



**Consumer
Focus**
Campaigning for a fair deal

Guaranteed Standards of electricity distribution

2009/10

Contents

| | |
|---|----|
| About Consumer Focus | 3 |
| Executive summary | 4 |
| The scope of the report | 5 |
| Introduction | 6 |
| Distribution network operators (DNOs) | 6 |
| Independent Distribution Network Operators (IDNOs) | 10 |
| The cost of distribution to the consumer | 11 |
| The Guaranteed Standards of performance for electricity | 12 |
| Voluntary payments | 14 |
| Total payments made under the Guaranteed Standards | 20 |
| GS1 – Response to failure of distributor’s fuse (automatic) | 22 |
| GS2 – Restoration of supply following a fault (non-automatic) | 24 |
| GS2A – Multiple interruptions (non-automatic) | 26 |
| GS3 – Estimating charges for connection (automatic) | 28 |
| GS4 – Giving notice of a planned interruption to supply (non-automatic) | 30 |
| GS5 – Investigation of voltage complaints (automatic) | 32 |
| GS8 – Making and keeping appointments (automatic) | 34 |
| GS9 – Advising customers of payments due (automatic) | 37 |
| Individual DNO performance against Guaranteed Standards | 39 |
| Central Networks – East | 43 |
| Central Networks – West | 44 |
| Electricity North West (ENWL) | 45 |
| CE Electric – NEDL | 46 |
| CE Electric – YEDL | 47 |
| EDF Energy Networks (EPN) plc | 48 |
| EDF Energy Networks (LPN) plc | 49 |
| EDF Energy Networks (SPN) plc | 50 |
| Scottish and Southern Energy Power Distribution | 51 |

| | |
|--|----|
| Scottish and Southern Electric – Hydro | 52 |
| Scottish Power Distribution | 53 |
| Scottish Power Manweb | 54 |
| Western Power Distribution – South Wales | 55 |
| Western Power Distribution – South West | 56 |
| Independent DNO payments made and performance against the Guaranteed Standards | 57 |
| Section Five: Conclusions | 58 |
| Annex 1: Exemptions from Guaranteed Standards | 59 |

About Consumer Focus

Consumer Focus is the statutory consumer champion for England, Wales, 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

Section 39A of the Electricity Act 1989 allows the Authority (in this instance, Ofgem) to make regulations for guaranteed standards of performance for electricity distributors. The Guaranteed Standards regulations reviewed in this report come from The Electricity (Standards of Performance) Regulations 2005. The standards were reviewed again in 2009, and new standards were put in place from 1 April 2010, with the introduction of the Connections Guaranteed Standards from October 2010.

In 2009/10, there was a 15 per cent reduction in the number of payments made by Distribution Network Operators (DNOs) against the Guaranteed Standards. The majority of payments continued to be logged against GS2, the non-automatic Guaranteed Standard that stipulates that in normal weather conditions the DNO must reconnect supply within 18 hours, although there was an overall reduction of 20 per cent in payments against this Guaranteed Standard. However, there was a rise of 38 per cent in payments made against GS2a, the Guaranteed Standard which relates to multiple interruptions throughout the year.

DNOs continue to offer voluntary payments against some of the non-automatic Guaranteed Standards, although not all DNOs log these as Guaranteed Standard payments, leading to a large degree of variability in the apparent performance of DNOs. When voluntary payments are taken into account, this variability is reduced but not eliminated. The variability in whether DNOs report voluntary payments to Ofgem was flagged in Consumer Focus's 2008/09 report, but the inconsistency remains in the 2009/10 data.

Four of the six licensed Independent Distribution Network Operators (IDNOs) reported figures to Ofgem for the first time in 2009/10, which will allow for future comparisons in performance. The amount of Guaranteed Standards payments made by IDNOs was very small in comparison to most DNOs, but again most payments were due against GS2.

From 1 April 2010, the Guaranteed Standards have been revised and updated, including a change in the amount payable to customers, rewording some existing Guaranteed Standards and the introduction of two new Guaranteed Standards.

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. 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, and covers the period 1 April 2009 to 31 March 2010. The report details the performance of the 14 Distribution Network Operators (DNOs) and four of the six licensed 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 on payments made to the domestic and non-domestic sectors is not provided for each Guaranteed Standard. 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 that 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 also 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 six separate groups. Based on Metering Point Administration Numbers (MPANs), they are distributing electricity to more than 28.9 million¹ domestic households. In addition to these DNOs, there are also six licensed IDNOs (although only four of these were active in 2009/10).

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 where DNOs fail to 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 are 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 Distribution Price Control Review 5 (DPCR5)² came into effect from 1 April 2010 and has resulted in the clarification of four of the existing Guaranteed Standards and an increase in the level of payments owed to reflect inflation over the period April 2005 to November 2009. Two new Guaranteed Standards were introduced in October 2010; they are not covered in this report.

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 regulatory instructions and guidance* version 5

² Ofgem, *2009 electricity distribution price control review*, final proposals (144/09)



*Central Networks are now wholly separate from E.ON, having been purchased by PPL WEM Holdings in April 2011, and now fall under the same umbrella as Western Power Distribution networks.







**EDF Energy Networks are now UK Power Networks following the acquisition by a consortium headed by Cheung Kong Infrastructure in October 2010.

For the purposes of this report we will refer to the DNOs by the operating names they used for the period of 2009/10.

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 (EPN) plc cover a comparatively small area but are responsible for a large number of customers. Table 1 describes the geographical extent and population covered by each DNO.

Table 1: Extent of DNO coverage

| Modern Distribution Network Operator | 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 | 2,597,659 |
| Central Networks – West*  | Midlands Electricity Board, GPU Power and Aquilla Networks | West Midlands | Stoke On Trent, Shrewsbury, Birmingham, and Cheltenham | 2,441,615 |
| Electricity North West  | North Western Electricity Board | North West England | Manchester | 2,357,463 |
| CE Electric – NEDL  | North Eastern Electricity Board | North East of England | Newcastle upon Tyne, Sunderland, Middlesbrough, Darlington and York | 1,572,232 |
| CE Electric – YEDL  | Yorkshire Electricity Board | Yorkshire and North Lincolnshire | Leeds, Sheffield, Hull, Doncaster, Halifax, Huddersfield and Grimsby | 2,254,618 |
| 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 | 3,507,431 |
| EDF Energy Networks (LPN) plc**  | London Electricity Board and London Power Networks | London | Covers the whole of central London | 2,241,478 |
| EDF Energy Networks (SPN) plc**  | South Eastern Electricity Board and Seeboard Networks | Kent, Surrey and Sussex | Tunbridge Wells, Croydon, Crawley and Brighton | 2,242,957 |

| | | | | |
|---|--|--|--|-----------|
| Scottish and Southern Energy Power Distribution  | Southern Electricity Board | South England | Slough, Reading, Swindon, Oxford, Southampton, Portsmouth, and Bournemouth | 2,919,504 |
| 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 | 734,947 |
| Scottish Power Distribution  | South of Scotland Electricity Board | Central and Southern Scotland | Glasgow, Edinburgh, Dumfries, Ayr and Fife | 1,991,924 |
| Scottish Power Manweb  | Merseyside and North Wales Electricity Board | Merseyside, Cheshire and North Wales | Liverpool, Chester, Bangor and Aberystwyth | 1,483,801 |
| Western Power Distribution – S Wales  | South Wales Electricity Board and Infracore | South and West Wales, including the south Wales valleys. | Cardiff and Swansea | 1,094,220 |
| Western Power Distribution – S West  | South Western Electricity Board | South West England | Bristol, Taunton, Exeter and Plymouth | 1,532,913 |

*Central Networks are now wholly separate from E.ON, having been purchased by PPL WEM Holdings in April 2011, and now fall under the same umbrella as Western Power Distribution networks.

**EDF Energy Networks are now UK Power Networks following the acquisition by a consortium headed by Cheung Kong Infrastructure in October 2010.

Independent Distribution Network Operators (IDNOs)

IDNOs are electricity distributors who were granted a licence after 1 October 2001. DNOs have specific service distribution areas while IDNOs do not. IDNOs typically operate networks serving 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

Guaranteed Standards returns were submitted to Ofgem by ESP Electricity Ltd, Independent Power Networks Ltd, Energetics Electricity Limited and The Electricity Network Company Ltd. ECG Distribution Ltd had its licence revoked in October 2010 by mutual agreement with Ofgem and so reported no data for 2009/10. EDF Energy (IDNO) Ltd (now UK Power Networks (IDNO) Ltd) was set up expressly to provide power for the Olympic site in Stratford and so had no data to report in 2009/10. The returns that were received have been analysed separately to those from the DNOs.

The cost of distribution to the consumer

The costs for domestic consumers with typical energy consumption levels are approximately £76 per year for electricity distribution³. Business consumers have a much wider range of charges for electricity distribution, with anything from £270 per year for smaller businesses up to £28,000 per year for large businesses. The amount that DNOs are able to charge for electricity distribution is limited under price controls set by Ofgem.

Ofgem also publish an annual quality of service report⁴ in order to monitor the performance of the DNOs against several metrics, including network reliability and customer service. These obligations are set to ensure a good service as each DNO runs a monopoly service. The results of the quality of supply report feed into the price control which is reviewed every five years.

The price controls in place during the period covered by this report expired on 31 March 2010. Ofgem reviewed these price controls in 2009 under the Distribution Price Control Review (DCPR5). From 1 April 2010, DNOs have been able to increase the amount they charge in line with the values given below in Table 2:

Table 2: Average annual allowed revenue increase by region and illustrative impact on average domestic bills⁵

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

³ Ofgem, *2009 electricity distribution price control review, final proposals* (144/09)

⁴ Ofgem, *Electricity distribution annual report for 2008–09 and 2009–10* (50/11)

⁵ Ofgem, *2009 electricity distribution price control review, final proposals* (144/09)

The Guaranteed Standards of performance for electricity⁶

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.

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

There are two types of Guaranteed Standard payments – five are automatic and seven require the consumer to make a claim. The different types of Guaranteed Standards are set out in the tables below.

Table 3: Automatic Guaranteed Standards

| Reporting code | Service | Performance level | Penalty payment |
|----------------|---|--|---|
| GS1 | Respond to failure of distributors fuse (Regulation 10) | All DNOs to respond within 3 hours of notification on a working day (7am to 7pm), and within 4 hours of notification on other days (9am to 5pm), otherwise a payment must be made | £20 for domestic and non-domestic customers |
| GS3 | Estimate of charges for connection (Regulation 11) | Estimate to be provided within 5 working days for simple work and 15 working days for significant work, otherwise a payment must be made | £40 for domestic and non-domestic customers |
| GS5 | Investigation of voltage complaints (Regulation 13) | Visit customer's premises within 7 working days or dispatch a written explanation of the probable reason for the complaint within 5 working days, otherwise a payment must be made | £20 for domestic and non-domestic customers |
| GS8 | Making and keeping appointments (Regulation 17) | Companies must offer and keep a timed appointment, or offer and keep a timed appointment where requested by the customer, otherwise a payment must be made | £20 for domestic and non-domestic customers |
| GS9 | Payments owed under the standards (Regulation 19) | Payment to be made within 10 working days, otherwise a payment must be made | £20 for domestic and non-domestic customers |

⁶ Ofgem, *Guaranteed Standards: Ofgem guidance and proposals on best practice – Electricity distribution*

Table 4: Non-automatic Guaranteed Standards

| Reporting code | Service | Performance level | Penalty payment |
|----------------|---|---|--|
| GS2 | Supply restoration: normal conditions (Regulation 5) | Supply must be restored within 18 hours, otherwise a payment can be claimed by the customer | £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 four or more interruptions each lasting 3 or more hours occur in any single year (1 April – 31 March) , customers can claim a payment, as long as the claim is made within 3 months of the end of the year in which the interruptions occurred | £50 for domestic and non-domestic customers |
| GS4 | Notice of planned interruption to supply (Regulation 12) | Customers must be given at least 2 days notice, otherwise a payment must be made once a claim is received from a customer | £20 for domestic and 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.

Voluntary payments

Each DNO was contacted during the writing of this report to request information about the level and value of voluntary payments made against the Guaranteed Standards, and the majority quickly provided information relating to their levels of voluntary payments. Where information has not been received, the 2008/09 data is detailed in the tables below, but no analysis has been possible.

All DNOs that responded to inquiries made voluntary payments against some of the Guaranteed Standards. However, there is variation as to whether these payments are recorded under the Guaranteed Standards and reported to Ofgem. The EDF DNOs report all payments together, while other DNOs only record those where customers have claimed the payments, and not those where the payments was made proactively by the DNO.

Table 5: Voluntary payments made by DNO

| DNO | Are voluntary payments made? | Under which Guaranteed Standard? | Amount paid (£) | |
|--|------------------------------|--|--|------------------|
| | | | 2008/09 | 2009/10 |
| Central Networks – East | Yes | GS2, GS2A, GS4, GS11A–C | 170,000 | 225,000 |
| Central Networks – West | Yes | GS2, GS2A, GS4, GS11A–C | 275,000 | 272,000 |
| ENWL | Yes | GS4, GS11A–C, GS12. GS8 in some circumstances. | 17,195 | 23,969 |
| CE Electric – NEDL | Yes | GS2, GS2A, GS4, GS11A–C | 130,825 | 149,970 |
| CE Electric – YEDL | Yes | GS2, GS2A, GS4, GS11A–C | 228,145 | 71,275 |
| EDF Energy Networks (EPN) plc | Yes | GS2, GS11A–C | Proactive payments recorded within Guaranteed Standards regime | |
| EDF Energy Networks (LPN) plc | Yes | | | |
| EDF Energy Networks (SPN) plc | Yes | | | |
| Scottish and Southern Energy Power Distribution Ltd | Yes | GS2, GS4, GS11A–C | 47,550 | 52,529 |
| Scottish Hydro Electric Power Distribution Ltd | Not provided | | | Not provided |
| SP Distribution | Yes | All Guaranteed Standards breached | 87,400 | 159,225 |
| SP Manweb | Yes | | 86,040 | 105,000 |
| WPD South Wales | Yes | GS2, GS11A-C | 350 | 150 |
| WPD South West | Yes | GS2, GS11A-C | 2,150 | 450 |
| Total | | | 1,044,655 | 1,059,568 |

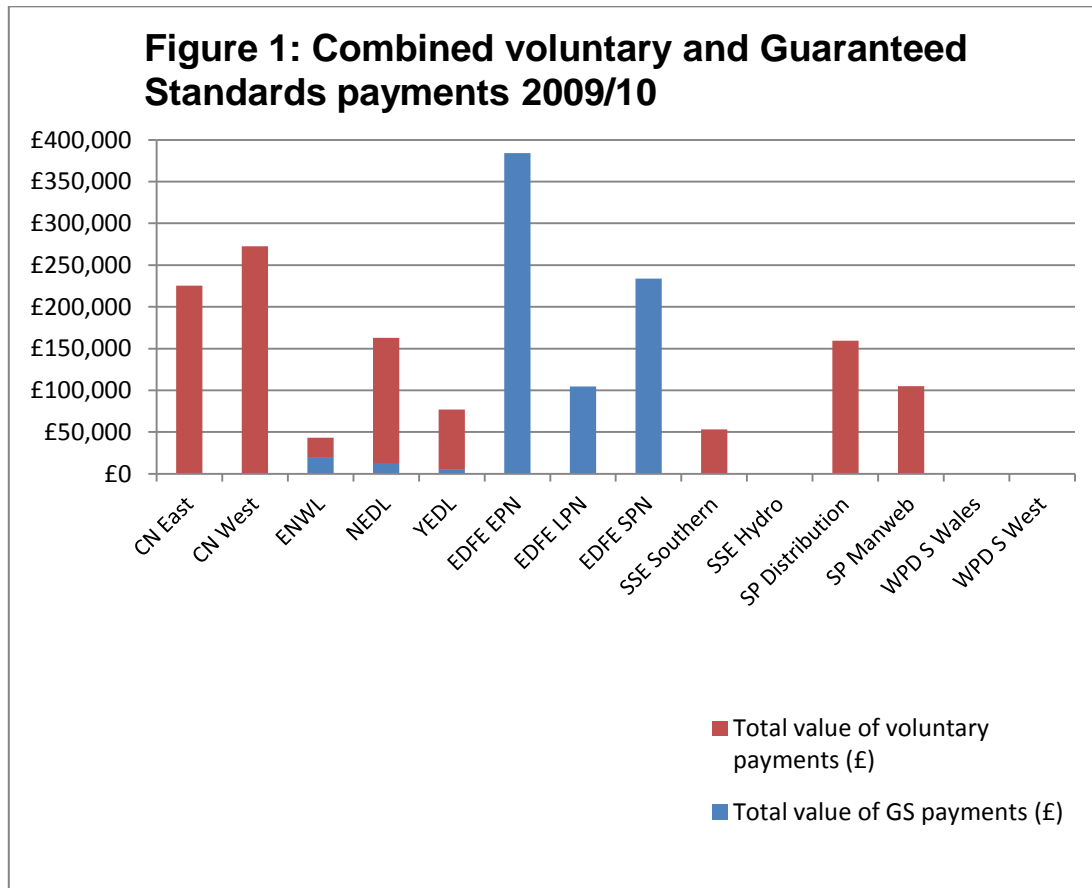
The total voluntary payments disclosed to Consumer Focus for 2009/10 amounted to £1,059,568 which is a slight increase on the amount reported in 2008/09, and is 39 per cent more than the £761,425 paid out under the Guaranteed Standards in 2009/10. Some DNOs paid out very small amounts under the Guaranteed Standards, yet when their voluntary payments are taken into account, the total amount paid becomes far larger, as shown in Table 30.

