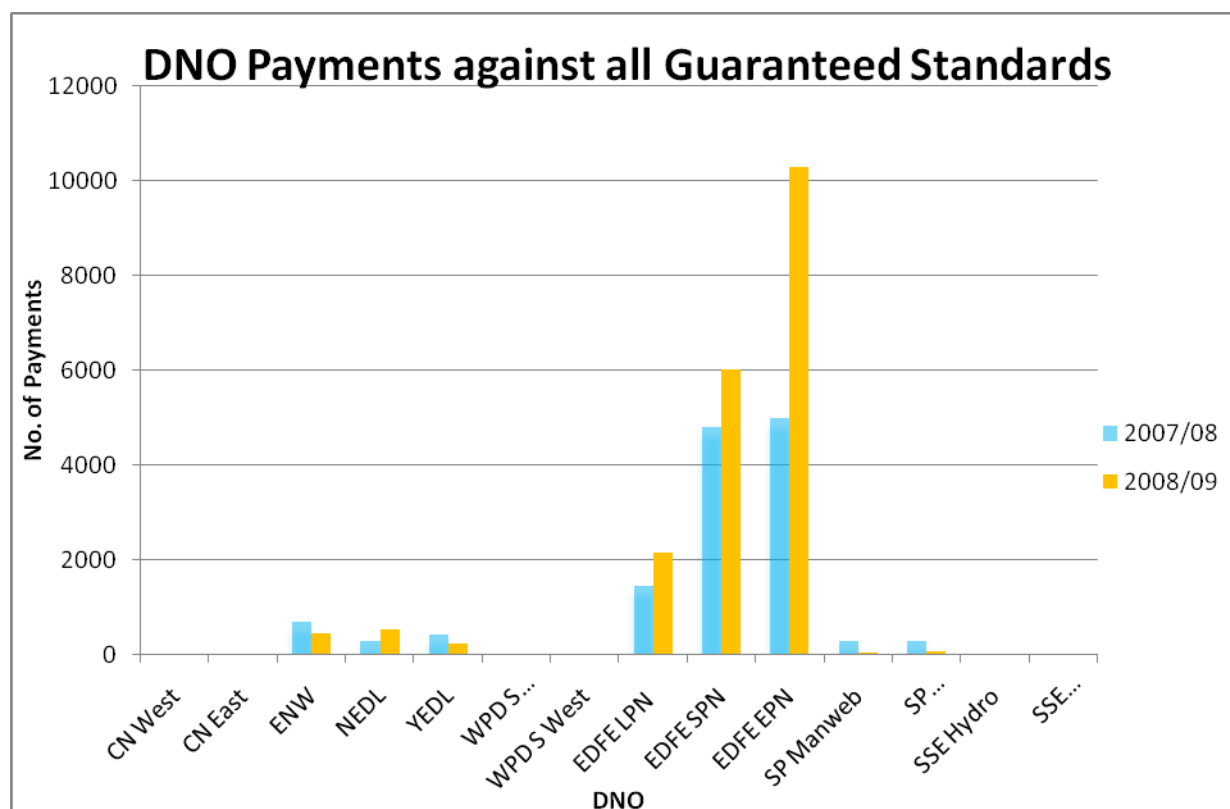


Table 14: Individual DNO Performance against the Guaranteed Standards

DNO	Total No. of Payments	Total Value of Payments (£)	Total No. of Payments	Total Value of Payments (£)	Total Value of Payments (percentage change from previous year)
	2007/08		2008/09		
Central Networks – West	7	£280	7	£210	-25%
Central Networks – East	5	£200	6	£180	-10%
ENW	682	£33,425	423	£18,235	-45%
CE Electric – NEDL	280	£7,915	520	£20,400	+158%
CE Electric – YEDL	411	£14,825	229	£7,725	-32%
Western Power Distribution – S Wales	0	0	1	£20	
Western Power Distribution – S West	0	0	1	£20	
EDF Energy Networks (LPN) plc	1,454	£77,080	2,136	£98,215	+27%
EDF Energy Networks (SPN) plc	4,812	£232,550	6,004	£263,125	+13%
EDF Energy Networks (EPN) plc	4,984	£239,880	10,283	£490,815	+105%
Scottish Power Manweb	285	£7,890	20	£525	-93%
Scottish Power Distribution	271	£10,935	50	£2,325	-79%
Scottish and Southern Electric – Hydro	2	£40	2	£70	+75%
Scottish and Southern Electric – Southern	4	£80	10	£200	+150%
Total	13,197	£625,100	23,140	£902,065	+44%

Individual company performance against the Guaranteed Standards

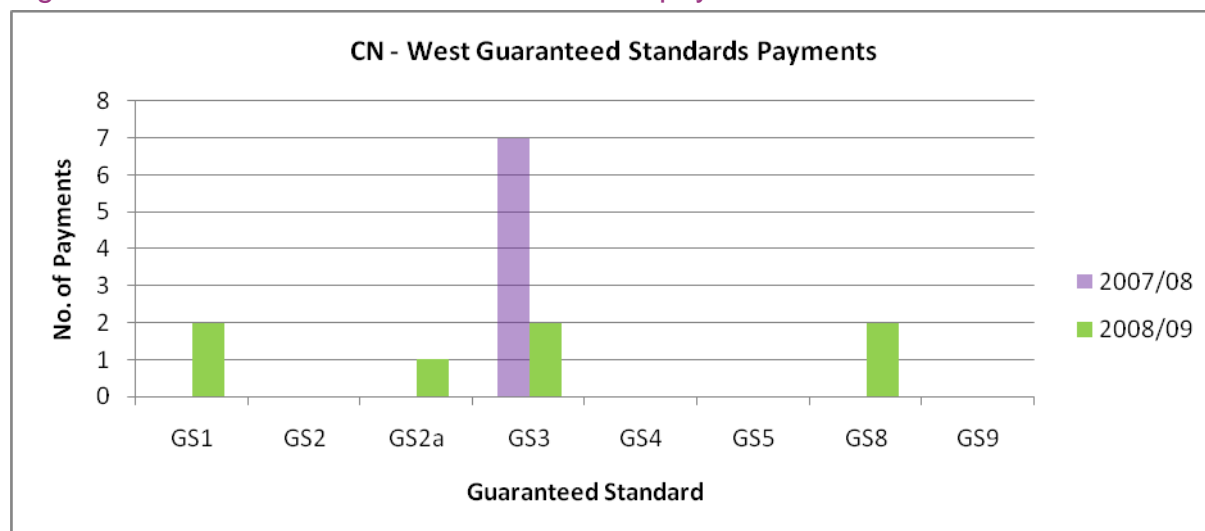
Central Networks – West

Central Networks – West made a very small number of Guaranteed Standards payments in 2008/09, with no significant change from the previous year. The total payment made by CNW amounts to 0.02 per cent of the total value of payments made by all DNOs in 2008/09. Table 15 below provides details of the Standards that payments were made against.

Table 15: Guaranteed Standards payments: Central Networks – West

Guaranteed Standard	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
GS1 – fuse	0	0	2	40
GS2 – restoration	0	0	0	0
GS2A – multiple interruptions	0	0	1	50
GS3 – connection	7	280	2	80
GS4 – notice	0	0	0	0
GS5 – voltage	0	0	0	0
GS8 – appointments	0	0	2	40
GS9 – payments	0	0	0	0
Total	7	£280	7	£210

Figure 11: CN – West Guaranteed Standards payments



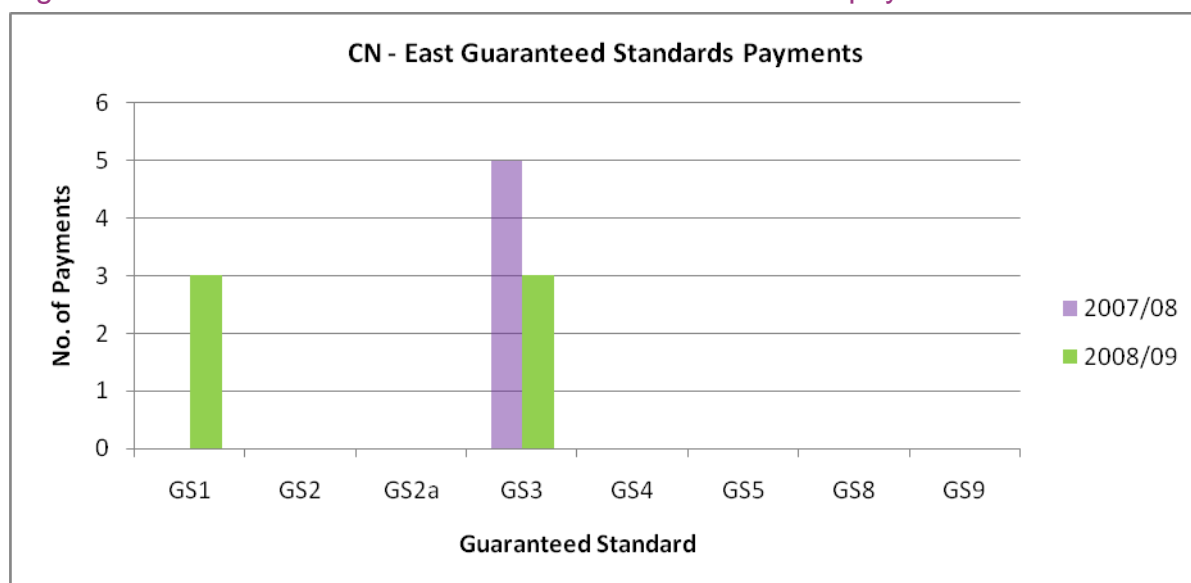
Central Networks – East

Central Networks – East made a very small number of Guaranteed Standards payments in 2008/09, with no significant change from the previous year. The total payment made by CNE amounts to 0.02 per cent of the total value of payments made by all DNOs in 2008/09. Table 16 below provides details of the Standards that payments were made against.

Table 16: Guaranteed Standards payments: Central Networks – East

Guaranteed Standard	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
GS1 – fuse	0	0	3	60
GS2 – restoration	0	0	0	0
GS2A – multiple interruptions	0	0	0	0
GS3 – connection	5	200	3	120
GS4 – notice	0	0	0	0
GS5 – voltage	0	0	0	0
GS8 – appointments	0	0	0	0
GS9 – payments	0	0	0	0
Total	5	£200	6	£180

Figure 12: Central Networks – East Guaranteed Standards payments



ENW

ENW made a moderate number of Guaranteed Standards payments in 2008/09, which was 38 per cent lower than the previous year. The total payment made by ENW amounts to 2 per cent of the total value of payments made by all DNOs in 2008/09. Most payments were made against GS2, a non-automatic Standard which must be claimed by the customer. Table 17 below provides details of the Standards that payments were made against.

Table 17: Guaranteed Standards payments: ENW

Guaranteed Standard	2007/08		2008/09	
	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
GS1 – fuse	0	0	0	0
GS2 – restoration	609	31,275	308	15,675
GS2A – multiple interruptions	9	450	2	100
GS3 – connection	1	40	0	0
GS4 – notice	40	900	105	2,300
GS5 – voltage	0	0	0	0
GS8 – appointments	13	260	2	40
GS9 – payments	10	100	6	120
Total	682	£33,025	423	£18,235

Figure 13: ENW Guaranteed Standards payments



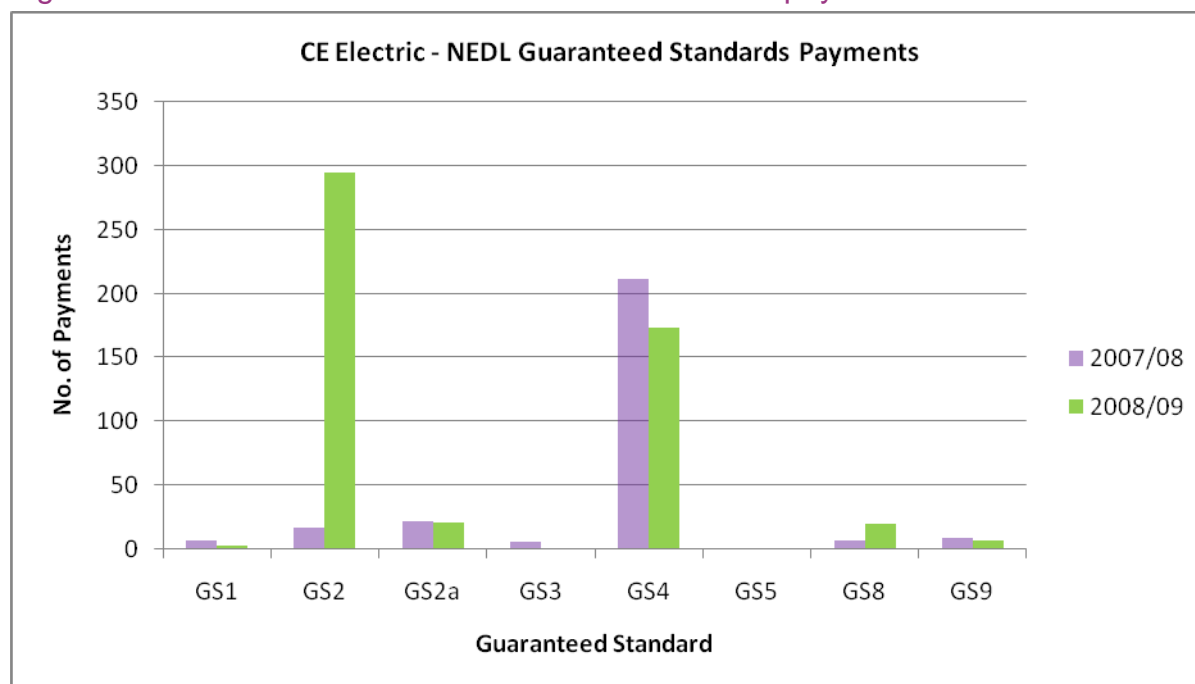
CE Electric - NEDL

CE Electric – NEDL made a moderate number of Guaranteed Standards payments in 2008/09, which was 86 per cent higher than the previous year. The total payment made by NEDL amounts to 2 per cent of the total value of payments made by all DNOs in 2008/09. Most payments were made against GS2, a non-automatic Standard which must be claimed by the customer. Table 18 below provides details of the Standards that payments were made against.

Table 18: Guaranteed Standards payments: CE Electric – NEDL

Guaranteed Standard	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
GS1 – fuse	7	140	3	60
GS2 – restoration	17	875	295	14,850
GS2A – multiple interruptions	22	1,100	21	1,050
GS3 – connection	6	240	0	0
GS4 – notice	212	5,240	173	3,880
GS5 – voltage	0	0	1	20
GS8 – appointments	7	140	20	400
GS9 – payments	9	180	7	140
Total	280	£7,915	520	£20,400