Table 6: Voluntary and guaranteed standards payments made by DNO

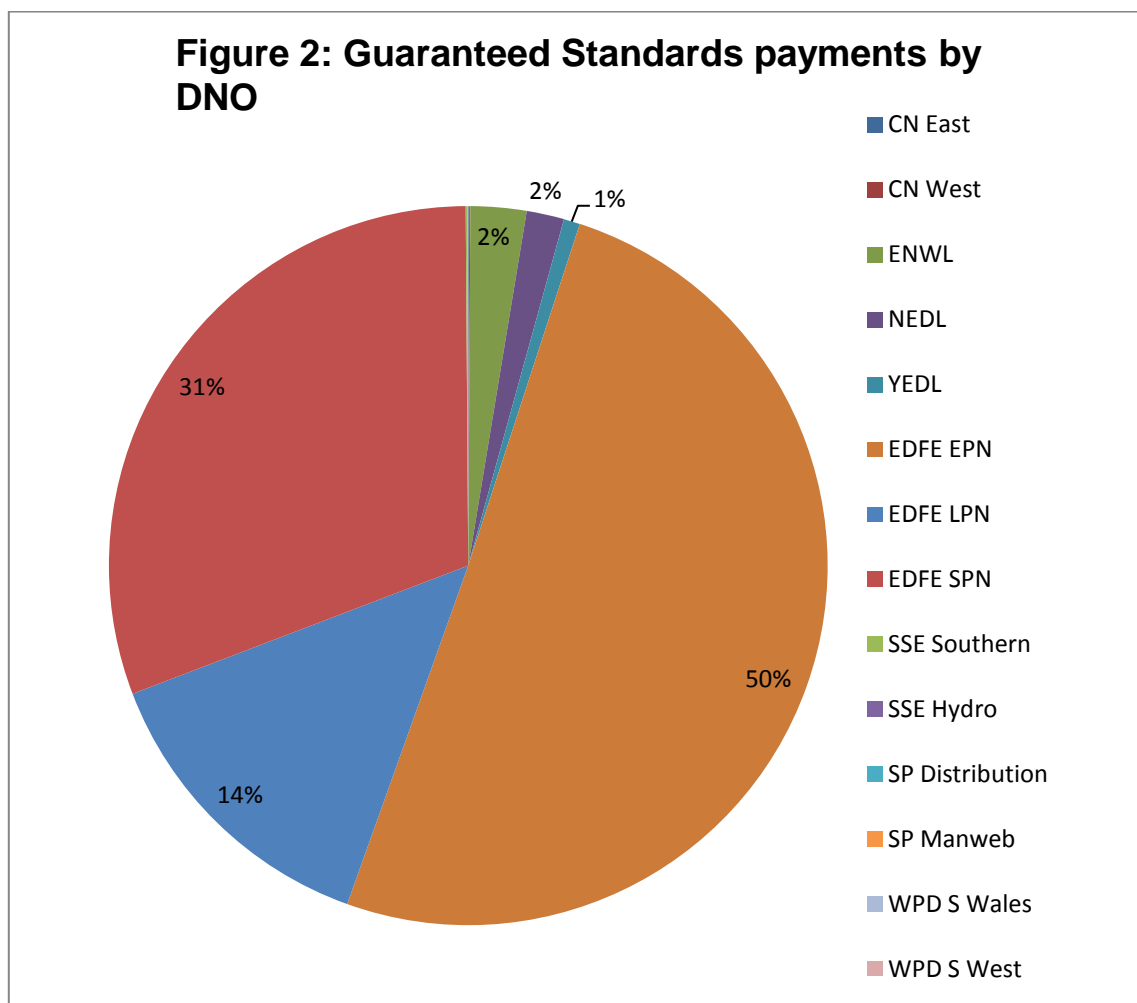
| DNO | Total value of GS payments (£) | Total value of voluntary payments (£) | Total value of GS payments (£) | Total value of voluntary payments | Total value of voluntary payments (percentage change from previous year) |
|---|--------------------------------|--|--------------------------------|--|--|
| | 2008/09 | | 2009/10 | | |
| Central Networks – East | 180 | 170,000 | 320 | 225,000 | 32% |
| Central Networks – West | 210 | 275,000 | 400 | 272,000 | -1% |
| ENWL | 18,235 | 17,195 | 19,115 | 23,969 | 39% |
| CE Electric – NEDL | 20,400 | 130,825 | 12,855 | 149,970 | 15% |
| CE Electric – YEDL | 7,725 | 228,145 | 5,575 | 71,275 | -69% |
| EDF Energy Networks (EPN) plc | 490,815 | Proactive payments recorded within Guaranteed Standards regime | 384,075 | Proactive payments recorded within Guaranteed Standards regime | |
| EDF Energy Networks (LPN) plc | 98,215 | | 104,520 | | |
| EDF Energy Networks (SPN) plc | 263,125 | | 233,705 | | |
| Scottish and Southern Energy Power Distribution Ltd | 200 | 47,550 | 480 | 52,529 | Difficult to analyse, as these DNOs provided a combined figure for 2008/09 and separate figures for 2009/10. |
| Scottish Hydro Electric Power Distribution Ltd | 70 | | 0 | Not provided | |
| SP Distribution | 2,325 | 87,400 | 160 | 159,225 | 82% |
| SP Manweb | 525 | 86,040 | 20 | 105,000 | 22% |
| WPD South Wales | 20 | 350 | 0 | 150 | -57% |
| WPD South West | 20 | 2,150 | 200 | 450 | -79% |
| Total | 902,065 | 1,044,655 | 761,425 | 1,059,568 | 0% |

The average change in amounts voluntarily paid out by DNOs is 0 per cent but this masks some extreme increases and decreases within the DNOs. SP Distribution's payments increased by 82 per cent, while payments made by WPD South West decreased by an almost-parallel 79 per cent, though these percentage changes obviously represent very different actual amounts of payments.

If the voluntary and Guaranteed Standards payments are combined, we can compare how much money was paid out by each DNO for the years 2008/09 and 2009/10. Figure 1 below provides this information.



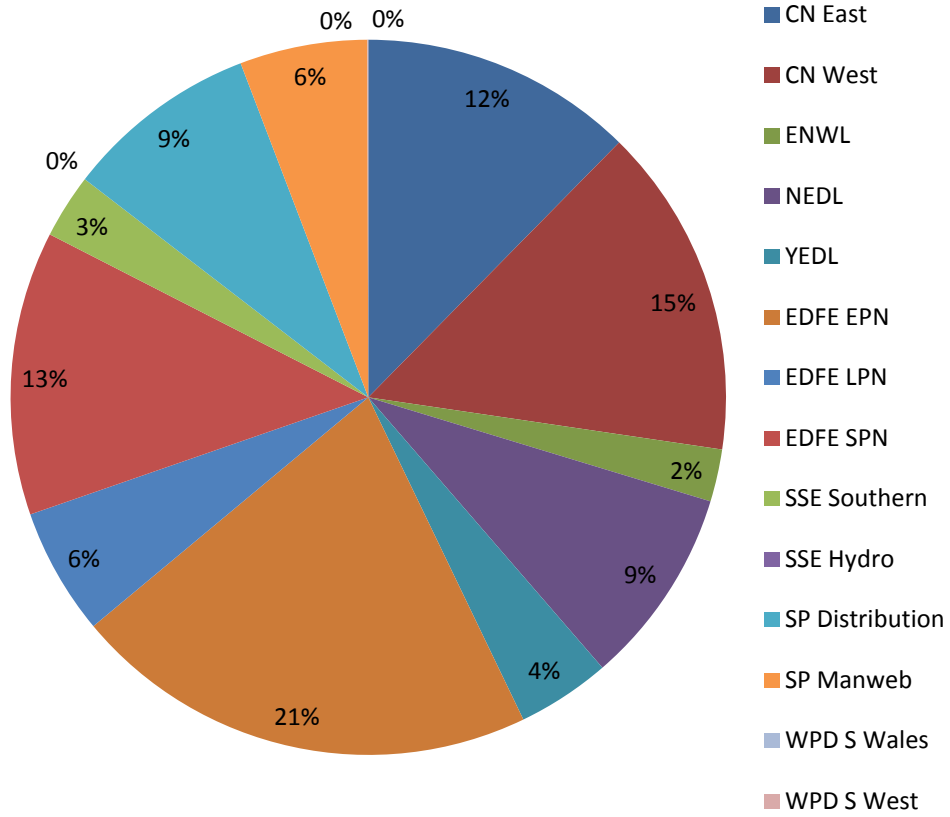
When looking at the Guaranteed Standards payments alone, the three DNOs operated by EDF account for the vast majority of the total value. This is detailed in Figure 2.



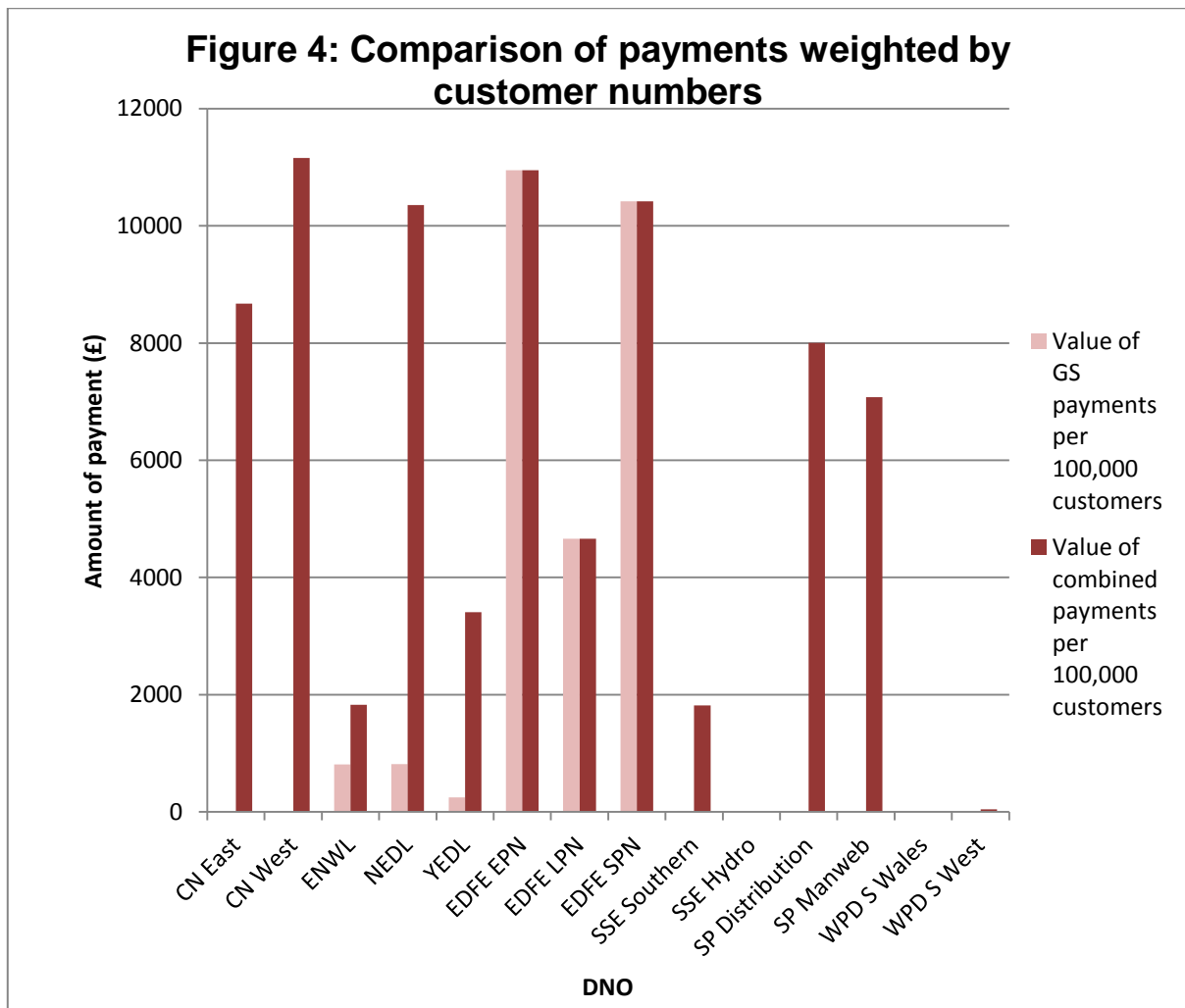
CN East, CN West, SSE Southern, SSE Hydro, SP Distribution, SP Manweb, WPD S Wales and WPD S west made so few payments as to be represented as 0% on this graph.

After combining voluntary and Guaranteed Standard payments, as seen in Figure 3, it can be seen that the amounts paid are far less weighted in the direction of the EDF DNOs, though they do still account for a large proportion of the payments. The two Central Networks DNOs increase their payment amounts to sit alongside EDF. This was also true of the 2008/09 payments, where the two Central Network DNOs again made quite small payments when using the Guaranteed Standards as a strict definition, but paid out far more compensation when voluntary payments were taken into account.

Figure 3: Combined voluntary and Guaranteed Standards payments by DNO, 2009/10



When these figures are weighted by customer numbers rather than by total amount, it can be seen that when considering combined Guaranteed Standards and voluntary payments, many of the DNOs are making payments at comparative levels. This is shown in Figure 28 below.



When the payment amounts are weighted by customer numbers, it becomes apparent that CN West actually made the highest level of payouts, and that EDFE London made payments at a level more comparable with YEDL than any of the higher-paying networks. Similarly, SP Distribution and SP Manweb go from making apparently small levels of payments to paying comparative amounts to CN East. SSE Hydro, WPD S Wales, WPD S West, and ENWL are the DNOs making the lowest level of payments.

When reading the following figures, it is important to bear in mind this discrepancy in the reporting of data, which skews the apparent performance of the EDF DNOs in particular.

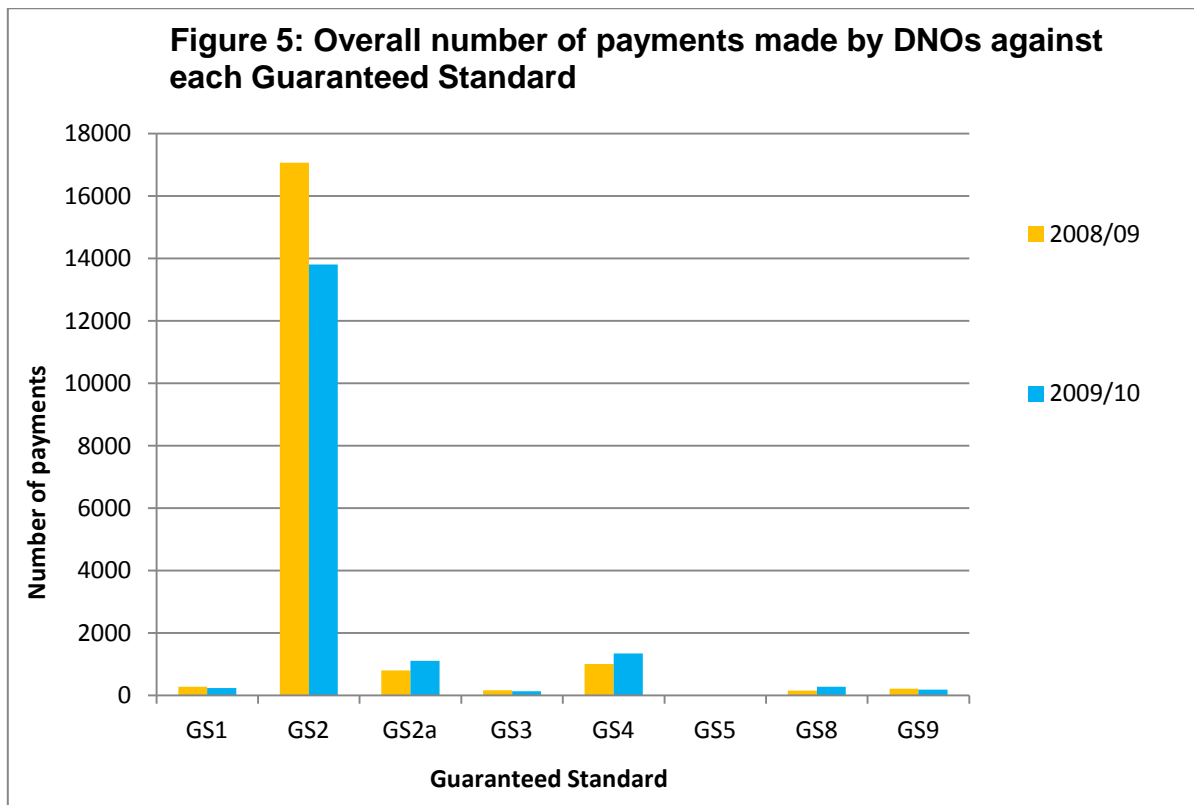
Total payments made under the Guaranteed Standards

In 2009/10, there was an overall decrease in the number of payments made and the value of payments made, compared to 2008/09. However, customers do not claim uniformly across the Guaranteed Standards, with some being claimed more frequently than others.

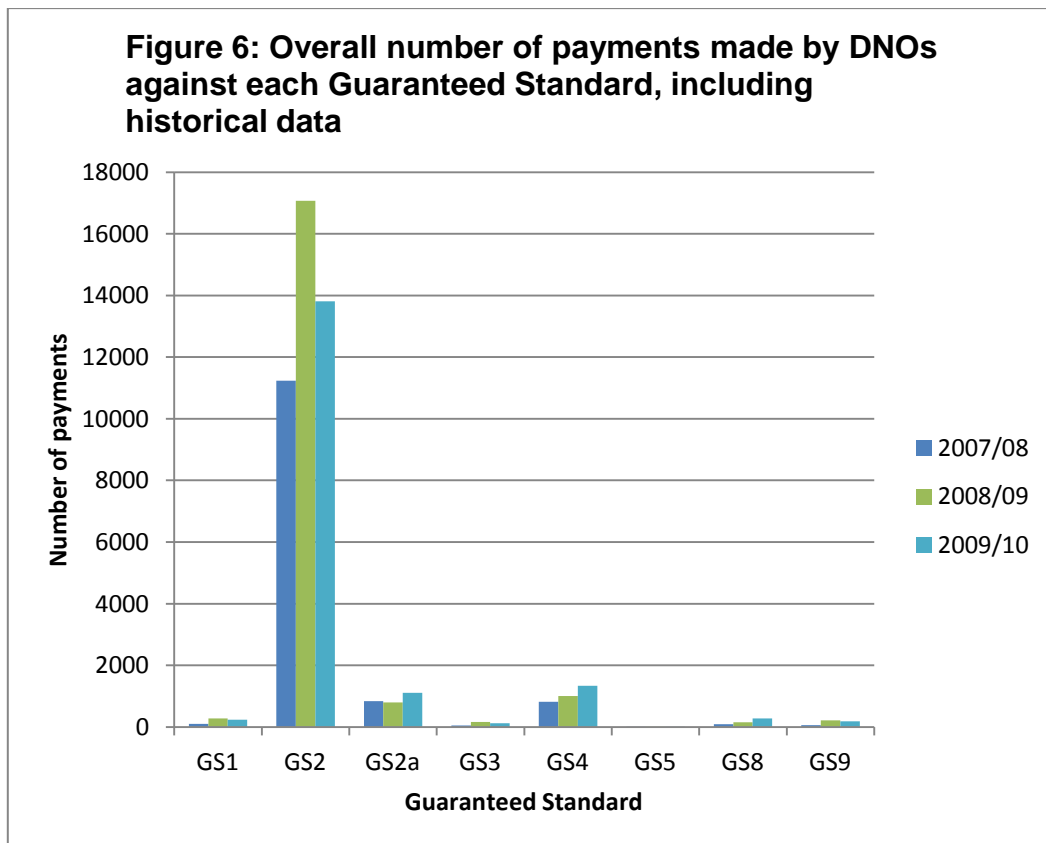
Table 7 below demonstrates that in 2009/10 most claims were made against GS2, which requires DNOs to restore power within 18 hours in normal weather conditions. There was also a 38 per cent increase in the number of claims against GS2A, the second most claimed against Guaranteed Standard, which requires DNOs to compensate customers whose supply has been interrupted multiple times in a specified period of time. The fewest claims were logged against GS5, as in 2008/09, which probably reflects customers' general lack of concern about and knowledge of voltage fluctuations.