Figure 14: CE Electric – NEDL Guaranteed Standards payments



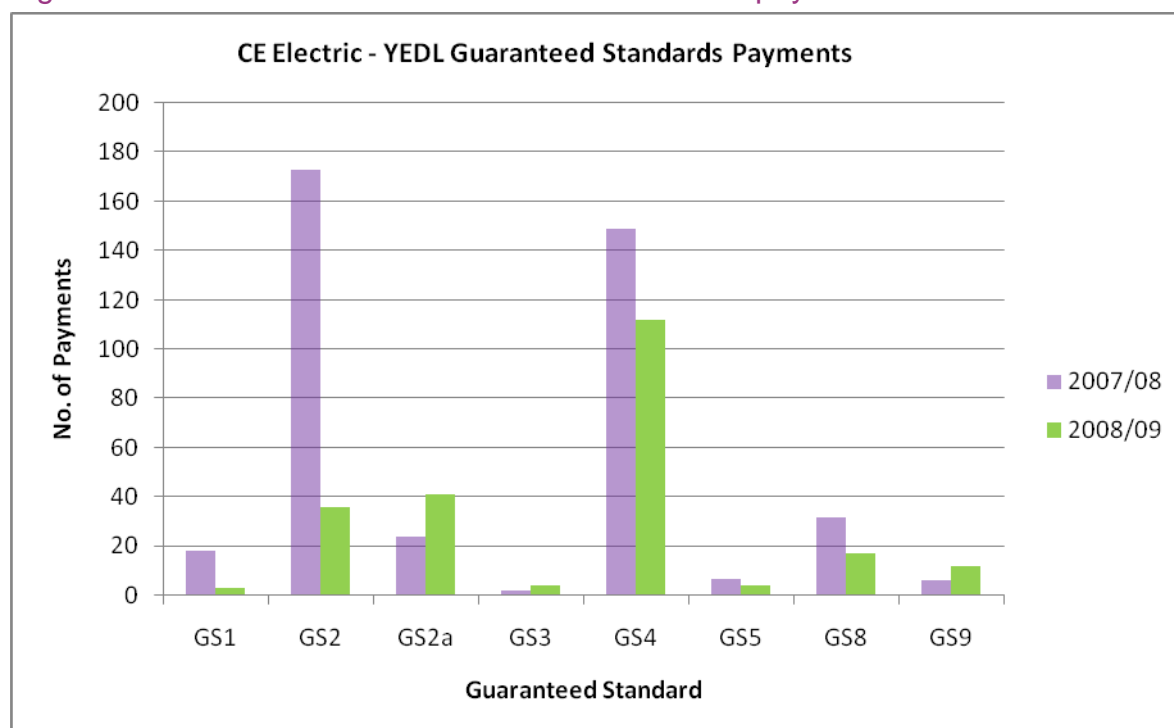
CE Electric – YEDL

CE Electric – YEDL made a moderate number of Guaranteed Standards payments in 2008/09, which was 44 per cent lower than the previous year. The total payment made by YEDL amounts to 1 per cent of the total value of payments made by all DNOs in 2008/09. Most payments were made against GS4, a non-automatic Standard which must be claimed by the customer. Table 19 below provides details of the Standards that payments were made against.

Table 19: Guaranteed Standards payments: CE Electric – YEDL

Guaranteed Standard	2007/08		2008/09	
	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
GS1 – fuse	18	360	3	60
GS2 – restoration	173	8,725	36	1,975
GS2A – multiple interruptions	24	1,200	41	2,050
GS3 – connection	2	80	4	160
GS4 – notice	149	3,560	112	2,820
GS5 – voltage	7	140	4	80
GS8 – appointments	32	640	17	340
GS9 – payments	6	120	12	240
Total	411	£11,377	229	£7,725

Figure 15: CE Electric YEDL Guaranteed Standards payments



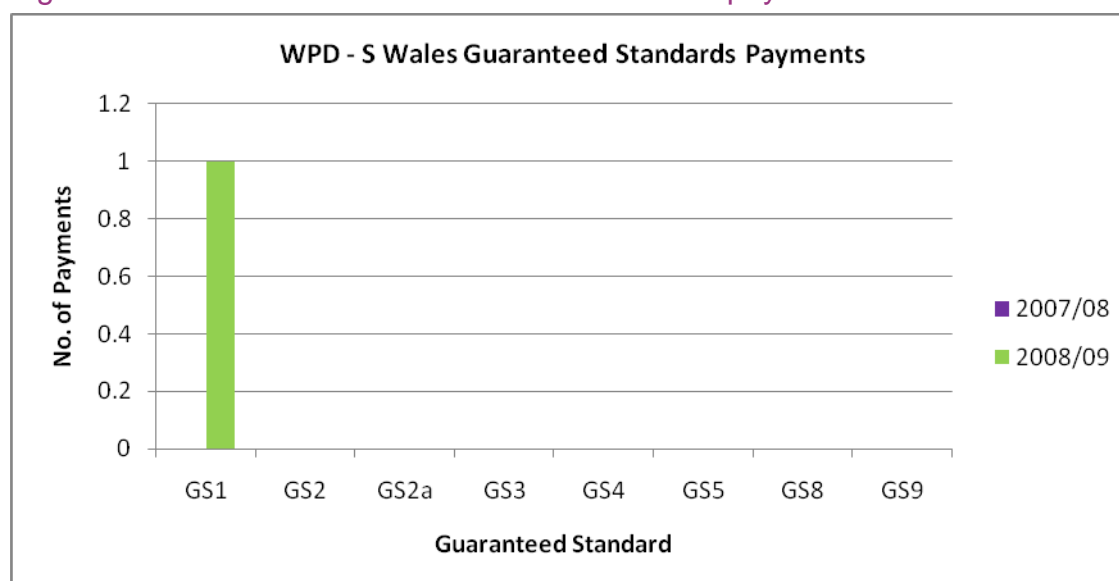
Western Power Distribution – S Wales

Western Power Distribution (WPD) – S Wales made a single Guaranteed Standards payment in 2008/09, with no significant change from the previous year. Table 20 below provides details of the Standards that payments were made against.

Table 20: Guaranteed Standards payments: Western Power Distribution – S Wales

Guaranteed Standard	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
GS1 – fuse	0	0	1	20
GS2 – restoration	0	0	0	0
GS2A – multiple interruptions	0	0	0	0
GS3 – connection	0	0	0	0
GS4 – notice	0	0	0	0
GS5 – voltage	0	0	0	0
GS8 – appointments	0	0	0	0
GS9 – payments	0	0	0	0
Total	0	0	1	£20

Figure 16: WPD - S Wales Guaranteed Standards payments



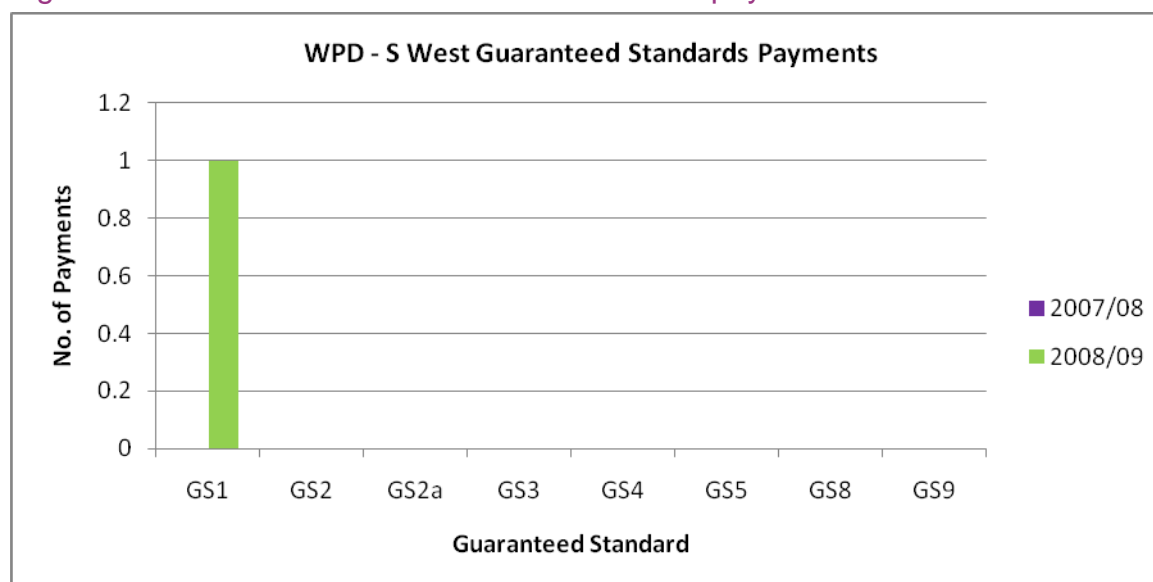
Western Power Distribution – S West

Western Power Distribution (WPD) – S West made a single Guaranteed Standards payment in 2008/09 with no significant change from the previous year. Table 21 below provides details of the Standards that payments were made against.

Table 21: Guaranteed Standards payments: Western Power Distribution – S West

Guaranteed Standard	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
GS1 – fuse	0	0	1	20
GS2 – restoration	0	0	0	0
GS2A – multiple interruptions	0	0	0	0
GS3 – connection	0	0	0	0
GS4 – notice	0	0	0	0
GS5 – voltage	0	0	0	0
GS8 – appointments	0	0	0	0
GS9 – payments	0	0	0	0
Total	0	0	1	£20

Figure 17: WPD - S West Guaranteed Standards payments



EDF Energy Networks (LPN) plc

EDF Energy Networks (LPN) plc made a significant number of Guaranteed Standards payments in 2008/09, which was 46 per cent higher than the previous year. The total payment made by EDFE (LPN) amounts to 11 per cent of the total value of payments made by all DNOs in 2008/09. Most payments were made against GS2, a non-automatic Standard which must be claimed by the customer. Table 22 below provides details of the Standards that payments were made against.