Table 7: 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 (£) | Percentage change in payments from previous year |
|--------------------------------------|-----------------------|-----------------------------|-----------------------|-----------------------------|--|
| | <i>2008/09</i> | | <i>2009/10</i> | | |
| GS1 – fuse | 275 | 5,500 | 239 | 4,780 | -13% |
| GS2 – restoration | 17,069 | 819,475 | 13,810 | 660,925 | -20% |
| GS2a – multiple interruptions | 801 | 40,050 | 1,105 | 55,250 | +38% |
| GS3 – connection | 161 | 6,440 | 127 | 5,080 | -21% |
| GS4 – notice | 1,005 | 22,980 | 1,337 | 29,960 | +30% |
| GS5 –voltage | 6 | 120 | 9 | 180 | +50% |
| GS8 – appointments | 157 | 3,140 | 280 | 5,600 | +78% |
| GS9 -payments | 218 | 4,360 | 180 | 3600 | -17% |
| Total | 19,692 | 902,065 | 17,087 | 761,425 | -16% |



Comparing this data against the data from 2007/08 shows that the number of payments made against each standard has risen since 2007/08, but most have dropped from the level reached in 2008/09. There have however been steady increases in the number of payments made against GS2a, GS4 and GS8. Even where payment levels have dropped from 2008/09, they are higher than in 2007/08; the only standard where fewer payments were made than in 2007/08 was GS5.



GS1 – Response to failure of distributor’s fuse (automatic)

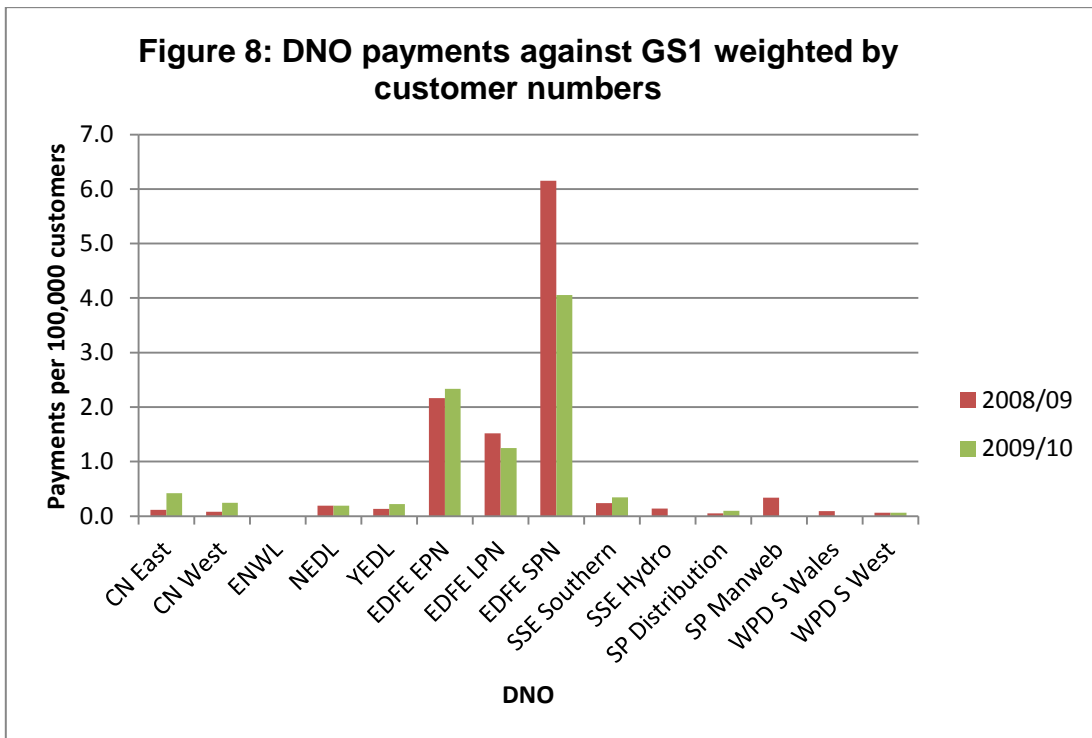
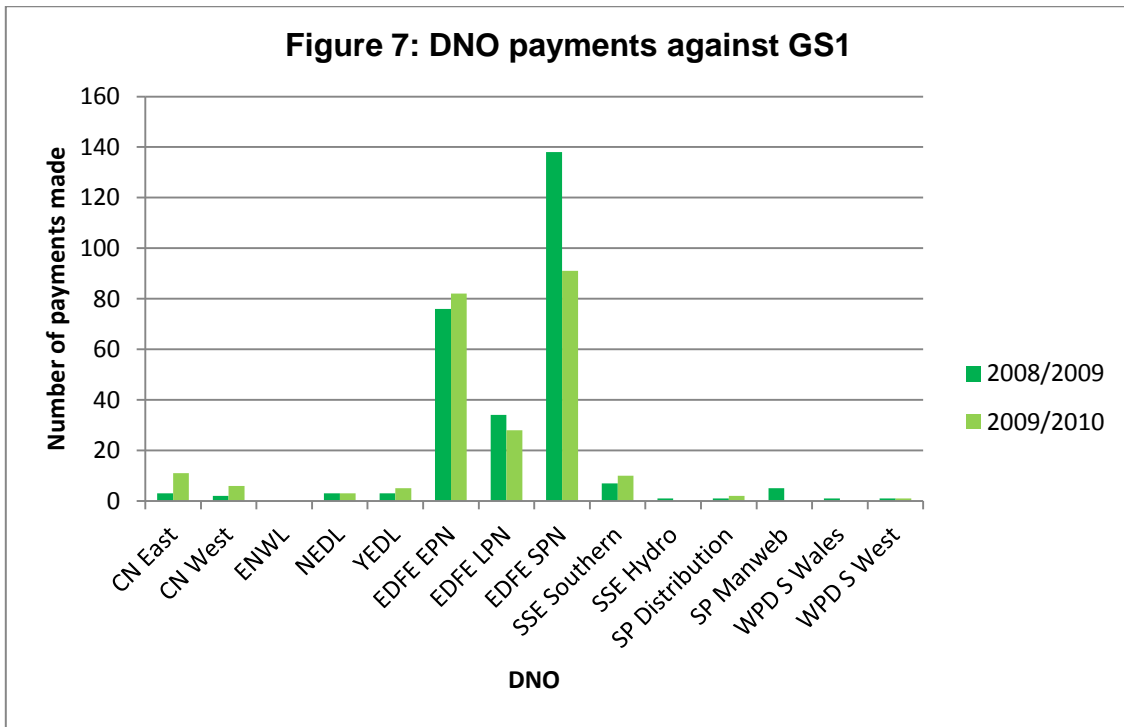
This Guaranteed Standard applies where a distributor is notified during working hours (7am to 7pm on working days and 9am to 5pm on any other day) by a customer whose premises are directly connected to that distributor’s distribution system, of an actual or apparent operation of its fuse so as to disconnect the supply to those premises. The distributor 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. If notification is received outside working hours, the distributor must take any required action as though it received notification at the start of the next working day. If the distributor fails to attend by the prescribed time, a payment of £20 must be made to any domestic or non-domestic customers affected.⁷

Table 8 below demonstrates the number of payments made by each DNO against GS1. Only four DNOs did not make a payment under this Guaranteed Standard in 2009/10 (ENWL, Scottish Hydro, SP Manweb and WPD South Wales). EDF networks accounted for the bulk of the payments under this Guaranteed Standard, although only EDF EPN registered an increase in payments from 2008/09. Overall, there was a reduction of 13 per cent in both the number and value of payments made under GS1. Payments made under GS1 amounted to 0.62 per cent of total payments made against Guaranteed Standards in 2009/10.

Table 8: DNO performance against GS1

| DNO | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| Central Networks – East | 3 | 60 | 11 | 220 |
| Central Networks – West | 2 | 40 | 6 | 120 |
| ENWL | 0 | 0 | 0 | 0 |
| CE Electric – NEDL | 3 | 60 | 3 | 60 |
| CE Electric – YEDL | 3 | 60 | 5 | 100 |
| EDF Energy Networks (EPN) plc | 76 | 1,520 | 82 | 1,640 |
| EDF Energy Networks (LPN) plc | 34 | 680 | 28 | 560 |
| EDF Energy Networks (SPN) plc | 138 | 2,760 | 91 | 1,820 |
| Scottish and Southern Energy Power Distribution Ltd | 7 | 140 | 10 | 200 |
| Scottish Hydro Electric Power Distribution Ltd | 1 | 20 | 0 | 0 |
| SP Distribution | 1 | 20 | 2 | 40 |
| SP Manweb | 5 | 100 | 0 | 0 |
| WPD South Wales | 1 | 20 | 0 | 0 |
| WPD South West | 1 | 20 | 1 | 20 |
| Total | 275 | 5,500 | 239 | 4,780 |

⁷ Ofgem, *Guaranteed Standards: Ofgem guidance and proposals on best practice – Electricity distribution*



GS2 – Restoration of supply following a fault (non-automatic)

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. If reconnection is not achieved in this time period, the distributor must pay £50 for domestic customers, or £100 for non-domestic customers, and £25 for each further 12 hours spent without supply.⁸

Table 9 below shows the number of payments made by each DNO. Seven DNOs did not make any payments under GS2 in 2009/10, including all DNOs operated by Western Power Distribution, Central Networks and Scottish Power. The three EDF DNOs (London, Seaboard, and Eastern) were responsible for 97 per cent of the payments against GS2 in 2009/10, although the number and value of payments declined from 2008/09 for the EPN and SPN networks. The total payments made under GS2 amounts to 85.70 per cent of the total value of payments made against all Guaranteed Standards in 2009/10. Please note that the figures below include additional payments of £25 for each additional 12 hour period for which the customer was without supply.

Table 9: DNO performance against GS2

| DNO | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| Central Networks – East | 0 | 0 | 0 | 0 |
| Central Networks – West | 0 | 0 | 0 | 0 |
| ENWL | 308 | 15,675 | 258 | 12,425 |
| CE Electric – NEDL | 295 | 14,850 | 160 | 7,875 |
| CE Electric – YEDL | 36 | 1,975 | 35 | 1,925 |
| EDF Energy Networks (EPN) plc | 9,592 | 470,925 | 7,636 | 356,825 |
| EDF Energy Networks (LPN) plc | 1,712 | 80,725 | 1,821 | 95,250 |
| EDF Energy Networks (SPN) plc | 5,120 | 235,075 | 3,898 | 182,575 |
| Scottish and Southern Energy Power Distribution Ltd | 0 | 0 | 2 | 100 |
| Scottish Hydro Electric Power Distribution Ltd | 0 | 0 | 0 | 0 |
| SP Distribution | 4 | 175 | 0 | 0 |
| SP Manweb | 2 | 75 | 0 | 0 |
| WPD South Wales | 0 | 0 | 0 | 0 |
| WPD South West | 0 | 0 | 0 | 0 |
| Total | 17,069 | 819,475 | 13,810 | 656,975 |

⁸ Ofgem, *Guaranteed Standards: Ofgem guidance and proposals on best practice – Electricity distribution*

Figure 9: DNO payments against GS2

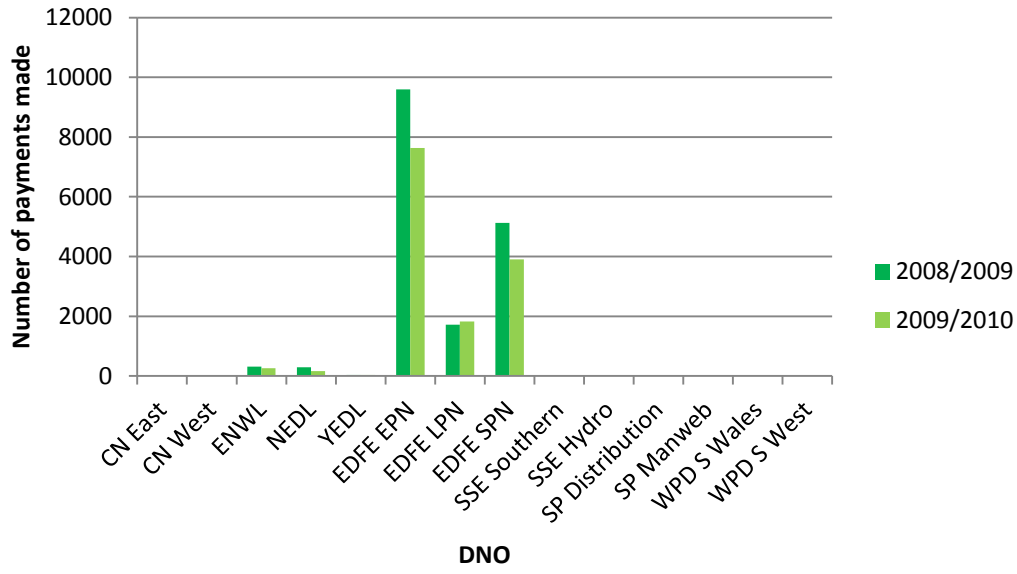
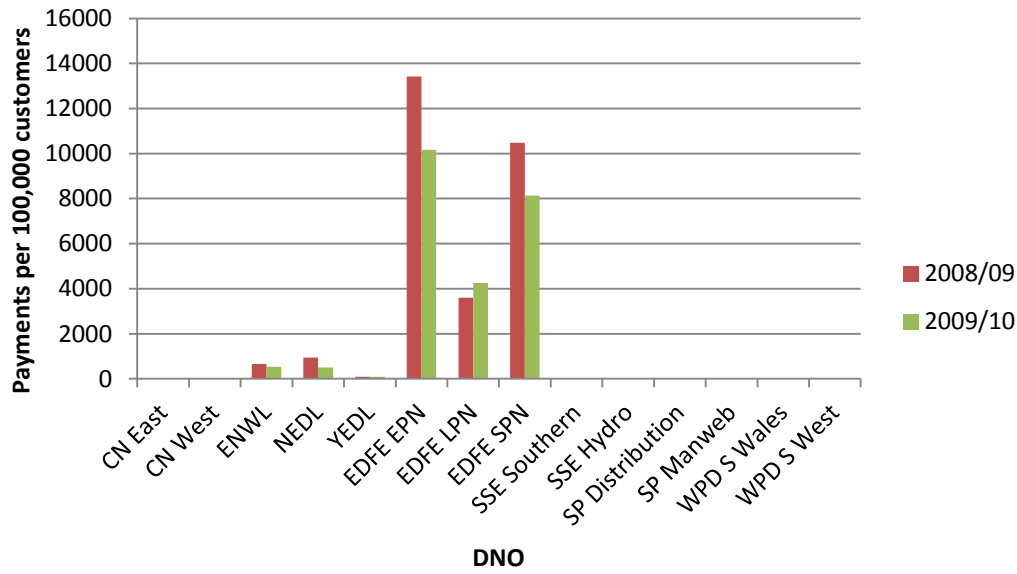


Figure 10: DNO payments against GS2 weighted against customer numbers



GS2A – Multiple interruptions (non-automatic)

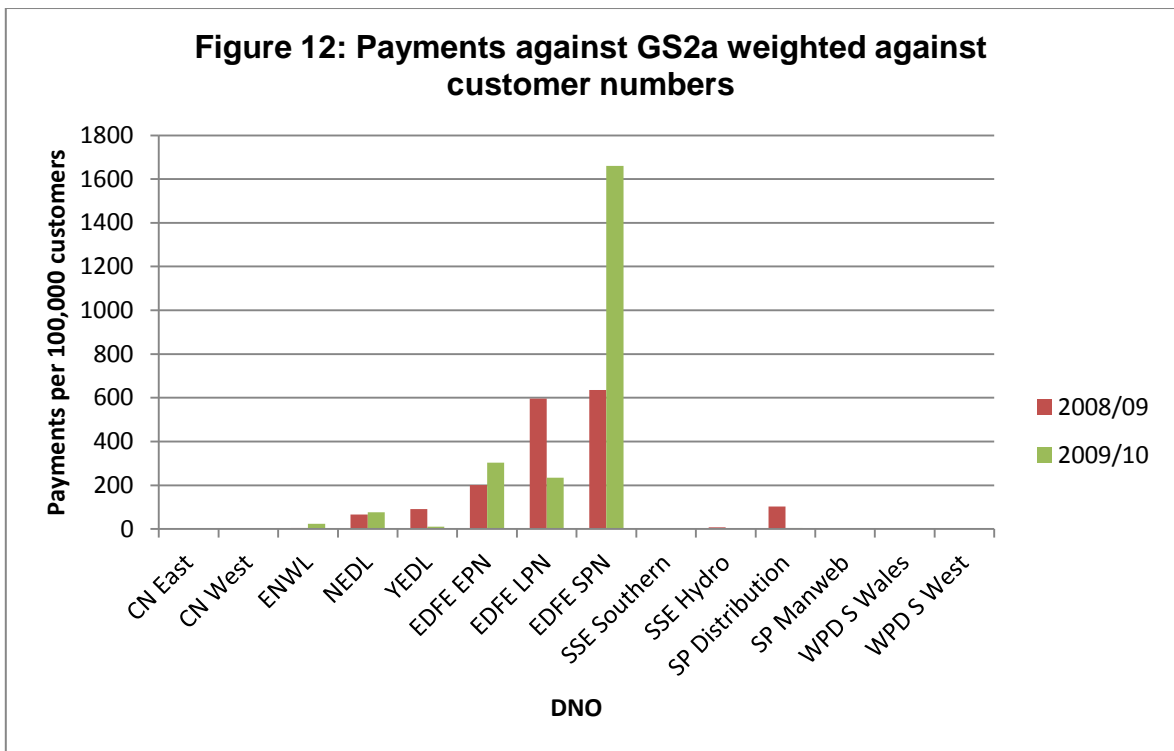
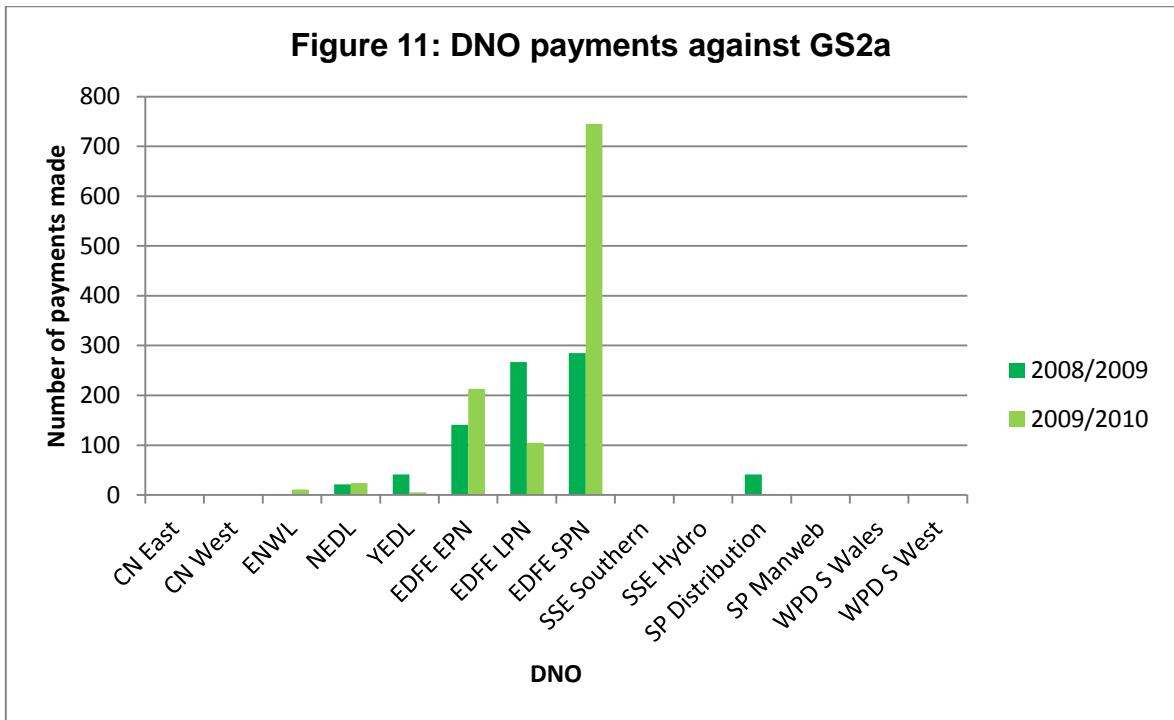
This Guaranteed Standard applies where the customer's supply is interrupted for four or more periods each of not less than three hours during any period of 12 months commencing in each case on 1 April. The period of an interruption is deemed to start at the first time the distributor is informed that 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, and a claim must be made by the customer within three months of the end of the year in which the interruptions occurred.⁹

Table 10 below demonstrates the number of payments made by each DNO. A number of DNOs did not make any payments under GS2a in 2009/10, including the DNOs operated by Western Power Distribution and Central Networks. The three EDF DNOs (London, Seeboard, and Eastern) were responsible for 96 per cent of the payments under GS2a, notably SPN which saw an increase in payments of 161 per cent. The total payments made under GS2a amount to 7.21 per cent of the total value of payments made against all Guaranteed Standards in 2009/10.

Table 10: DNO performance against GS2A

| DNO | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| Central Networks – East | 0 | 0 | 0 | 0 |
| Central Networks – West | 1 | 50 | 0 | 0 |
| ENWL | 2 | 100 | 11 | 550 |
| CE Electric – NEDL | 21 | 1,050 | 24 | 1,200 |
| CE Electric – YEDL | 41 | 2,050 | 5 | 250 |
| EDF Energy Networks (EPN) plc | 141 | 7,050 | 213 | 10,650 |
| EDF Energy Networks (LPN) plc | 267 | 13,350 | 105 | 5,250 |
| EDF Energy Networks (SPN) plc | 285 | 14,250 | 745 | 37,250 |
| Scottish and Southern Energy Power Distribution Ltd | 0 | 0 | 0 | 0 |
| Scottish Hydro Electric Power Distribution Ltd | 1 | 50 | 0 | 0 |
| SP Distribution | 41 | 2,050 | 2 | 100 |
| SP Manweb | 1 | 50 | 0 | 0 |
| WPD South Wales | 0 | 0 | 0 | 0 |
| WPD South West | 0 | 0 | 0 | 0 |
| Total | 801 | 40,050 | 1,105 | 55,250 |

⁹ Ofgem, *Guaranteed Standards: Ofgem guidance and proposals on best practice – Electricity distribution*



GS3 – Estimating charges for connection (automatic)

This Guaranteed Standard covers the provision of an estimate for the installation of a distributor's fuse and a service line, ie 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 must then: 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 distributors fuse to enable the connection to be given; or, provide such an estimate within 15 days where significant work is required in addition to that mentioned above. If these timescales are not met, an automatic payment of £40 must be made to the customer.¹⁰

Table 11 below demonstrates the number of payments made by each DNO. A number of DNOs did not make any payments under GS3 in 2009/10, including both DNOs operated by Scottish Power. The EDF DNOs all saw at least 50 per cent reductions in the number of payments, whereas ENWL saw a significant increase in the number of payments. The total payment made under GS3 amounts to 0.67 per cent of the total value of payments made against all Guaranteed Standards in 2009/10.

Table 11: DNO performance against GS3

| DNO | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| Central Networks – East | 3 | 120 | 1 | 40 |
| Central Networks – West | 2 | 80 | 1 | 40 |
| ENWL | 0 | 0 | 77 | 3,080 |
| CE Electric – NEDL | 0 | 0 | 2 | 80 |
| CE Electric – YEDL | 4 | 160 | 2 | 80 |
| EDF Energy Networks (EPN) plc | 48 | 1,920 | 20 | 800 |
| EDF Energy Networks (LPN) plc | 48 | 1,920 | 5 | 200 |
| EDF Energy Networks (SPN) plc | 53 | 2,120 | 14 | 560 |
| Scottish and Southern Energy Power Distribution Ltd | 0 | 0 | 2 | 80 |
| Scottish Hydro Electric Power Distribution Ltd | 0 | 0 | 0 | 0 |
| SP Distribution | 0 | 0 | 0 | 0 |
| SP Manweb | 3 | 120 | 0 | 0 |
| WPD South Wales | 0 | 0 | 0 | 0 |
| WPD South West | 0 | 0 | 3 | 120 |
| Total | 161 | 6,440 | 127 | 5,080 |

¹⁰ Ofgem, *Guaranteed Standards: Ofgem guidance and proposals on best practice – Electricity distribution*

Figure 13: DNO payments against GS3

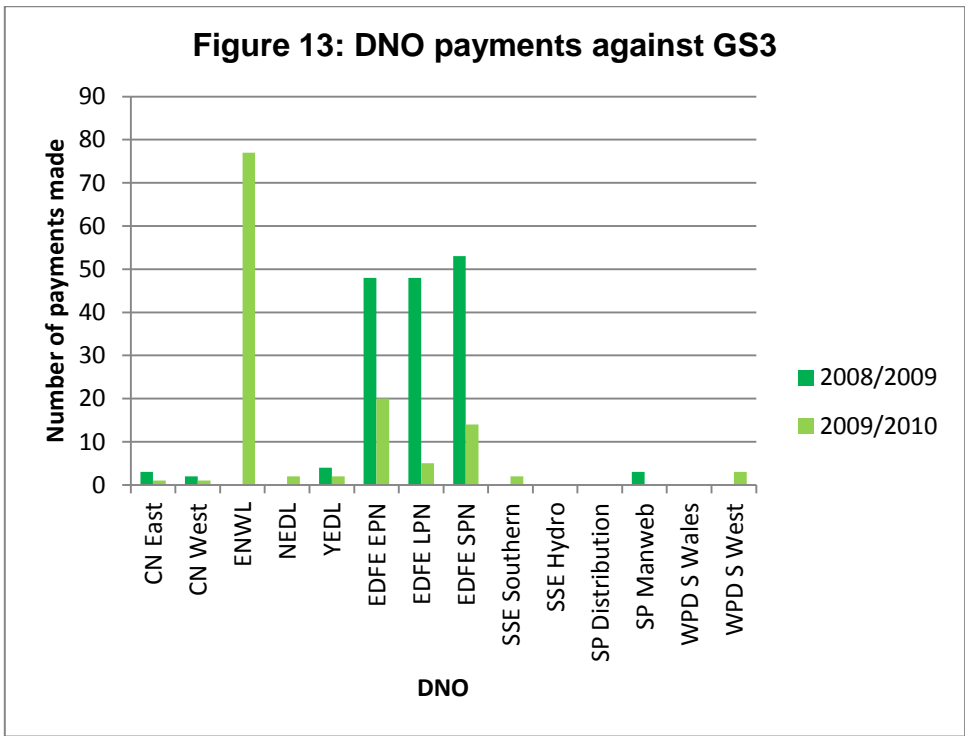
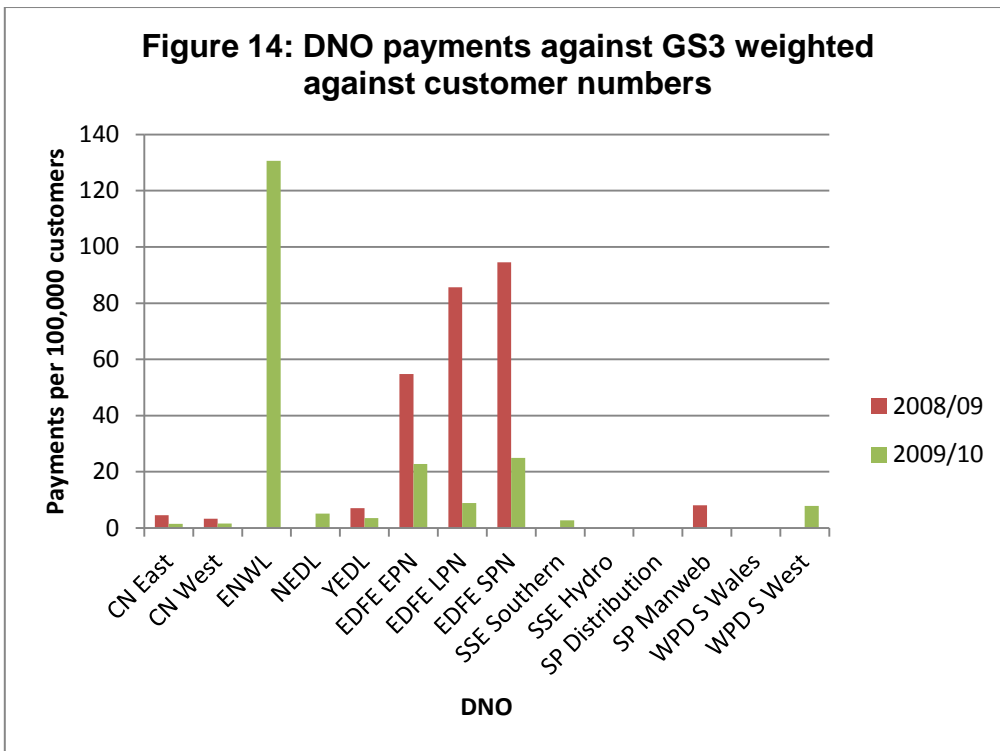


Figure 14: DNO payments against GS3 weighted against customer numbers



GS4 – Giving notice of a planned interruption to supply (non-automatic)

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 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. Customers are also entitled to make a claim if supply interruption falls on a different day than that cited in the written notice (unless further notice of the alteration in date has been issued).¹¹

Table 12 below demonstrates the number of payments made by each DNO. A number of DNOs did not make any payments under GS4 in 2009/10, including both DNOs operated by Western Power Distribution and Central Networks. EDF Energy Network (EPN) saw a 115 per cent increase in the number of payments made, whereas all other networks saw minor changes (both up and down). The total payment made under GS4 amounts to 3.94 per cent of the total value of payments made against all Guaranteed Standards in 2009/10.

Table 12: DNO performance against GS4

| DNO | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| Central Networks – East | 0 | 0 | 0 | 0 |
| Central Networks – West | 0 | 0 | 0 | 0 |
| ENWL | 105 | 2,300 | 109 | 2,640 |
| CE Electric – NEDL | 173 | 3,880 | 147 | 3,480 |
| CE Electric – YEDL | 112 | 2,820 | 113 | 2,720 |
| EDF Energy Networks (EPN) plc | 275 | 6,380 | 591 | 12,300 |
| EDF Energy Networks (LPN) plc | 12 | 280 | 19 | 580 |
| EDF Energy Networks (SPN) plc | 322 | 7,200 | 354 | 8,160 |
| Scottish and Southern Energy Power Distribution Ltd | 0 | 0 | 3 | 60 |
| Scottish Hydro Electric Power Distribution Ltd | 0 | 0 | 0 | 0 |
| SP Distribution | 2 | 40 | 0 | 0 |
| SP Manweb | 4 | 80 | 1 | 20 |
| WPD South Wales | 0 | 0 | 0 | 0 |
| WPD South West | 0 | 0 | 0 | 0 |
| Total | 1,005 | 22,980 | 1,337 | 29,960 |

¹¹ Ofgem, *Guaranteed Standards: Ofgem guidance and proposals on best practice – Electricity distribution*

Figure 15: DNO payments against GS4

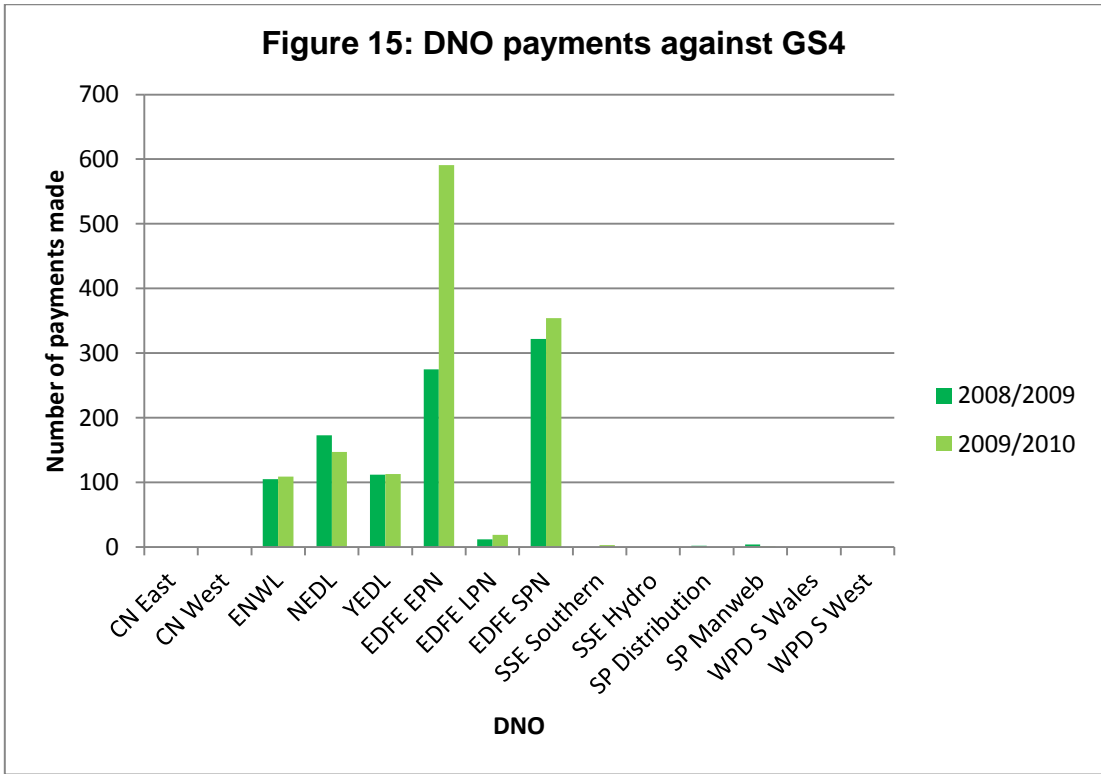
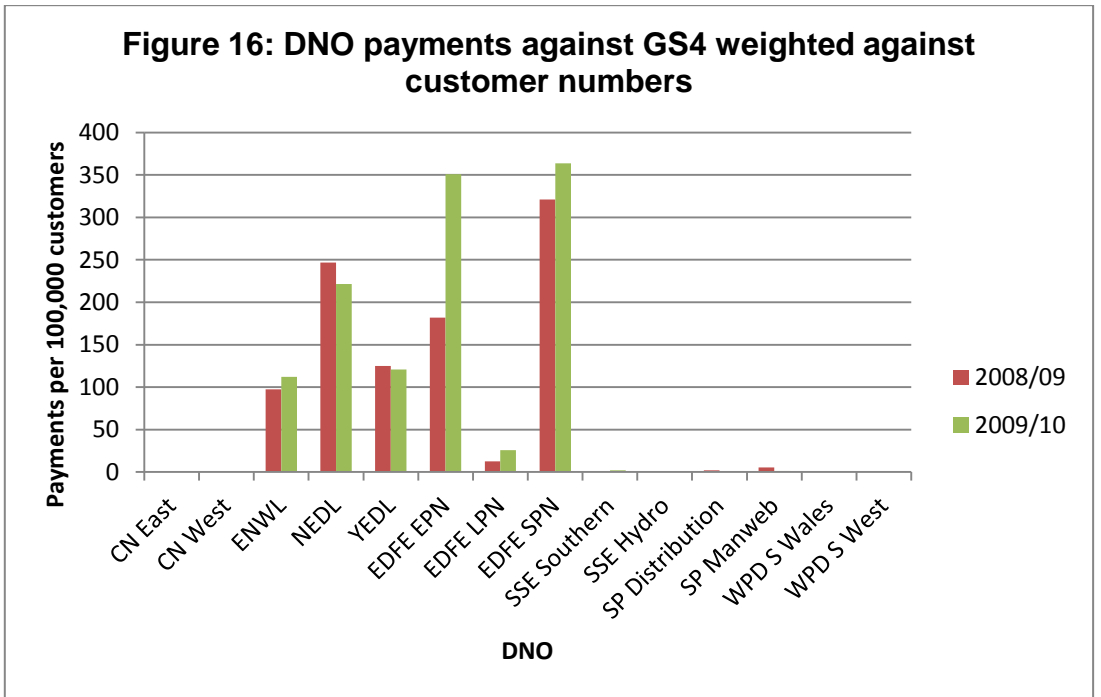


Figure 16: DNO payments against GS4 weighted against customer numbers



GS5 – Investigation of voltage complaints (automatic)

This Guaranteed Standard applies where a customer either has reported that they believe that their 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. If these timeframes are not complied with, a payment of £20 must be made to the customer.¹²

Table 13 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 2009/10. As the table illustrates, all bar two made no payments under this Guaranteed Standard. The majority of payments made under this Standard, both in 2009/10 and in 2008/09 were by YEDL. The total payment made under GS5 amounts to 0.02 per cent of the total value of payments made against all Guaranteed Standards in 2009/10.