Table 22: Guaranteed Standards payments: EDF Energy Networks (LPN) plc

Guaranteed Standard	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
GS1 – fuse	0	0	34	680
GS2 – restoration	1,385	74,200	1,712	80,725
GS2A – multiple interruptions	48	2,400	267	13,350
GS3 – connection	3	120	48	1,920
GS4 – notice	1	20	12	280
GS5 – voltage	0	0	0	0
GS8 – appointments	17	340	12	240
GS9 – payments	0	0	51	1,020
Total	1,454	£77,080	2,136	£98,215

Figure 18: EDFE (LPN) Guaranteed Standards payments



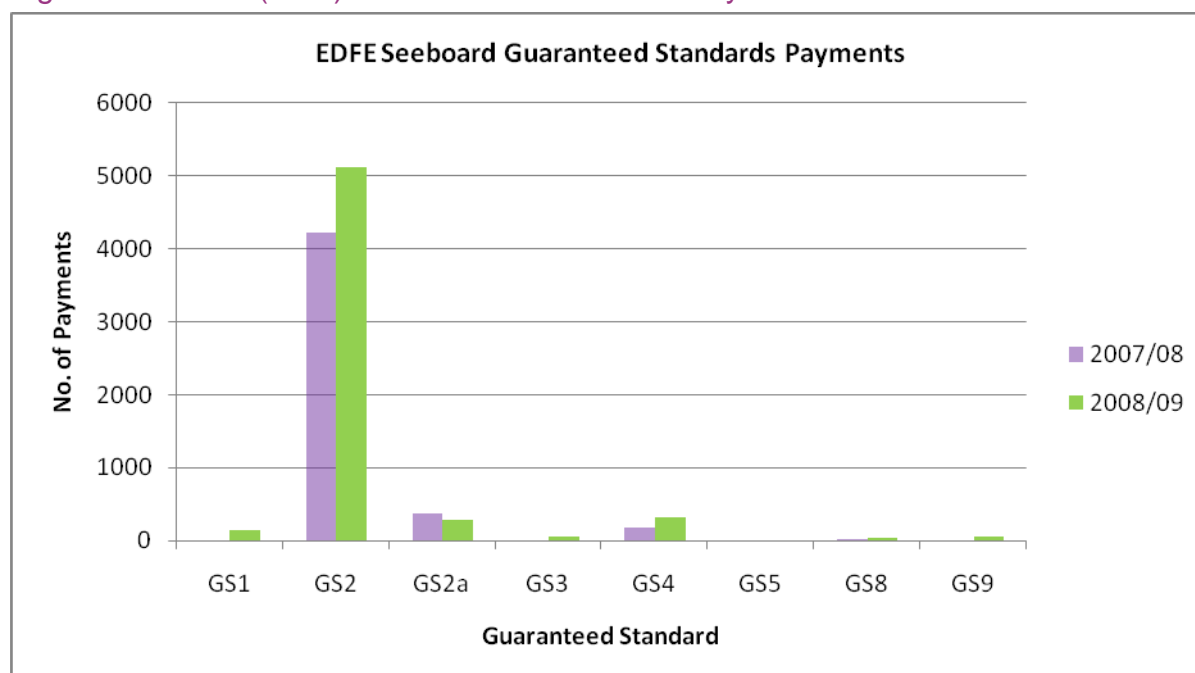
Energy Networks London Seeboard

EDF Energy Networks (SPN) plc made a significant number of Guaranteed Standards payments in 2008/09, which was 25 per cent higher than the previous year. The total payment made by EDFE (SPN) amounts to 29 per cent of the total value of payments made by all DNOs in 2008/09. Most payments were made against GS2, a non-automatic Standard which must be claimed by the customer. Table 23 below provides details of the Standards that payments were made against.

Table 23: Guaranteed Standards payments: EDF Energy Networks (SPN) plc

Guaranteed Standard	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
GS1 – fuse	0	0	138	2,760
GS2 – restoration	4,226	209,050	5,120	235,075
GS2A – multiple interruptions	368	18,400	285	14,250
GS3 – connection	15	600	53	2,120
GS4 – notice	176	3,960	322	7,200
GS5 – voltage	0	0	0	0
GS8 – appointments	20	400	32	640
GS9 – payments	7	140	54	1,080
Total	4,812	£232,550	6,004	£263,125

Figure 19: EDFE (SPN) Guaranteed Standards Payments



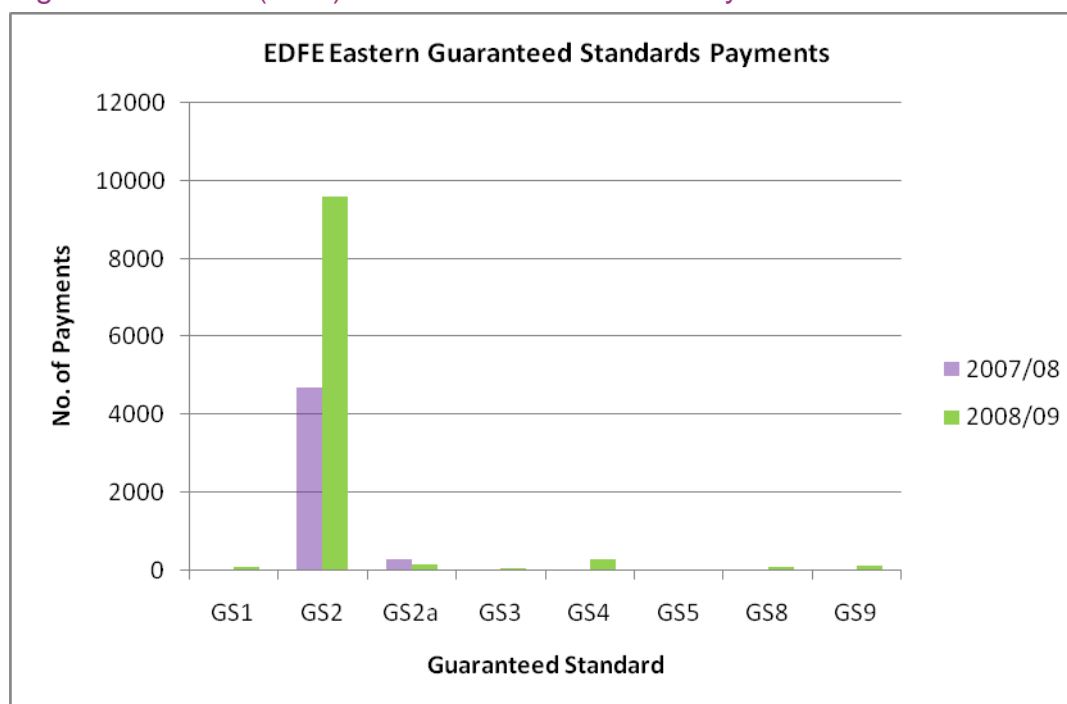
EDF Energy Networks (EPN) plc

EDF Energy Networks (EPN) plc made the highest number of Guaranteed Standards payments in 2008/09, which was 106 per cent higher than the previous year. The total payment made by EDFE (EPN) amounts to 54 per cent of the total value of payments made by all DNOs in 2008/09. Most payments were made against GS2, a non-automatic Standard which must be claimed by the customer. Table 24 below provides details of the Standards that payments were made against.