Table 13: DNO performance against GS5

| DNO | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| Central Networks – East | 0 | 0 | 0 | 0 |
| Central Networks – West | 0 | 0 | 0 | 0 |
| ENWL | 0 | 0 | 0 | 0 |
| CE Electric – NEDL | 1 | 20 | 0 | 0 |
| CE Electric – YEDL | 4 | 80 | 5 | 100 |
| EDF Energy Networks (EPN) plc | 0 | 0 | 0 | 0 |
| EDF Energy Networks (LPN) plc | 0 | 0 | 4 | 80 |
| EDF Energy Networks (SPN) plc | 0 | 0 | 0 | 0 |
| Scottish and Southern Energy Power Distribution Ltd | 0 | 0 | 0 | 0 |
| Scottish Hydro Electric Power Distribution Ltd | 0 | 0 | 0 | 0 |
| SP Distribution | 1 | 20 | 0 | 0 |
| SP Manweb | 0 | 0 | 0 | 0 |
| WPD South Wales | 0 | 0 | 0 | 0 |
| WPD South West | 0 | 0 | 0 | 0 |
| Total | 6 | 120 | 9 | 180 |

¹² Ofgem, *Guaranteed Standards: Ofgem guidance and proposals on best practice – Electricity distribution*

Figure 17: DNO payments against GS5

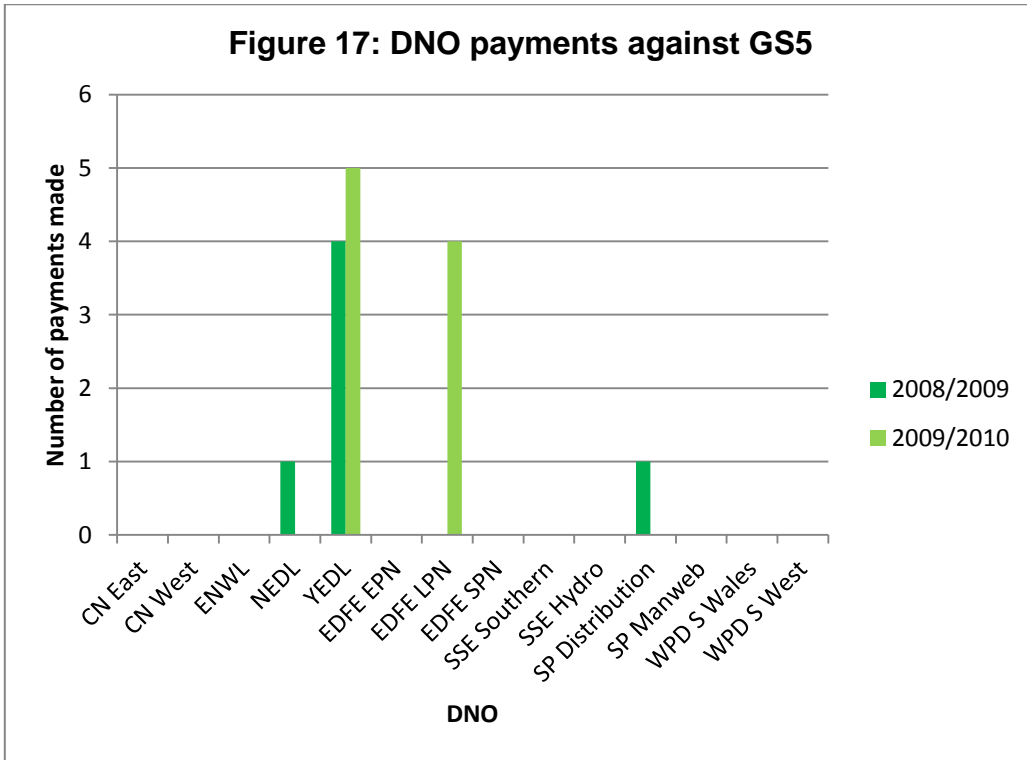
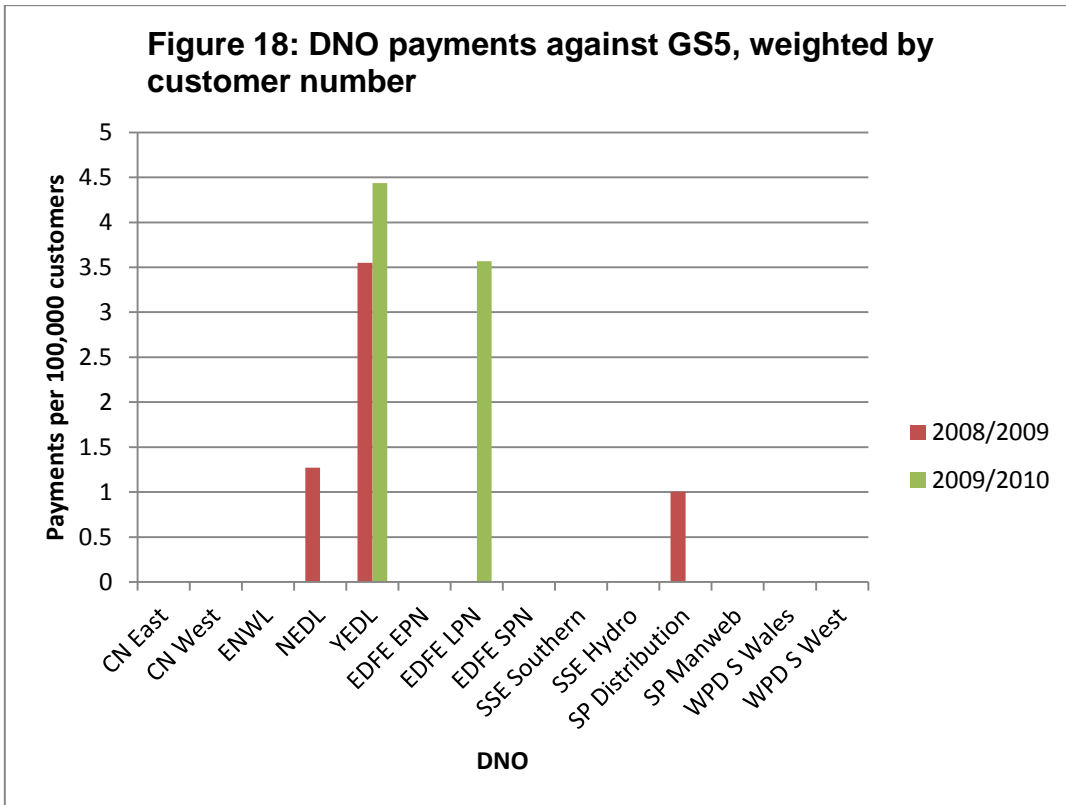


Figure 18: DNO payments against GS5, weighted by customer number



GS8 – Making and keeping appointments (automatic)

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 their 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 1pm (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.

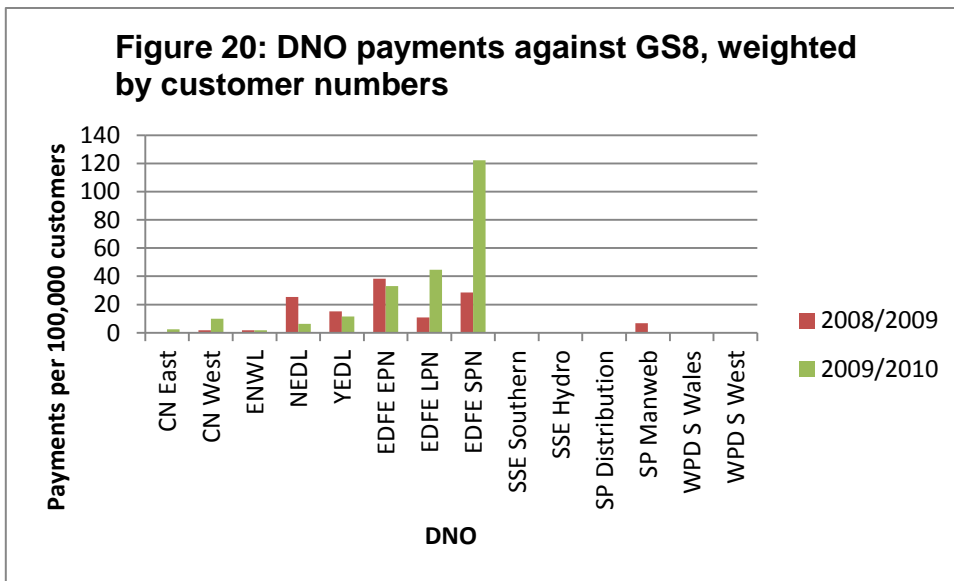
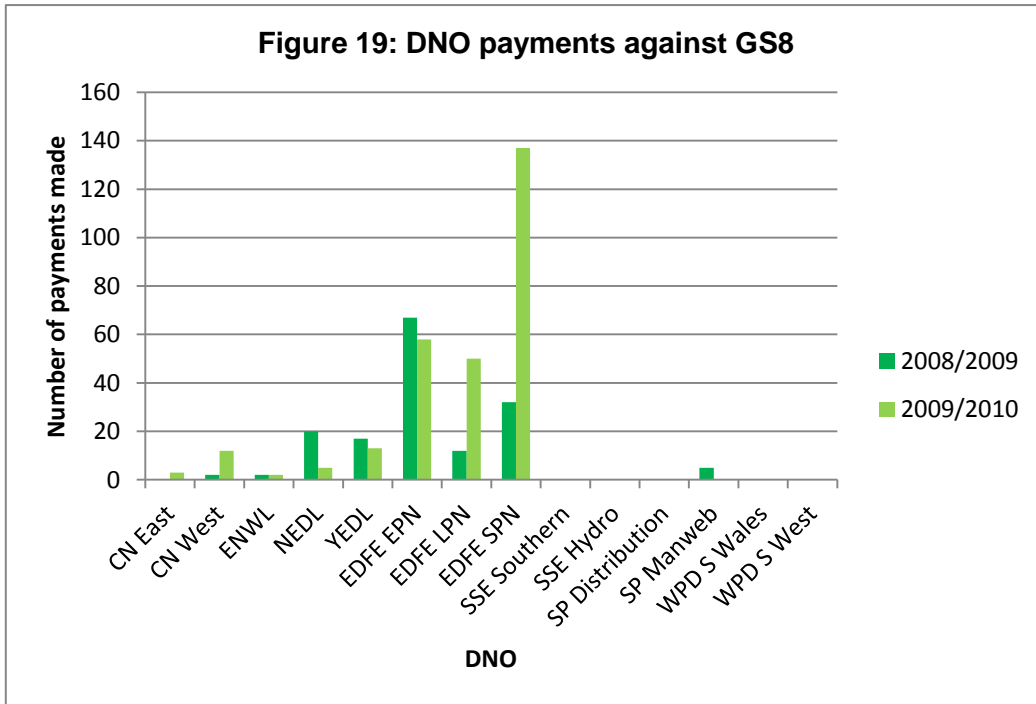
If a customer requests an appointment at a particular time on a particular day, the distributor must not unreasonably withhold its agreement to such a request. Although it may choose to do so, it is not obliged to agree to a period of less than two hours' duration. If the appointment is not offered within the correct timeframe, or the appointment is not kept, the customer is due a payment of £20.¹³

Table 14 below demonstrates the number of payments made by each DNO. No payments were made under GS8 in 2009/10 by DNOs operated by Western Power Distribution, Scottish Power and Scottish and Southern Electric. Two of the EDF DNOs (Seeboard, and LPN), and Central Networks – West all saw significant increases in the number of payments made compared with 2008/09. The total payment made under GS8 amounts to 0.74 per cent of the total value of payments made against all Guaranteed Standards in 2009/10.

¹³ Ofgem, *Guaranteed Standards: Ofgem guidance and proposals on best practice – Electricity distribution*

Table 14: DNO performance against GS8

| DNO | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|---------------------------|------------------------------|---------------------------|------------------------------|
| | <i>2008/09</i> | | <i>2009/10</i> | |
| Central Networks – East | 0 | 0 | 3 | 60 |
| Central Networks – West | 2 | 40 | 12 | 240 |
| ENWL | 2 | 40 | 2 | 40 |
| CE Electric – NEDL | 20 | 400 | 5 | 100 |
| CE Electric – YEDL | 17 | 340 | 13 | 260 |
| EDF Energy Networks (EPN) plc | 67 | 1,340 | 58 | 1,160 |
| EDF Energy Networks (LPN) plc | 12 | 240 | 50 | 1,000 |
| EDF Energy Networks (SPN) plc | 32 | 640 | 137 | 2,740 |
| Scottish and Southern Energy Power Distribution Ltd | 0 | 0 | 0 | 0 |
| Scottish Hydro Electric Power Distribution Ltd | 0 | 0 | 0 | 0 |
| SP Distribution | 0 | 0 | 0 | 0 |
| SP Manweb | 5 | 100 | 0 | 0 |
| WPD South Wales | 0 | 0 | 0 | 0 |
| WPD South West | 0 | 0 | 0 | 0 |
| Total | 157 | 3,140 | 280 | 5,600 |



GS9 – Advising customers of payments due (automatic)

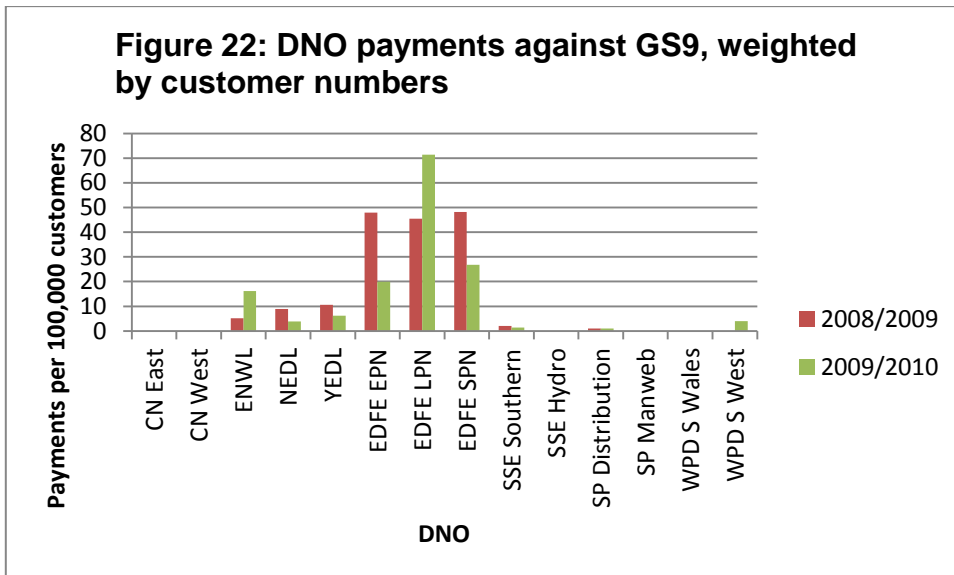
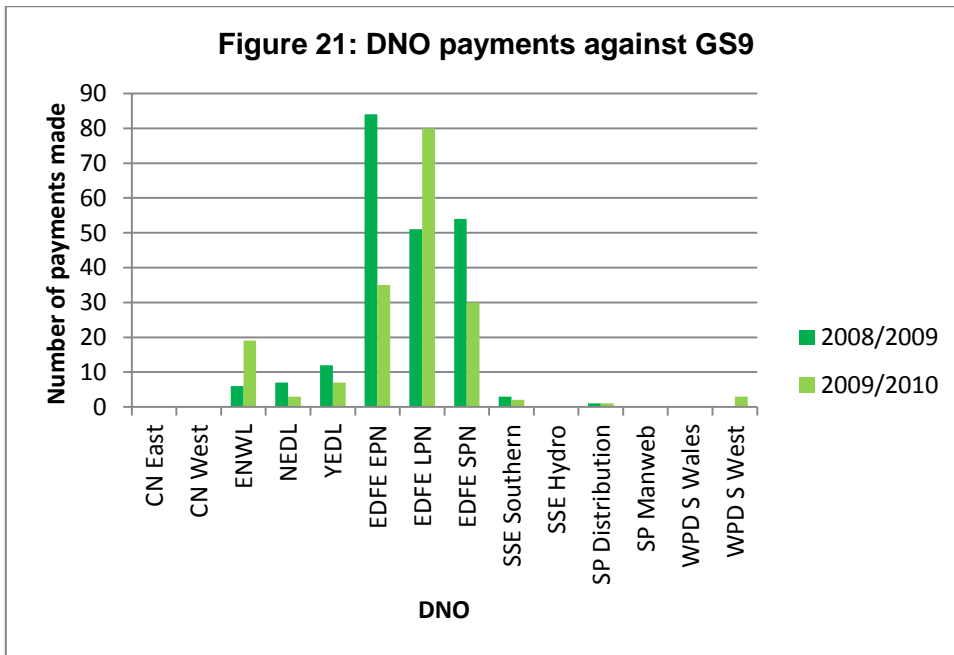
This Guaranteed Standard deals with those situations where the distributor has to make payments to its own customers, where it has to make payments to customers of another distributor under the guaranteed standards or where it receives payment from another distributor for onward transmission to its customers. 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. If this timeframe is not met, a further payment of £20 is due to the customer.¹⁴

Table 15 below demonstrates the number of payments made by each DNO. A number of DNOs did not make any payments under GS9, including DNOs operated by Central Networks. ENWL saw an increase of 216.7 per cent in payments made under this Standard. The total payment made under GS9 amounts to 0.39 per cent of the total value of payments made against all Guaranteed Standards in 2009/10.

Table 15: DNO performance against GS9

| DNO | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| Central Networks – East | 0 | 0 | 0 | 0 |
| Central Networks – West | 0 | 0 | 0 | 0 |
| ENWL | 6 | 120 | 19 | 380 |
| CE Electric – NEDL | 7 | 140 | 3 | 60 |
| CE Electric – YEDL | 12 | 240 | 7 | 140 |
| EDF Energy Networks (EPN) plc | 84 | 1,680 | 35 | 700 |
| EDF Energy Networks (LPN) plc | 51 | 1,020 | 80 | 1,600 |
| EDF Energy Networks (SPN) plc | 54 | 1,080 | 30 | 600 |
| Scottish and Southern Energy Power Distribution Ltd | 3 | 60 | 2 | 40 |
| Scottish Hydro Electric Power Distribution Ltd | 0 | 0 | 0 | 0 |
| SP Distribution | 1 | 20 | 1 | 20 |
| SP Manweb | 0 | 0 | 0 | 0 |
| WPD South Wales | 0 | 0 | 0 | 0 |
| WPD South West | 0 | 0 | 3 | 60 |
| Total | 218 | 4,360 | 180 | 3,600 |

¹⁴ Ofgem, *Guaranteed Standards: Ofgem guidance and proposals on best practice – Electricity distribution*

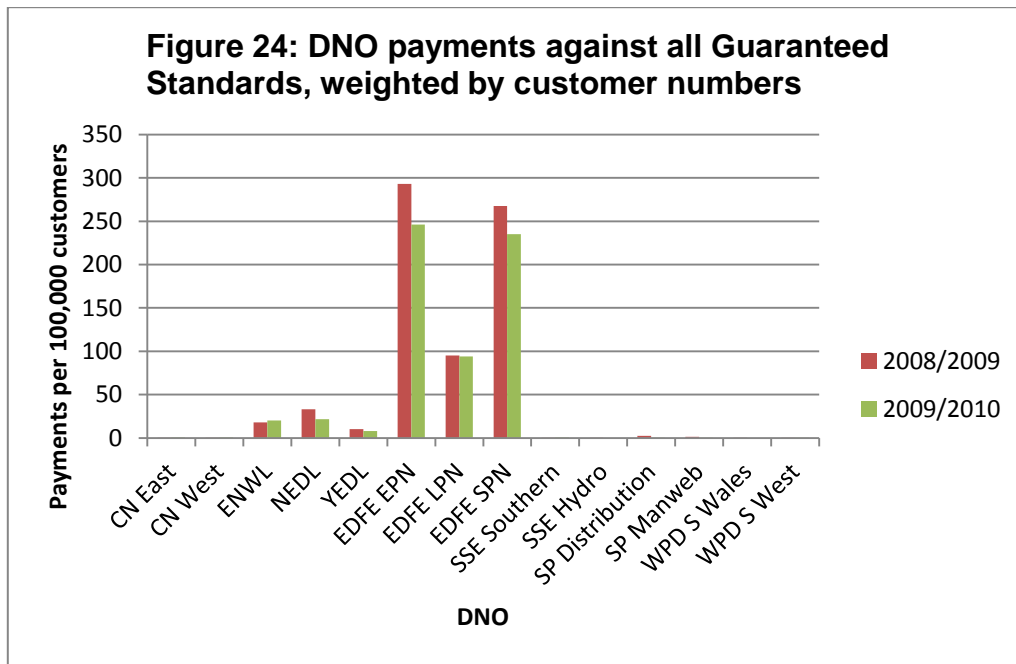
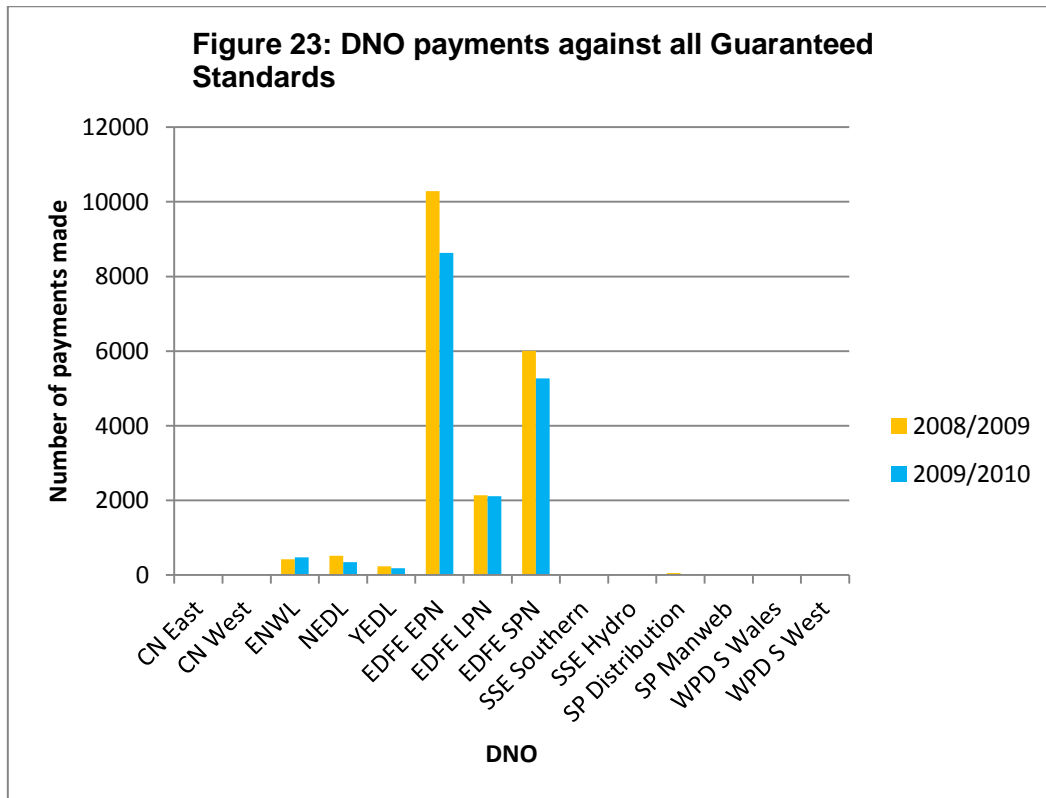


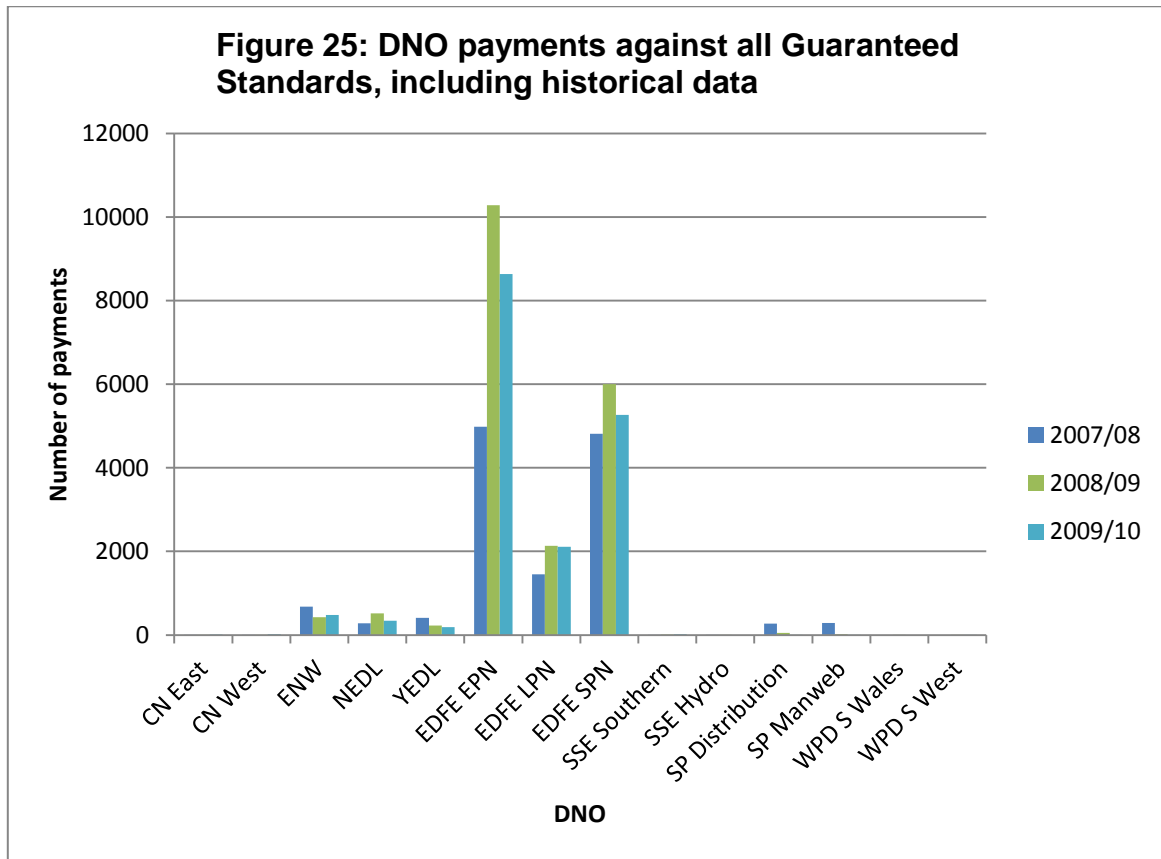
Individual DNO performance against Guaranteed Standards

Performance against the Guaranteed Standards varied across DNOs. Some DNOs made very few payments, with five DNOs (Scottish Hydro, Western Power Distribution South Wales and South West, Scottish Power Manweb and Scottish Power Distribution) making fewer than 10 payments during 2009/10, and two of these making no payments at all. Although some DNOs reported a high number of payments, there were still some significant reductions in payments, notably from EDF Energy Networks (EPN) and CE Electric NEDL and YEDL. There has also been a significant increase in payments from both DNOs operated by Central Network, Scottish and Southern Electric Distribution and WPD South West, although the overall number of payments made by these DNOs are still very small. Table 16 details the number, and total value, of payments made by each DNO during the years 2008/09 and 2009/10.

Table 16: Individual DNO Performance against the Guaranteed Standards

| DNO | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) | Percentage change in total value of payments from previous year |
|--|--------------------|-----------------------|--------------------|-----------------------|---|
| | <i>2008/09</i> | | <i>2009/10</i> | | |
| Central Networks – East | 6 | 180 | 15 | 320 | +78% |
| Central Networks – West | 7 | 210 | 19 | 400 | +90% |
| ENWL | 423 | 18,235 | 476 | 19,115 | +5% |
| CE Electric – NEDL | 520 | 20,400 | 344 | 12855 | -37% |
| CE Electric – YEDL | 229 | 7,725 | 185 | 5,575 | -28% |
| EDF Energy Networks (EPN) plc | 10,283 | 490,815 | 8,635 | 384,075 | -22% |
| EDF Energy Networks (LPN) plc | 2,136 | 98,215 | 2,112 | 104,520 | +6% |
| EDF Energy Networks (SPN) plc | 6,004 | 263,125 | 5,269 | 233,705 | -11% |
| Scottish and Southern Energy Power Distribution Ltd | 10 | 200 | 19 | 480 | +140% |
| Scottish Hydro Electric Power Distribution Ltd | 2 | 70 | 0 | 0 | -100% |
| SP Distribution | 50 | 2,325 | 5 | 160 | -93% |
| SP Manweb | 20 | 525 | 1 | 20 | -96% |
| WPD South Wales | 1 | 20 | 0 | 0 | -100% |
| WPD South West | 1 | 20 | 7 | 200 | +900% |
| Total | 19,692 | £902,065 | 17,087 | £761,425 | -16% |





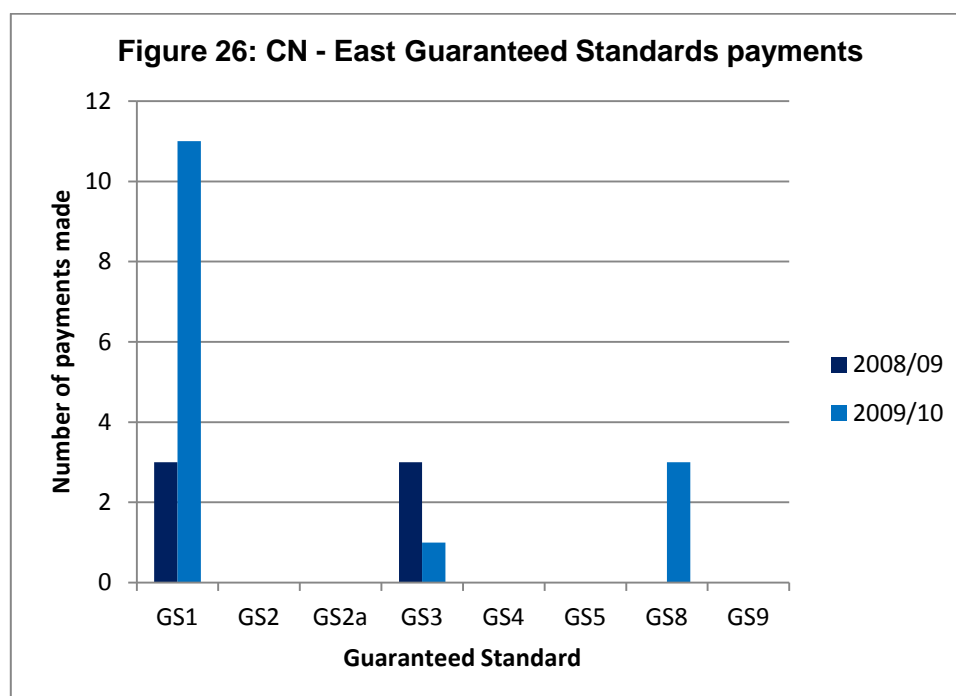
Looking at the historical data by DNO, it is apparent that generally, DNOs made fewer payments in 2009/10 than they did in 2008/09, but still more than they made in 2007/08. YEDL and the Scottish Power DNOs are exceptions to this, having consistently lowered the number of payments they make. ENWL made fewer payments in 2009/10 than in 2007/08, but more than in 2008/09, suggesting the decrease in payments may not be consistent.

Central Networks – East

Central Networks – East more than doubled the number of payments made compared to the previous year. The majority of the payments come from GS1, with no significant change against other Guaranteed Standards. The total payment made by CNE amounts to 0.04 per cent of the total value of payments made by all DNOs in 2009/10. Table 17 below provides details of the Standards that payments were made against.

Table 17: – Guaranteed Standards payments: Central Networks – East

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | <i>2008/09</i> | | <i>2009/10</i> | |
| GS1 – fuse (a) | 3 | 60 | 11 | 220 |
| GS2 – restoration (n-a) | 0 | 0 | 0 | 0 |
| GS2A – multiple interruptions (n-a) | 0 | 0 | 0 | 0 |
| GS3 – connection (a) | 3 | 120 | 1 | 40 |
| GS4 – notice (n-a) | 0 | 0 | 0 | 0 |
| GS5 – voltage (a) | 0 | 0 | 0 | 0 |
| GS8 – appointments (a) | 0 | 0 | 3 | 60 |
| GS9 – payments (a) | 0 | 0 | 0 | 0 |
| Total | 6 | 180 | 15 | 320 |

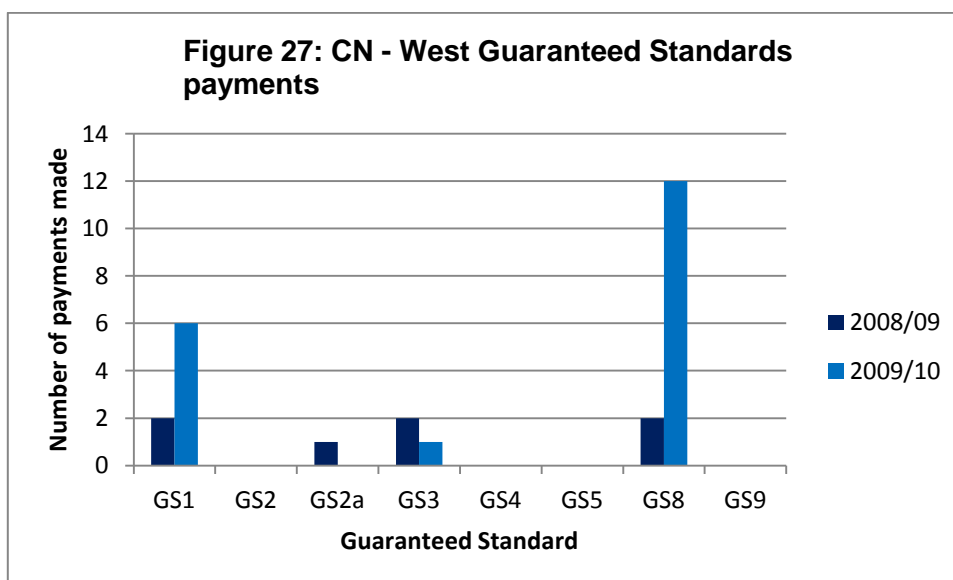


Central Networks – West

Central Networks – West more than doubled the number of payments made compared to the previous year. The majority of the payments are against GS1 and GS8, with no significant change against other Guaranteed Standards. The total payment made by CNW amounts to 0.05 per cent of the total value of payments made by all DNOs in 2009/10. Table 18 below provides details of the Standards that payments were made against.

Table 18: Guaranteed Standards payments: Central Networks – West

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 2 | 40 | 6 | 120 |
| GS2 – restoration (n-a) | 0 | 0 | 0 | 0 |
| GS2A – multiple interruptions (n-a) | 1 | 50 | 0 | 0 |
| GS3 – connection (a) | 2 | 80 | 1 | 40 |
| GS4 – notice (n-a) | 0 | 0 | 0 | 0 |
| GS5 – voltage (a) | 0 | 0 | 0 | 0 |
| GS8 – appointments (a) | 2 | 40 | 12 | 240 |
| GS9 – payments (a) | 0 | 0 | 0 | 0 |
| Total | 7 | 210 | 19 | 400 |

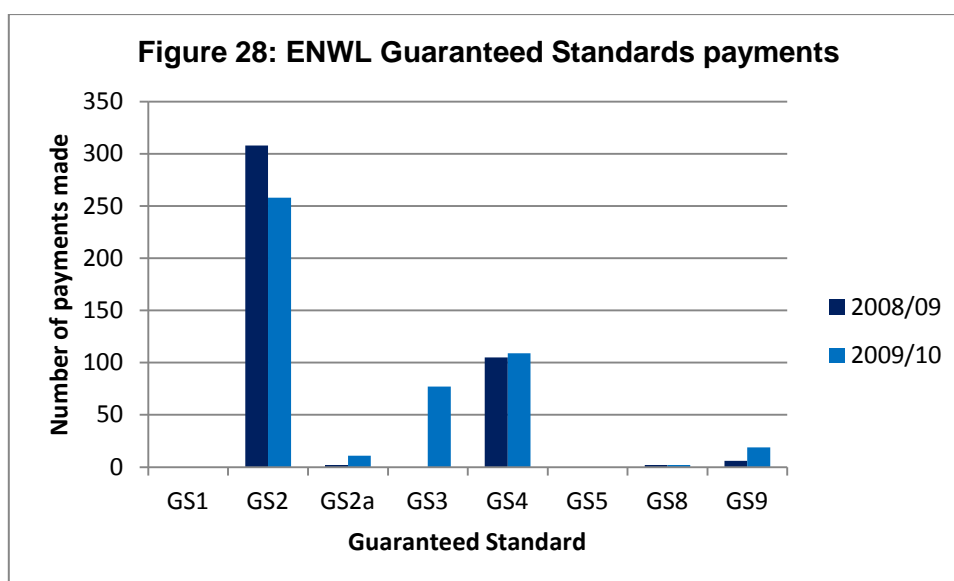


Electricity North West (ENWL)

The value of payments made by Electricity North West ENWL increased by 5 per cent from 2008/09. The total payments made by ENWL amount to 2.51 per cent of the total value of payments made by all DNOs in 2009/10. Most payments were made against GS2, a non-automatic Standard which must be claimed by the customer; however, the total value of payments made against this standard decreased by 21 per cent from the previous year. There was also a steep increase in payments made against GS3, an automatic standard relating to connection of supply. Table 19 below provides details of the Standards that payments were made against.