Table 24: Guaranteed Standards payments: EDF Energy Networks (EPN) plc

Guaranteed Standard	2007/08		2008/09	
	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
GS1 – fuse	6	120	76	1,520
GS2 – restoration	4,693	226,050	9,592	470,925
GS2A – multiple interruptions	263	13,150	141	7,050
GS3 – connection	6	240	48	1,920
GS4 – notice	5	100	275	6,380
GS5 – voltage	0	0	0	0
GS8 – appointments	6	120	67	1,340
GS9 – payments	5	100	84	1,680
Total	4,984	£239,880	10,283	£490,815

Figure 20: EDFE (EPN) Guaranteed Standards Payments



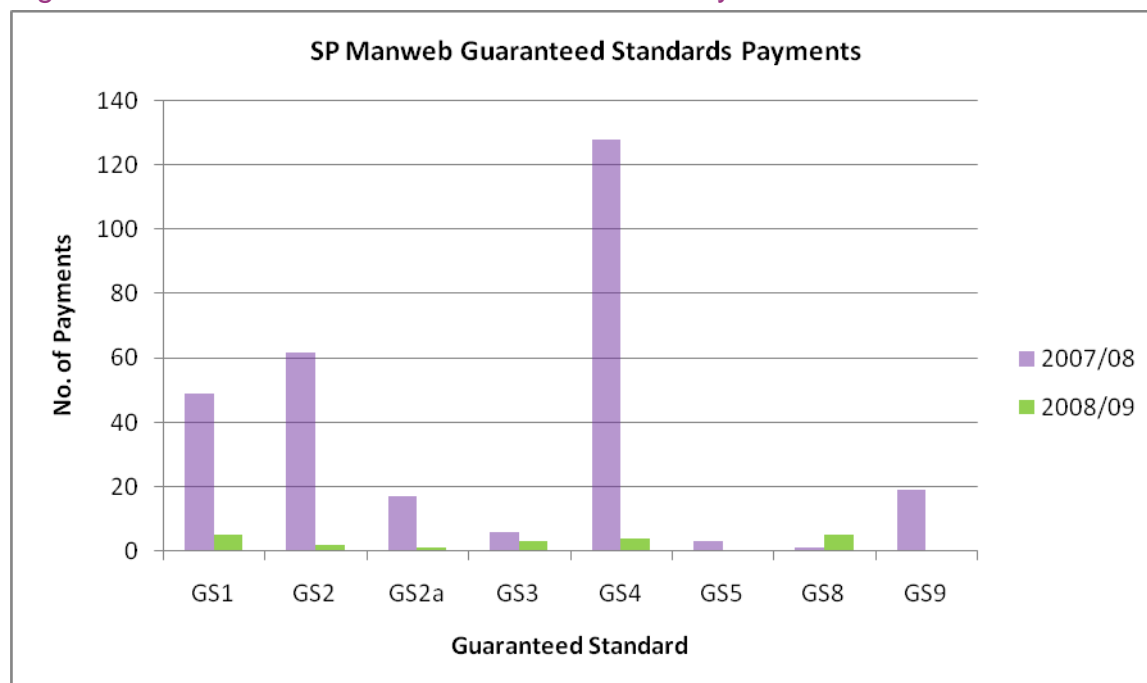
Scottish Power Manweb

Scottish Power (SP) Manweb made a small number of Guaranteed Standards payments in 2008/09, which was 93 per cent lower than the previous year. The total payment made by SP Manweb amounts to less than 0.1 per cent of the total value of payments made by all DNOs in 2008/09. Table 25 below provides details of the Standards that payments were made against.

Table 25: Guaranteed Standards payments: Scottish Power Manweb

Guaranteed Standard	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
GS1 – fuse	49	980	5	100
GS2 – restoration	62	2,500	2	75
GS2A – multiple interruptions	17	850	1	50
GS3 – connection	6	240	3	120
GS4 – notice	128	2,860	4	80
GS5 – voltage	3	60	0	0
GS8 – appointments	1	20	5	100
GS9 – payments	19	380	0	0
Total	285	£7,890	20	£525

Figure 21: SP Manweb Guaranteed Standards Payments



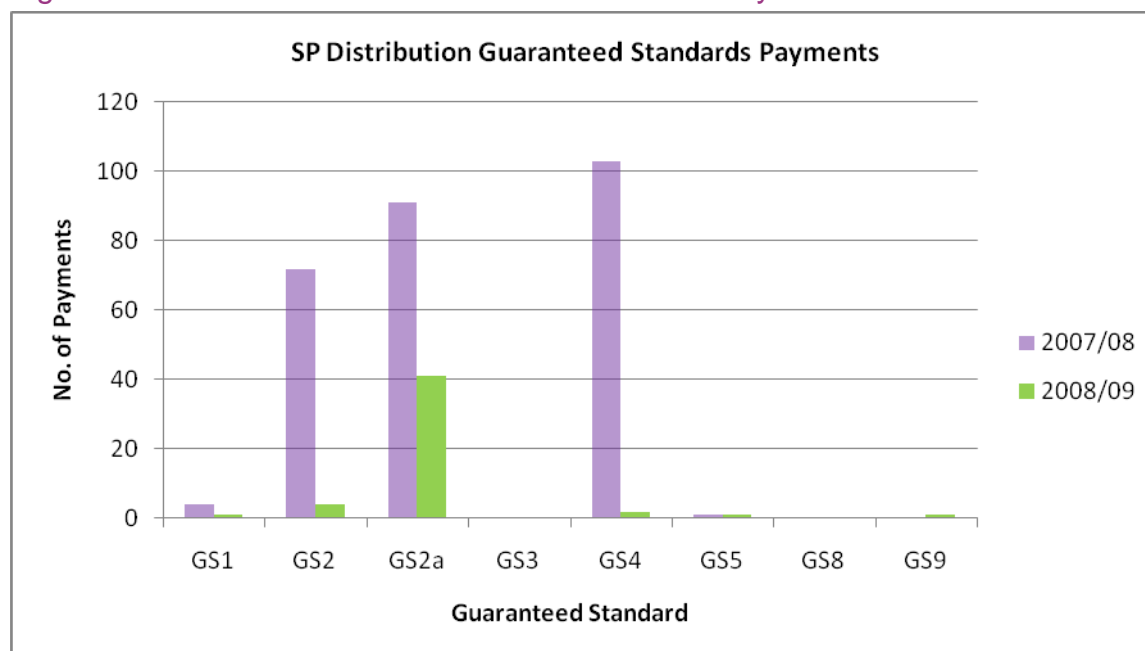
Scottish Power Distribution

Scottish Power Distribution made a small number of Guaranteed Standards payments in 2008/09, which was 82 per cent lower than the previous year. The total payment made by SP Distribution amounts to less than 0.3 per cent of the total value of payments made by all DNOs in 2008/09. Most payments were made against GS2A, a non-automatic Standard which must be claimed by the customer. Table 26 below provides details of the Standards that payments were made against.

Table 26: Guaranteed Standards payments: Scottish Power Distribution

Guaranteed Standard	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
GS1 – fuse	4	80	1	20
GS2 – restoration	72	3,925	4	175
GS2A – multiple interruptions	91	4,550	41	2,050
GS3 – connection	0	0	0	0
GS4 – notice	103	2,360	2	40
GS5 – voltage	1	20	1	20
GS8 – appointments	0	0	0	0
GS9 – payments	0	0	1	20
Total	271	£10,935	50	£2,325

Figure 22: SP Distribution Guaranteed Standards Payments



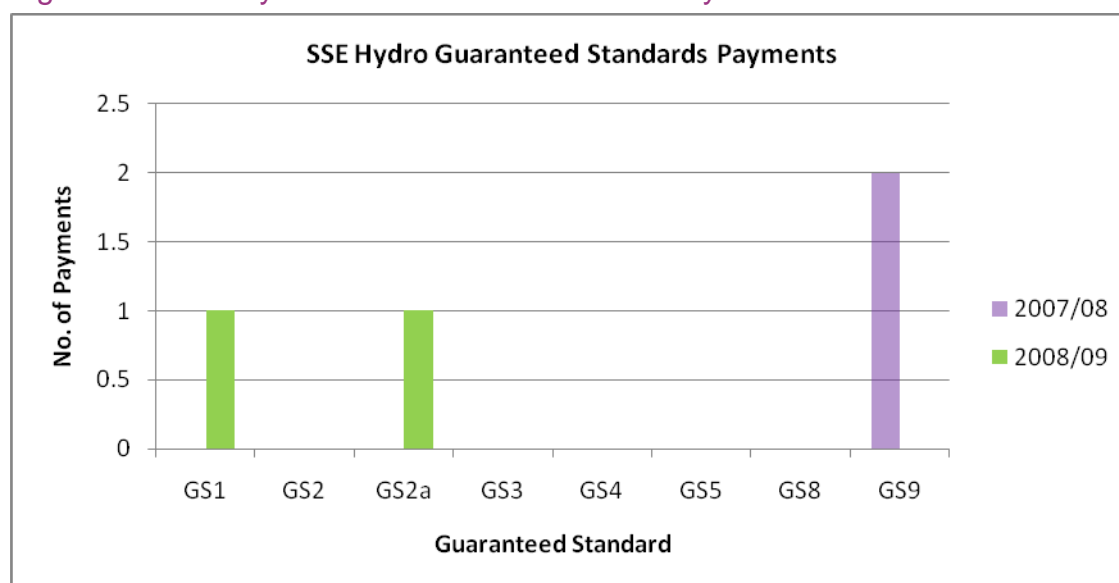
Scottish and Southern Electric – Hydro

Scottish and Southern Electric – Hydro made a very small number of Guaranteed Standards payments in 2008/09, with no significant change from the previous year. Table 27 below provides details of the Standards that payments were made against.