Table 19: Guaranteed Standards payments: ENWL

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 0 | 0 | 0 | 0 |
| GS2 – restoration (n-a) | 308 | 15,675 | 258 | 12,425 |
| GS2A – multiple interruptions (n-a) | 2 | 100 | 11 | 550 |
| GS3 – connection (a) | 0 | 0 | 77 | 3,080 |
| GS4 – notice (n-a) | 105 | 2,300 | 109 | 2,640 |
| GS5 – voltage (a) | 0 | 0 | 0 | 0 |
| GS8 – appointments (a) | 2 | 40 | 2 | 40 |
| GS9 – payments (a) | 6 | 120 | 19 | 380 |
| Total | 423 | 18,235 | 476 | 19,115 |

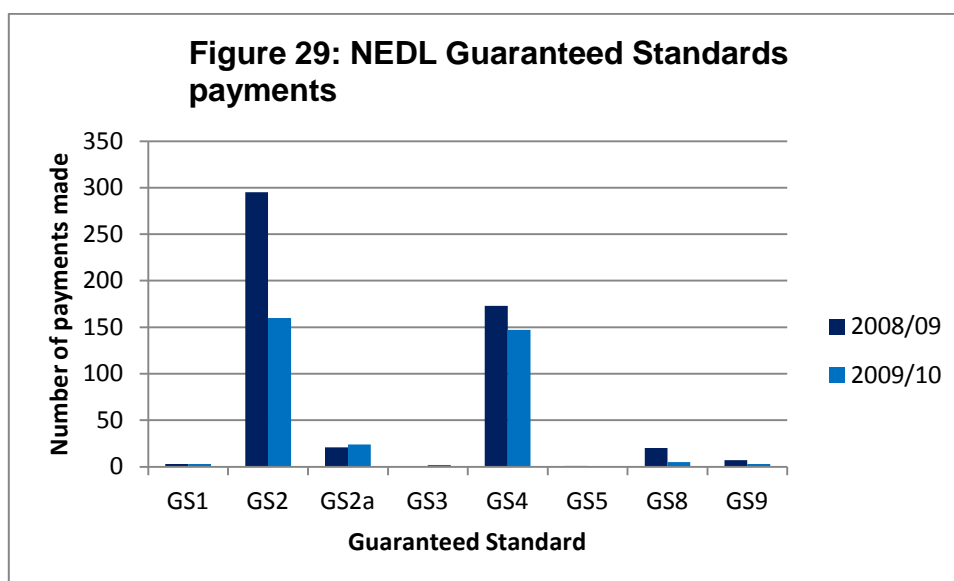


CE Electric – NEDL

CE Electric – NEDL made a moderate number of Guaranteed Standards payments in 2009/10, to a total 37 per cent lower than the previous year. The total payments made by NEDL amount to 1.69 per cent per cent of the total value of payments made by all DNOs in 2009/10. Most payments were made against GS2 and GS4, both non-automatic Standards covering restoration of supply, and notice of disruption to supply respectively. Table 20 below provides details of the Standards that payments were made against.

Table 20: Guaranteed Standards payments: CE Electric – NEDL

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 3 | 60 | 3 | 60 |
| GS2 – restoration (n-a) | 295 | 14,850 | 160 | 7,875 |
| GS2A – multiple interruptions (n-a) | 21 | 1,050 | 24 | 1,200 |
| GS3 – connection (a) | 0 | 0 | 2 | 80 |
| GS4 – notice (n-a) | 173 | 3,880 | 147 | 3,480 |
| GS5 – voltage (a) | 1 | 20 | 0 | 0 |
| GS8 – appointments (a) | 20 | 400 | 5 | 100 |
| GS9 – payments (a) | 7 | 140 | 3 | 60 |
| Total | 520 | 20,400 | 344 | 12,855 |

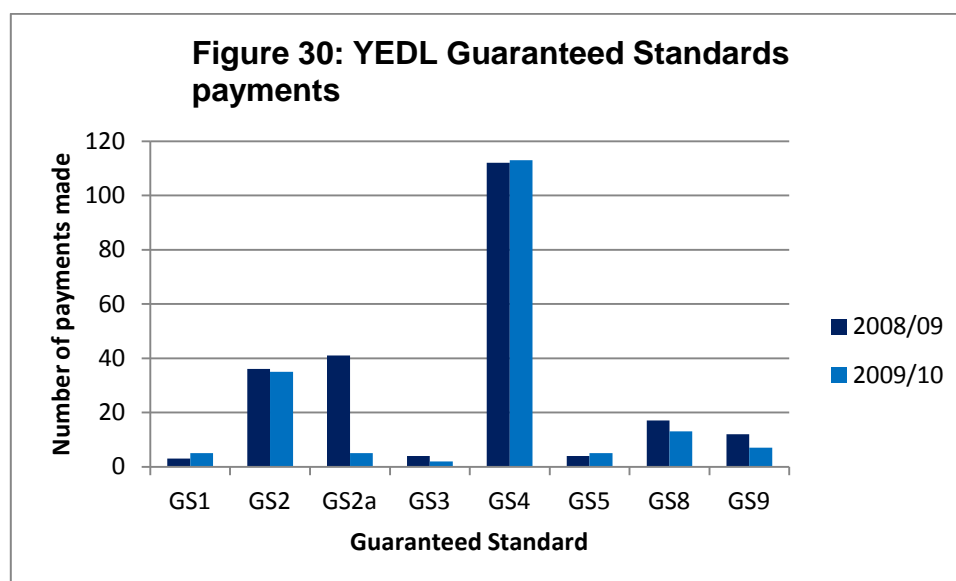


CE Electric – YEDL

CE Electric – YEDL made a moderate number of Guaranteed Standards payments in 200/10, to a value 28 per cent lower than the previous year. The total payments made by YEDL amount to 0.73 per cent of the total value of payments made by all DNOs in 2009/10. Most payments were made against GS4, a non-automatic Standard which must be claimed by the customer. Table 21 below provides details of the Standards that payments were made against.

Table 21: Guaranteed Standards payments: CE Electric – YEDL

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 3 | 60 | 5 | 100 |
| GS2 – restoration (n-a) | 36 | 1,975 | 35 | 1,925 |
| GS2A – multiple interruptions (n-a) | 41 | 2,050 | 5 | 250 |
| GS3 – connection (a) | 4 | 160 | 2 | 80 |
| GS4 – notice (n-a) | 112 | 2,820 | 113 | 2,720 |
| GS5 – voltage (a) | 4 | 80 | 5 | 100 |
| GS8 – appointments (a) | 17 | 340 | 13 | 260 |
| GS9 – payments (a) | 12 | 240 | 7 | 140 |
| Total | 229 | 7,725 | 185 | 5,575 |

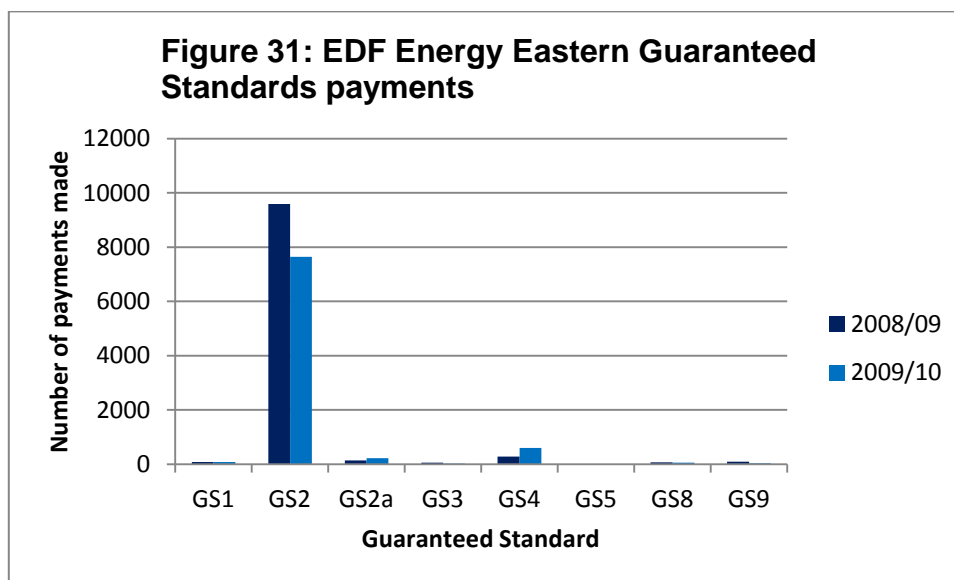


EDF Energy Networks (EPN) plc

EDF Energy Networks (EPN) plc made the highest number of Guaranteed Standards payments in 2009/10, although this still represented a reduction of 22 per cent from the previous year. The total payment made by EDFE Eastern amounts to 50.44 per cent of the total value of payments made by all DNOs. Most payments were made against GS2, a non-automatic standard which must be claimed by the customer. The high level of payments made here was due to the proactive approach of EDF Energy Networks (EPN) plc in informing customers of their right to claim a payment against the standard. There was also a substantial increase in payments against GS4, which deals with notice given for a planned interruption to supply. Table 22 below provides details of the Standards that payments were made against.

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

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 76 | 1,520 | 82 | 1640 |
| GS2 – restoration (n-a) | 9,592 | 470,925 | 7,636 | 356,825 |
| GS2A – multiple interruptions (n-a) | 141 | 7,050 | 213 | 10,650 |
| GS3 – connection (a) | 48 | 1,920 | 20 | 800 |
| GS4 – notice (n-a) | 275 | 6,380 | 591 | 12,300 |
| GS5 – voltage (a) | 0 | 0 | 0 | 0 |
| GS8 – appointments (a) | 67 | 1,340 | 58 | 1,160 |
| GS9 – payments (a) | 84 | 1,680 | 35 | 700 |
| Total | 10,283 | 490,815 | 8,635 | 384,075 |

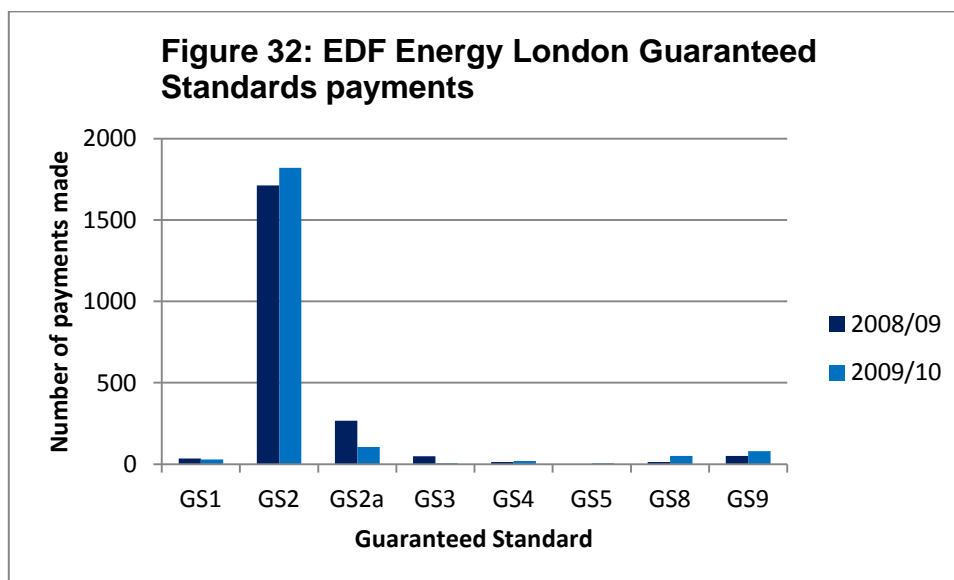


EDF Energy Networks (LPN) plc

EDF Energy Networks (LPN) plc saw a small increase (6 per cent) in the number of payments made in 2009/10 compared to the previous year. The total payment made by EDF London amounts to 13.73 per cent of the total value of payments made by all DNOs. Most payments were made against GS2, a non-automatic Standard which must be claimed by the customer. The high level of payments made here was due to the proactive approach of EDF Energy Networks (LPN) plc in informing customers of their right to claim a payment against the standard. There was also a large increase in payments made against GS8, a Standard relating to appointments made between the distributor and the customer. Table 23 below provides details of the Standards that payments were made against.

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

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|--|-----------------------|--------------------------|-----------------------|--------------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 34 | 680 | 28 | 560 |
| GS2 – restoration (n-a) | 1,712 | 80,725 | 1,821 | 95,250 |
| GS2A – multiple interruptions (n-a) | 267 | 13,350 | 105 | 5,250 |
| GS3 – connection (a) | 48 | 1,920 | 5 | 200 |
| GS4 – notice (n-a) | 12 | 280 | 19 | 580 |
| GS5 – voltage (a) | 0 | 0 | 4 | 80 |
| GS8 – appointments (a) | 12 | 240 | 50 | 1,000 |
| GS9 – payments (a) | 51 | 1,020 | 80 | 1,600 |
| Total | 2,136 | 98,215 | 2,112 | 104,520 |

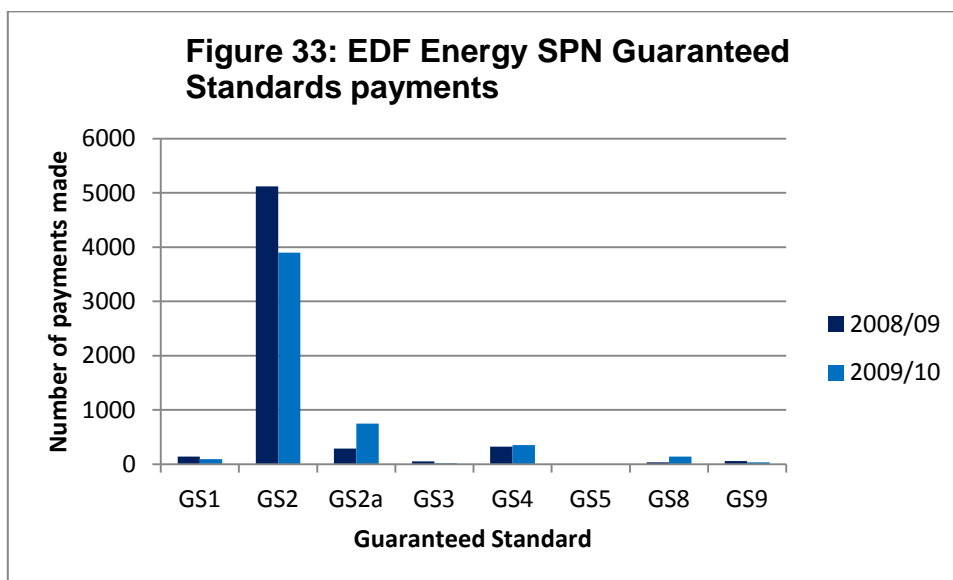


EDF Energy Networks (SPN) plc

EDF Energy Networks (SPN) plc made a significant number of Guaranteed Standards payments in 2009/10, although did see a reduction in the value of payments compared to the previous year. The total payments made amount to 30.69 per cent of the total value of payments made by all DNOs. Most payments were made against GS2, a non-automatic Standard which must be claimed by the customer. The high level of payments made here was due to the proactive approach of EDF Energy Networks (SPN) plc in informing customers of their right to claim a payment against the standard. There was also a 328 per cent increase against GS8, a standard relating to appointments made between the distributor and the customer. Table 24 below provides details of the standards that payments were made against.

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

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 138 | 2,760 | 91 | 1,820 |
| GS2 – restoration (n-a) | 5,120 | 235,075 | 3,898 | 182,575 |
| GS2A – multiple interruptions (n-a) | 285 | 14,250 | 745 | 37,250 |
| GS3 – connection (a) | 53 | 2,120 | 14 | 560 |
| GS4 – notice (n-a) | 322 | 7,200 | 354 | 8,160 |
| GS5 – voltage (a) | 0 | 0 | 0 | 0 |
| GS8 – appointments (a) | 32 | 640 | 137 | 2,740 |
| GS9 – payments (a) | 54 | 1,080 | 30 | 600 |
| Total | 6,004 | 263,125 | 5,269 | 233,705 |

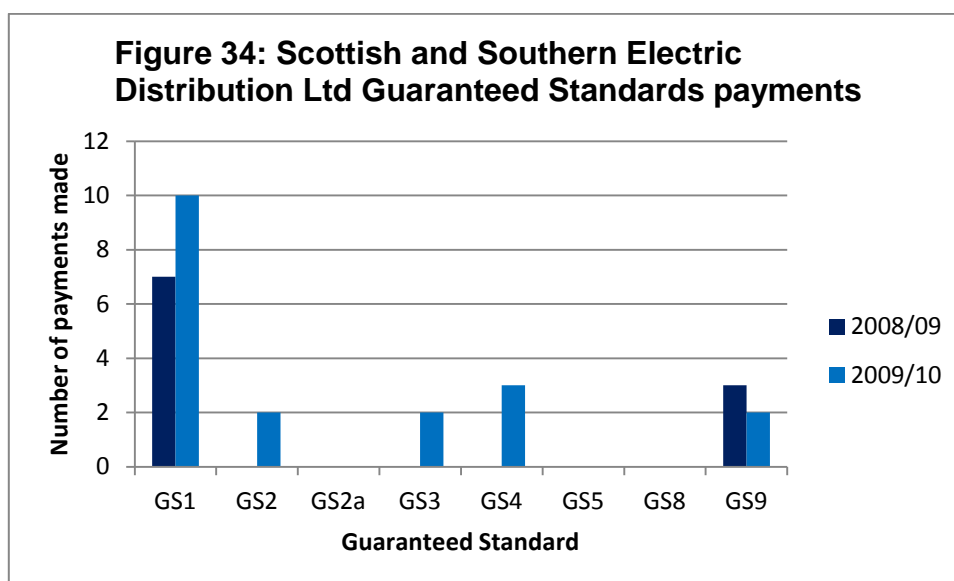


Scottish and Southern Energy Power Distribution

Scottish and Southern Energy Power Distribution made a small number of Guaranteed Standards payments in 2009/10, with an increase of 140 per cent compared to the previous year. The total payment made by Scottish and Southern Electric Distribution amounts to 0.06 per cent of the total value of payments made by all DNOs. Table 25 below provides details of the Standards that payments were made against.

Table 25: Guaranteed Standards payments: Scottish and Southern Energy Power Distribution Ltd

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 7 | 140 | 10 | 200 |
| GS2 – restoration (n-a) | 0 | 0 | 2 | 100 |
| GS2A – multiple interruptions (n-a) | 0 | 0 | 0 | 0 |
| GS3 – connection (a) | 0 | 0 | 2 | 80 |
| GS4 – notice (n-a) | 0 | 0 | 3 | 60 |
| GS5 – voltage (a) | 0 | 0 | 0 | 0 |
| GS8 – appointments (a) | 0 | 0 | 0 | 0 |
| GS9 – payments (a) | 3 | 60 | 2 | 40 |
| Total | 10 | 200 | 19 | 480 |

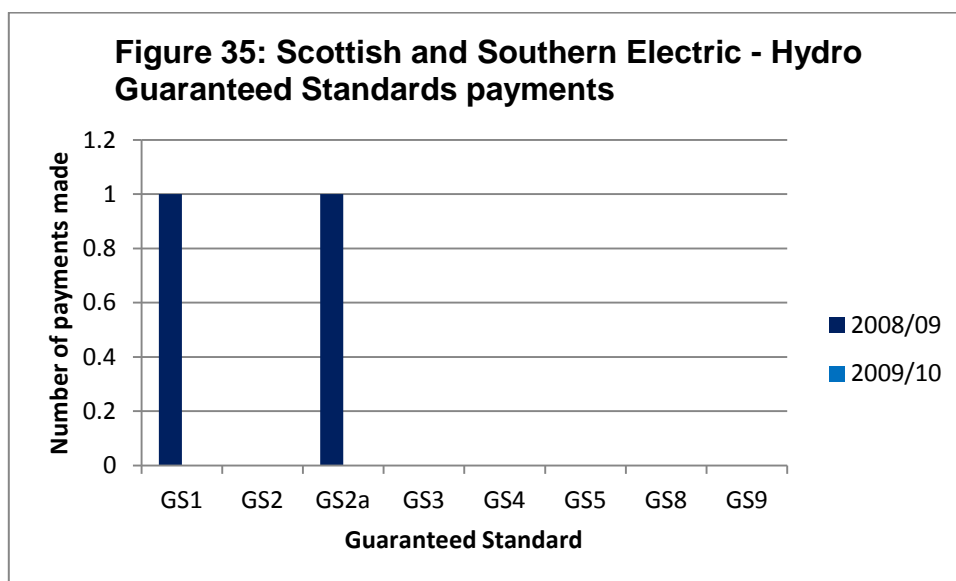


Scottish and Southern Electric – Hydro

Scottish and Southern Electric – Hydro made no payments in 2009/10, two fewer than the previous year. Table 26 below provides details of the Standards that payments were made against.

Table 26: Guaranteed Standards payments: Scottish Hydro Electric Power Distribution Ltd

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 1 | 20 | 0 | 0 |
| GS2 – restoration (n-a) | 0 | 0 | 0 | 0 |
| GS2A – multiple interruptions (n-a) | 1 | 50 | 0 | 0 |
| GS3 – connection (a) | 0 | 0 | 0 | 0 |
| GS4 – notice (n-a) | 0 | 0 | 0 | 0 |
| GS5 – voltage (a) | 0 | 0 | 0 | 0 |
| GS8 – appointments (a) | 0 | 0 | 0 | 0 |
| GS9 – payments (a) | 0 | 0 | 0 | 0 |
| Total | 2 | 70 | 0 | 0 |

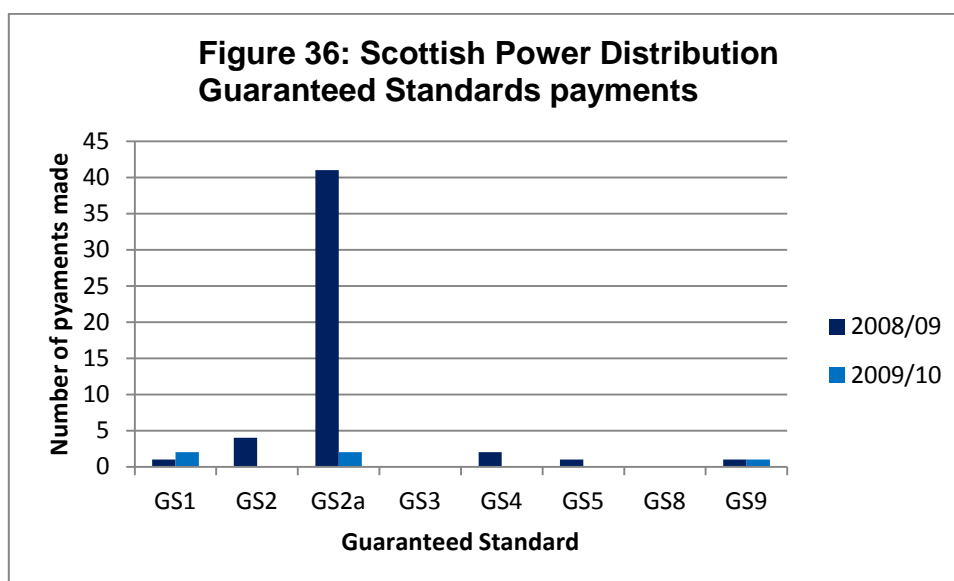


Scottish Power Distribution

Scottish Power Distribution saw significant reductions (93 per cent) in the value of payments made on 2009/10 compared to the previous year, particularly against GS2a which covers compensation as a result of multiple interruptions to supply. The total payments made by Scottish Power Distribution amount to 0.02 per cent of the total value of payments made by all DNOs. Table 27 below provides details of the Standards that payments were made against.

Table 27: Guaranteed Standards payments: Scottish Power Distribution

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 1 | 20 | 2 | 40 |
| GS2 – restoration (n-a) | 4 | 175 | 0 | 0 |
| GS2A – multiple interruptions (n-a) | 41 | 2,050 | 2 | 100 |
| GS3 – connection (a) | 0 | 0 | 0 | 0 |
| GS4 – notice (n-a) | 2 | 40 | 0 | 0 |
| GS5 – voltage (a) | 1 | 20 | 0 | 0 |
| GS8 – appointments (a) | 0 | 0 | 0 | 0 |
| GS9 – payments (a) | 1 | 20 | 1 | 20 |
| Total | 50 | 2,325 | 5 | 160 |

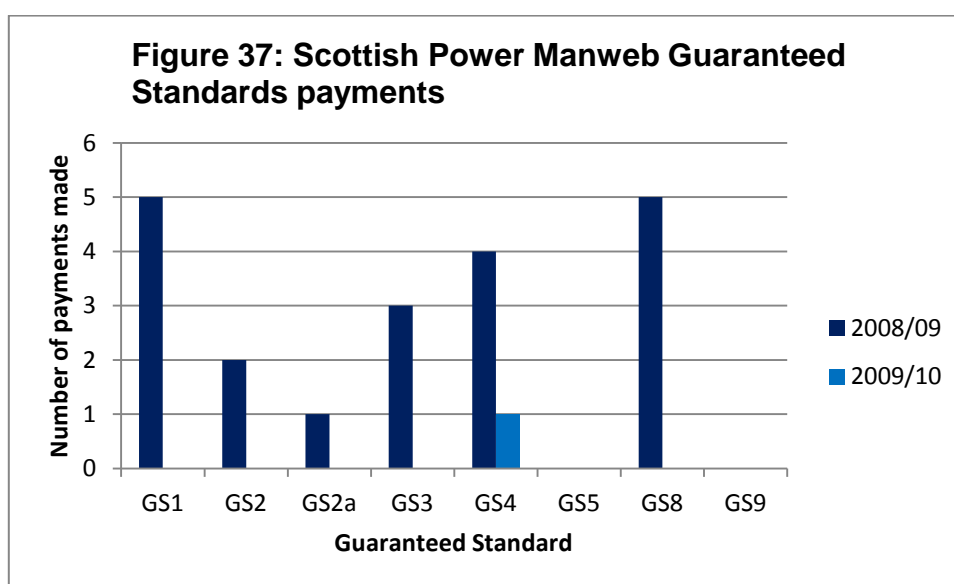


Scottish Power Manweb

Scottish Power Manweb made only one payment in 2009/10 compared to 20 the previous year. The total payments made by Scottish Power Manweb amount to less than 0.01 per cent of the total value of payments made by all DNOs. Table 28 below provides details of the Standards that the payment was made against.

Table 28: Guaranteed Standards payments: Scottish Power Manweb

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 5 | 100 | 0 | 0 |
| GS2 – restoration (n-a) | 2 | 75 | 0 | 0 |
| GS2A – multiple interruptions (n-a) | 1 | 50 | 0 | 0 |
| GS3 – connection (a) | 3 | 120 | 0 | 0 |
| GS4 – notice (n-a) | 4 | 80 | 1 | 20 |
| GS5 – voltage (a) | 0 | 0 | 0 | 0 |
| GS8 – appointments (a) | 5 | 100 | 0 | 0 |
| GS9 – payments (a) | 0 | 0 | 0 | 0 |
| Total | 20 | 525 | 1 | 20 |

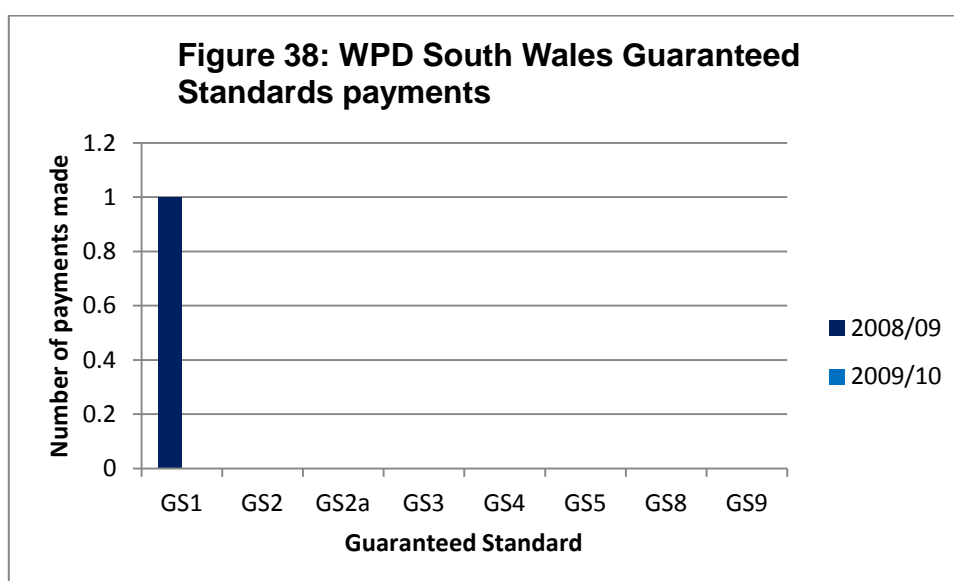


Western Power Distribution – South Wales

Western Power Distribution – South Wales made no payments in 2009/10 compared to the single payment the previous year. Table 29 below provides details of the Standard that the payment was made against in 2008/09.

Table 29: Guaranteed Standards payments: Western Power Distribution – South Wales

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 1 | 20 | 0 | 0 |
| GS2 – restoration (n-a) | 0 | 0 | 0 | 0 |
| GS2A – multiple interruptions (n-a) | 0 | 0 | 0 | 0 |
| GS3 – connection (a) | 0 | 0 | 0 | 0 |
| GS4 – notice (n-a) | 0 | 0 | 0 | 0 |
| GS5 – voltage (a) | 0 | 0 | 0 | 0 |
| GS8 – appointments (a) | 0 | 0 | 0 | 0 |
| GS9 – payments (a) | 0 | 0 | 0 | 0 |
| Total | 1 | 20 | 0 | 0 |

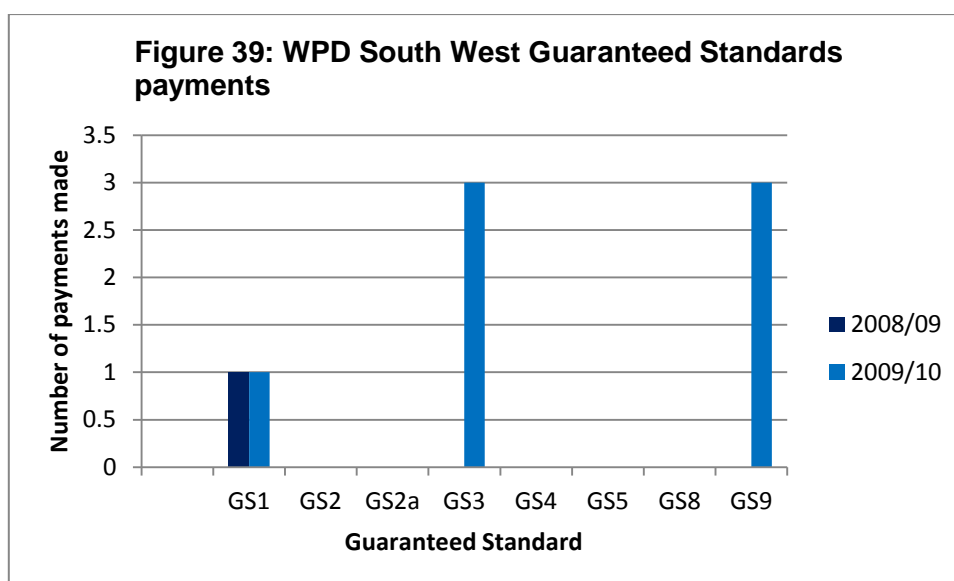


Western Power Distribution – South West

Western Power Distribution – South West made seven payments in 2009/10 compared to the single payment the previous year. The increases were against GS3, which deals with provision of costs relating to connection and GS9 which deals with late payments of payments due under the Guaranteed Standards. The total payment made by Western Power Distribution – South West amounts to 0.03 per cent of the total value of payments made by all DNOs. Table 30 below provides details of the Standards that payments were made against.

Table 30: Guaranteed Standards payments: Western Power Distribution – South West

| Guaranteed Standard (automatic/non-automatic) | Number of payments | Value of payments (£) | Number of payments | Value of payments (£) |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | 2008/09 | | 2009/10 | |
| GS1 – fuse (a) | 1 | 20 | 1 | 20 |
| GS2 – restoration (n-a) | 0 | 0 | 0 | 0 |
| GS2A – multiple interruptions (n-a) | 0 | 0 | 0 | 0 |
| GS3 – connection (a) | 0 | 0 | 3 | 120 |
| GS4 – notice (n-a) | 0 | 0 | 0 | 0 |
| GS5 – voltage (a) | 0 | 0 | 0 | 0 |
| GS8 – appointments (a) | 0 | 0 | 0 | 0 |
| GS9 – payments (a) | 0 | 0 | 3 | 60 |
| Total | 1 | 20 | 7 | 200 |



Independent DNO payments made and performance against the Guaranteed Standards

Four IDNOs submitted Guaranteed Standards payment information to Ofgem in 2009/10. This information was not collected in 2008/09, so no comparison with the previous year is possible.

Between the IDNOs, a very small number of payments were made to customers, against GS2 and GS9 only, which deal with disruption to supply and delay in payment of a Guaranteed Standards payment respectively. These payments were exclusively made to domestic customers.

Table 31: Guaranteed Standards payments for all IDNOs

| | Total no. of payments | Total value of payments | Total no. of payments | Total value of payments |
|---------------------------------------|-----------------------|-------------------------|-----------------------|-------------------------|
| | GS2 | | GS9 | |
| Energetics Electricity | 18 | 900 | 0 | 0 |
| ENC | 61 | 3050 | 61 | 1220 |
| ESP Electricity Ltd | 0 | 0 | 0 | 0 |
| Independent Power Networks Ltd | 1 | 50 | 0 | 0 |
| Total | 80 | 4000 | 61 | 1220 |

The ESP Electricity Ltd IDNO was the only one to make no payments to any customers, while the ENC IDNO accounted for 82 per cent of the payments made by all IDNOs in 2009/10.

No data was collected on voluntary payments made by IDNOs in 2009/10.

Section Five: Conclusions

The Guaranteed Standards continue to be a useful tool in the measurement of DNO performance across England, Scotland and Wales. The 15 per cent decrease in payments from 2008/09 is a sign of improved performance from 2008/09, although this does not return levels of payments to the lower level seen in 2007/08.

A large number of voluntary payments are made to customers by the DNOs, which is a positive sign of customer service, meaning that customers do not have to undertake the claims procedure but instead are paid proactively. However, there is variation in whether these payments should be counted under the Guaranteed Standards. These voluntary payments will be recorded in the Guaranteed Standards returns from 2010/11, which will help to reconcile this issue.

The changes to the Guaranteed Standards resulting from Ofgem's DPCR5 review will make a comparison between 2009/10 and 2010/11 more complex. The increase in compensation owed in line with inflation means that amounts paid by DNOs are likely to look larger without the number of payments necessarily increasing greatly.

Annex 1: Exemptions from Guaranteed Standards

Companies are not obliged to make Guaranteed Standard payments 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 application 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, address or email account 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
- Belief on the part of the operator that the information provided is of a frivolous or vexatious nature

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



Guaranteed Standards of electricity distribution 2009/10

For more information please contact Jocelyn Hinds on 020 7799 8057 or email jocelyn.hinds@consumerfocus.org.uk

www.consumerfocus.org.uk

Copyright: Consumer Focus

Published: December 2011

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

Fleetbank House
Salisbury Square
London EC4Y 8JX

Tel: 020 7799 7900

Fax: 020 7799 7901

Media Team: 020 7799 8004 / 8005 / 8006

For regular updates from Consumer Focus sign up to our monthly e-newsletter by emailing enews@consumerfocus.org.uk