Table 27: Guaranteed Standards payments: Scottish and Southern Electric – Hydro

Guaranteed Standard	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
GS1 – fuse	0	0	1	20
GS2 – restoration	0	0	0	0
GS2A – multiple interruptions	0	0	1	50
GS3 – connection	0	0	0	0
GS4 – notice	0	0	0	0
GS5 – voltage	0	0	0	0
GS8 – appointments	0	0	0	0
GS9 – payments	2	40	0	0
Total	2	£40	2	£70

Figure 23: SSE Hydro Guaranteed Standards Payments



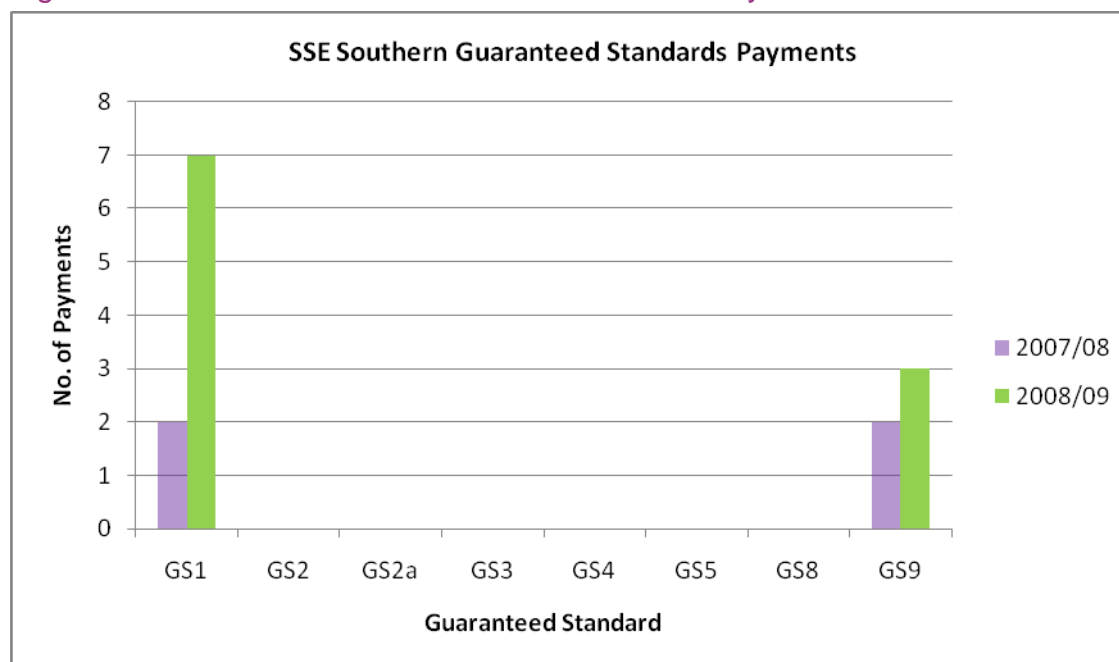
Scottish and Southern Electric – Southern

Scottish and Southern Electric - Southern made a very small number of Guaranteed Standards payments in 2008/09, with no significant change from the previous year. Table 28 below provides details of the Standards that payments were made against.

Table 28: Guaranteed Standards payments: Scottish and Southern Electric – Southern

Guaranteed Standard	Number of payments	Value of payments (£)	Number of payments	Value of payments (£)
	2007/08		2008/09	
GS1 – fuse	2	40	7	140
GS2 – restoration	0	0	0	0
GS2A – multiple interruptions	0	0	0	0
GS3 – connection	0	0	0	0
GS4 – notice	0	0	0	0
GS5 – voltage	0	0	0	0
GS8 – appointments	0	0	0	0
GS9 – payments	2	40	3	60
Total	4	£80	10	£200

Figure 24: SSE Southern Guaranteed Standards Payments



Section 3: Voluntary payments

When Consumer Focus began work on this report, we contacted each DNO requesting information relating to the number of voluntary and goodwill payments made, the number of unique visits to the Guaranteed Standards page on their website and the DNOs' policies on the payment of successful claims under the Guaranteed Standards. Each DNO responded in good time and provided the information requested.

According to the responses received, all DNOs make voluntary or proactive payments for a number of Guaranteed Standards. By way of example, all DNOs make proactive payments for failures under the non-automatic GS2 even where the customer has not submitted a valid claim. Some DNOs record these voluntary payments as Guaranteed Standards payments, eg EDFE LPN, EDFE SPN and EDFE EPN, while other DNOs only record payments which were the result of a valid claim, eg SSE Southern. As detailed in Table 29 below, the total value of proactive or voluntary payments made by DNOs has remained steady at just over £1 million in 2007/08 and 2008/09. This is significantly higher than the payments made under the Guaranteed Standards.

Table 29: Voluntary Payments Made by DNO

DNO	Are voluntary payments made?	Under which Guaranteed Standards?	Amount paid (£)	
			2007/08	2008/09
Central Networks – West	Yes	GS2, GS2A, GS4, GS11A-C	£370,000	£275,000
Central Networks – East			£315,000	£170,000
ENW	Yes	GS4, GS11A-C, GS12. GS8 in some instances	£21,909.94	£17,195
CE Electric – NEDL	Yes	GS2, GS2A, GS4, GS11A-C	£34,820	£130,825
CE Electric – YEDL			£74,728	£228,145
Western Power Distribution – S Wales	Yes	GS11A-C, GS12	£0	£350
Western Power Distribution –S West			£1,300	£2,150
EDF Energy Networks (LPN) plc	Yes	GS2, GS11A-C	Proactive payments recorded within Guaranteed Standards regime	
EDF Energy Networks (SPN) plc				
EDF Energy Networks (EPN) plc				
Scottish Power Distribution	Yes	GS2, GS2A, GS4	£100,850	£87,400
Scottish Power Manweb			£87,950	£86,040
Scottish and Southern Electric – Hydro	Yes	GS2, GS11A	£43,465	£47,550
Scottish and Southern Electric – Southern				
	Total		£1,050,022.94	£1,044,655

The number of voluntary payments made by DNOs in most instances dwarfs the recorded payments made by DNOs under the Guaranteed Standards regime. For instance, the two Central Networks DNOs made only £390 worth of payments under the Guaranteed Standards, one of the lowest tallies for 2008/09. But those DNOs paid out approximately £445,000 in voluntary payments, a figure more than one thousand times larger than the Guaranteed Standards payment. Table 30 below provides details of the differences.

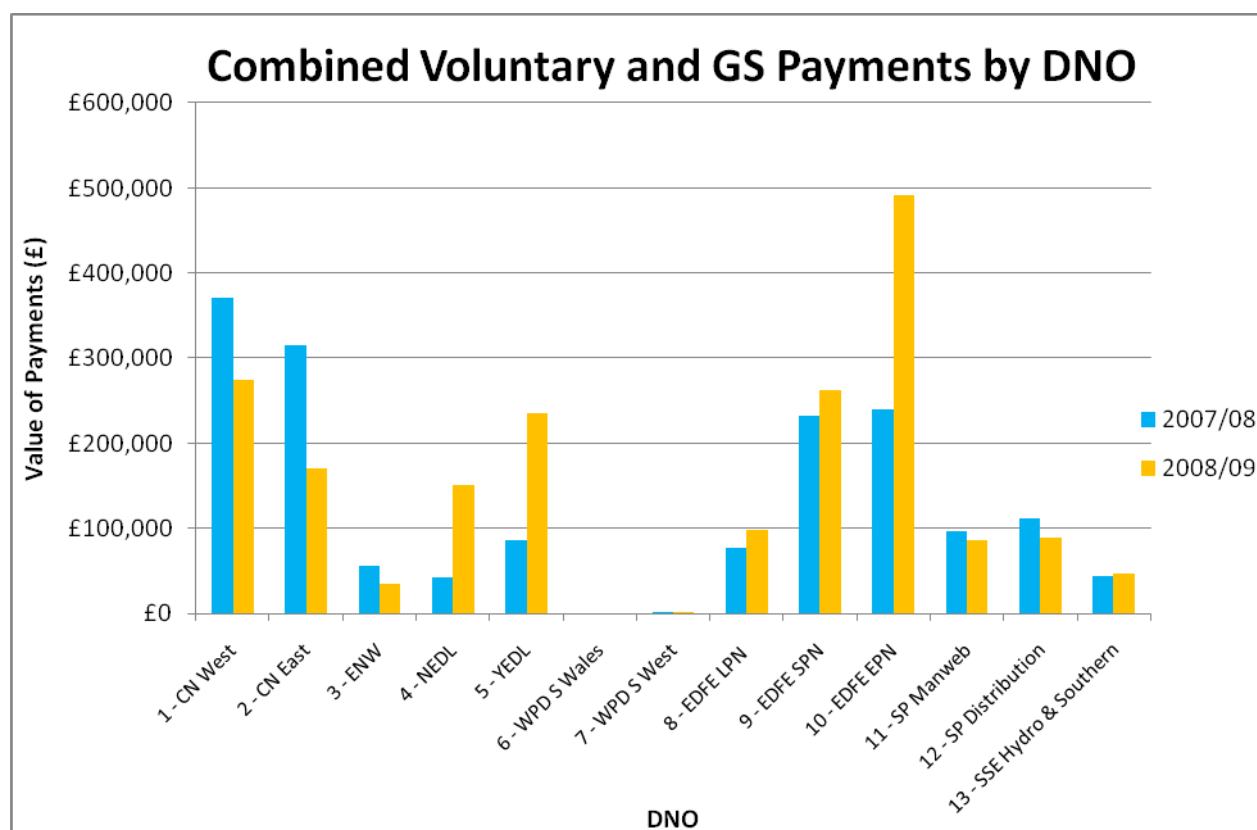
Table 30: Voluntary and Guaranteed Standards Payments Made by DNO

DNO	Total value of GS payments (£)	Total value of voluntary payments (£)	Total value of GS payments (£)	Total value of voluntary payments (£)	Total value of voluntary payments (percentage change from previous year)
	2007/08		2008/09		
Central Networks – West	£280	£370,000	£210	£275,000	-26%
Central Networks – East	£200	£315,000	£180	£170,000	-46%
ENW	£33,025	£21,909.94	£18,235	£17,195	-22%
CE Electric – NEDL	£7,915	£34,820	£20,400	£130,825	+276%
CE Electric – YEDL	£11,377	£74,728	£7,725	£228,145	+205%
Western Power Distribution – S Wales	0	£0	£20	£350	
Western Power Distribution – S West	0	£1,300	£20	£2,150	+65%
EDF Energy Networks (LPN) plc	£77,080	Information not provided	£98,215	Information not provided	
EDF Energy Networks (SPN) plc	£232,550		£263,125		
EDF Energy Networks (EPN) plc	£239,880		£490,815		
Scottish Power Manweb	£7,890	£87,950	£525	£86,040	-2%
Scottish Power Distribution	£10,935	£100,850	£2,325	£87,400	-13%
Scottish and Southern Electric – Hydro	£40	£43,465	£70	£47,550	+9%
Scottish and Southern Electric – Southern	£80		£200		
Total	£621,252	£1,050,022.94	£902,065	£1,044,655	-0.5%

DNOs provided a number of reasons as to why voluntary payments were made. Some pointed out that the payments were made for Standards that should have required the consumer to claim, while others were made because the DNO nearly breached a Standard and felt that the consumer had suffered significant detriment worthy of recompense.

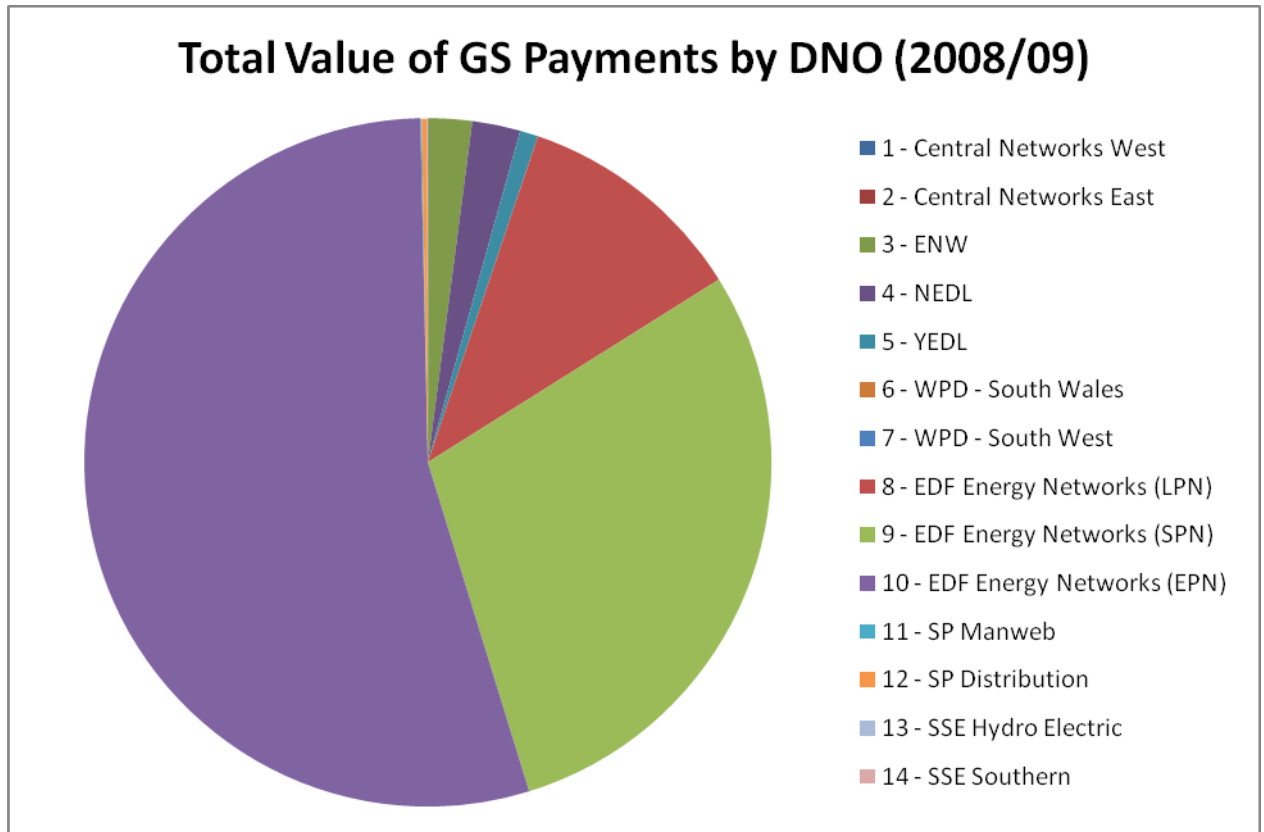
If we combine the voluntary and Guaranteed Standards payments we can compare how much money was paid out by each DNO for the years 2007/08 and 2008/09. Figure 25 below provides this information.

Figure 25: Combined Voluntary and GS Payments by DNO

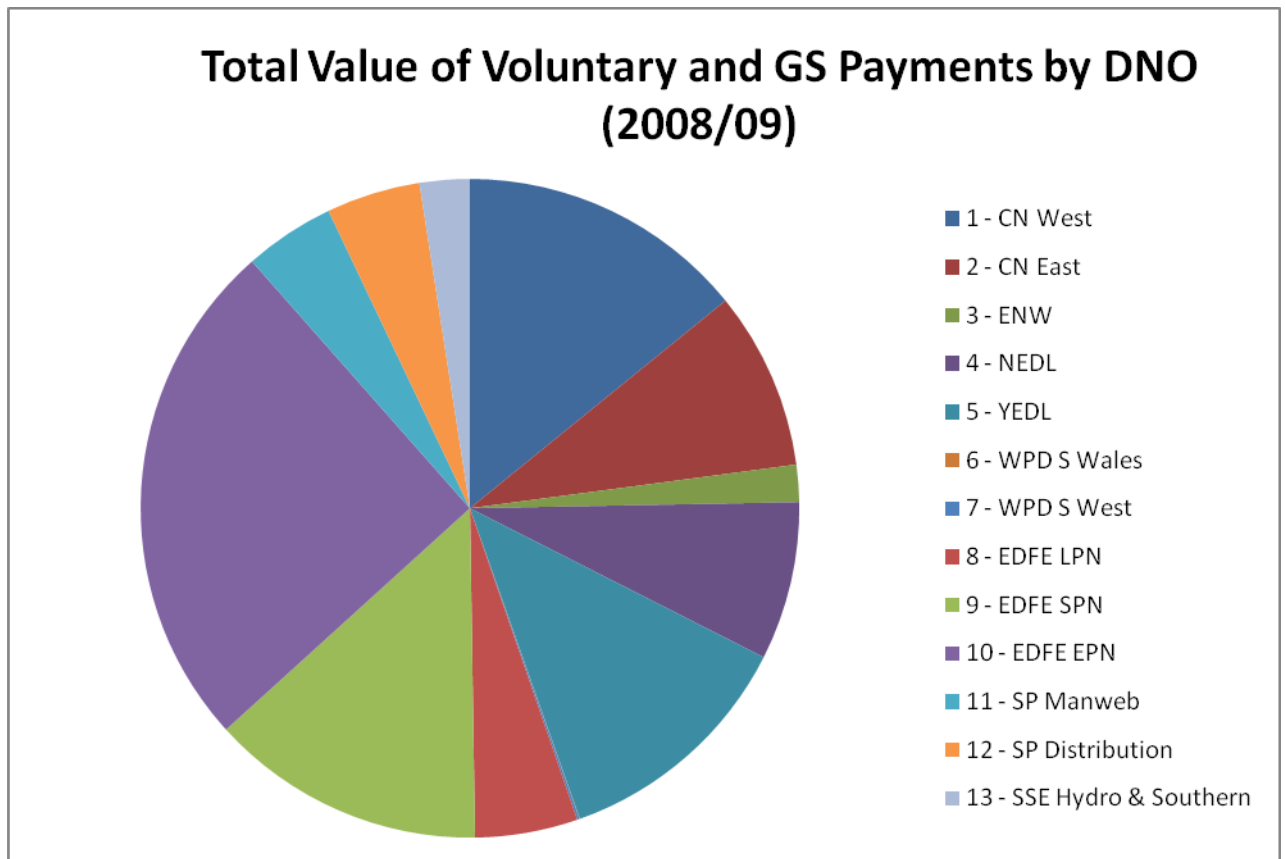


When looking at the Guaranteed Standards payments alone, the three DNOs operated by EDF account for the vast majority of the total value. This is detailed in Pie-chart 1 overleaf. By including voluntary payments alongside Guaranteed Standards payments, a rather different picture is presented. The two E.on DNOs increase their share, while the EDF DNOs' share reduces significantly and does not look significantly different to the figures for other DNOs. This is detailed in Pie-chart 2 overleaf.

Pie-chart 1: Total value of GS payments by DNO in 2008/09



Pie-chart 2: Total voluntary and GS payments by DNO in 2008/09



Consumer Focus intends to carry out further work in this area in 2010/11.

Section 4: Conclusions

This report demonstrates that the Guaranteed Standards remain a useful yardstick to measure the performance of DNOs in England, Scotland and Wales. DNOs appear to be reporting instances of Guaranteed Standards payments to Ofgem smoothly and in good time. Ofgem have not communicated an awareness of any problems.

While the reporting process appears to be operating successfully, Consumer Focus is concerned by the overall increase in payments in 2008/09, especially those made under GS2. When including the payments made by all DNOs, there was nearly a 50 per cent rise in the number of payments in 2008/09 from the previous year, and we hope this does not mark the beginning of an upward trend.

The Guaranteed Standards picture varies greatly depending on the DNO in question. As, by their very nature, DNOs are regional monopolies, the huge difference in performance against the Guaranteed Standards is of concern. Distribution costs amount to an average of 16 per cent of the bills of customers, a significant proportion. Customers are unlikely to move home or relocate their business based on the performance of their DNO but some customers may be frustrated and suffer significant detriment because of repeated failures.

Consumer Focus notes that many of the Guaranteed Standards payments made in 2007/08 and 2008/09 were for non-automatic Guaranteed Standards, which require customers to make a claim. By far the most frequently claimed Guaranteed Standard is GS2, the Guaranteed Standard that stipulates that in normal weather conditions the DNO must reconnect supply within 18 hours.

Voluntary payments appear to form a large part of the payments connected to the Guaranteed Standards made by DNOs. The voluntary payments are of significant value and a high level of frequency. Most voluntary payments are made against non-automatic Guaranteed Standards and, when both voluntary and claimed/automatic Guaranteed Standards payments are taken into account, performance across the DNOs is markedly similar. The potential importance of voluntary payments is perhaps best illustrated by the Central Networks example.

Consumer Focus recognises and accepts that voluntary payments are not required by Ofgem and may be made for good reasons, one of which may be that DNOs are going above and beyond the levels expected of them by Ofgem. Consumer Focus is keen to see voluntary payments continue but is concerned that DNOs may be adopting different views as to whether proactive payments made by the DNO, in the absence of a valid claim from the customer, should be reported to Ofgem. Consumer Focus is in favour of greater transparency and a higher degree of publicity for these proactive payments.

Consumer Focus believes that the Guaranteed Standards play an important role in ensuring that DNOs achieve certain minimum standards of performance. Due to the importance of the Guaranteed Standards for the relationship between customer and DNO, Consumer Focus intends to undertake further research into the Guaranteed Standards. Further details of this research will be made available in due course.

Appendix 1

Exemptions to Guaranteed Standards

Companies are not obliged to pay in the following circumstances:

- The consumer informs the relevant operator (which means either the supplier or distributor – whichever is applicable) before the contravention period that they do not wish the operator to take any action (current or future) in regard to the matter
- The consumer agrees with the operator that the action promised will negate the awarding of any standard – provided the promised action takes place
- Where information is required from the consumer and it is not given to the appropriate telephone number during the appropriate hours
- It was not reasonably practicable to perform the necessary standard due to:
 - a) Severe weather (if agreed by the regulator)
 - b) Industrial action by the operator's employees
 - c) The act or default of a person not working directly for, or as an agent for, the operator
 - d) An inability to gain access
 - e) The existence of circumstances which would cause the operator to break the law by following the standards
 - f) The effects of an event covered by [Part 2 of the Civil Contingencies Act, 2004](#) (war, terrorism, threat to national security, etc.)
 - g) Circumstances of an exceptional nature beyond the control of the operator
 - h) Belief on the part of the operator that the information provided is of a frivolous or vexatious nature²⁰

²⁰ This is not an exhaustive list of exemptions and some specific exemptions may also apply.



2008/2009 Report on the Guaranteed Standards of Performance for Electricity Distribution

Produced by Julian Russell and Thomas Lowe

Any queries should be directed to: Julian.russell@consumerfocus.org.uk or Thomas.lowe@consumerfocus.org.uk

Alternatively, written comments should be directed to:

Consumer Focus

Artillery House

11-19 Artillery Row

London

SW1P 1RT

www.consumerfocus.org.uk

Copyright: Consumer Focus

Published: April 2010

If you require this publication in Braille, large print or on audio CD please contact us.

For the deaf, hard of hearing or speech impaired, contact Consumer Focus via Text Relay:

From a textphone, call 18001 020 7799 7900

From a telephone, call 18002 020 7799 7900

Consumer Focus

4th Floor
Artillery House
Artillery Row
London SW1P 1RT

Tel: 020 7799 7900

Fax: 020 7799 7901

Media Team: 020 7799 8004 / 8005 / 8006