

## Final Version

### Ofgem Electricity Connections Steering Group (ECSG)

Meeting 6 October 2003 at 12:45 9 Millbank, London, SW1P 3GE

PRESENT:	Sean O'Hara	Ofgem (Chairman)
	James Copeland	Ofgem
	Julie Doshi	Ofgem (Minutes)
	Jeff Hunt	Scottish Power (Chair of the EA Group)
	Phil West	WPD (Member of the EA group)
	Vas Siantonas	ASLEC (Chair of the unmetered connections customer group)
	Vince Colby	M <sup>c</sup> Nicholas Construction (Chair of the metered connections customer group)
	Ray Farrow	House Builders Federation

## **1. Introduction**

Ofgem opened the meeting by confirming its understanding of the way forward that had come out of the connections workshop held in July 2003. Ofgem stated that the principles set out in the Final Proposals document 'Competition in Connections to Electricity Distribution Systems' were still valid. The major issue not fully addressed within the document was live working due to the then pending implementation of the ESQC regulations. At the workshop the EA had identified a need to review the impact of the ESQC regulations on Ofgem's proposals. Live working trials had been in progress in two DNO areas that would inform

the work being done by the new workgroups in respect of the issue. Following the July 2003 Connections Workshop; three groups were formed to take issues forward. Ofgem invited the group representatives to provide details on the work they had done to date and any comments as to the process going forward.

## **2. Metered Connections Group**

It was confirmed that the group had met to agree terms of reference and discuss issues requiring work. The main item agreed on by the group had been the need for the work to be done following the workshop to build on Ofgem's Final Proposals document rather than to go back to basics. The following specific areas of work had been identified as priorities:

- Consent to connect
- Adoption Agreements
- Inspection Regimes
- Standards of service
- Extending the technical framework to cover Brownfield sites and 11 kV connected Industrial & Commercial loads
- Live working on Greenfield sites
- Live working on Brownfield sites

Ofgem confirmed that whilst DNOs should be aiming to meet the proposed standards of performance as set out in the last Connections Industry Review (CIR) in relation to Greenfield housing sites, Ofgem now confirmed the 3 standards to be measured relate to:

- Timely provision of point of connection information.

- Timely provision of Design Approval.
- Timely provision of on-site connection works.

It was suggested that an open letter, in relation to the above standards, should be placed on the Ofgem website confirming the details of the standards of service. This was required because many people were unaware of developments in this area since the Final Proposals document was published. One group member said that getting consistent views about when the clock starts and stops and the minimum information required were essential areas to be finalised. Ofgem confirmed that the standards of service would be placed on the Ofgem website. Ofgem also confirmed that it intended to consult more widely on the issues of gas and electricity standards of service in 2004.

**ACTION: Ofgem to place standards of service on website.**

### **3. Unmetered Connections Customer Group**

The group representative confirmed that this Group was also concerned to ensure that the Ofgem Final Proposals document was built on rather than reviewed with a view to changing its principal findings. The group considered that there were two main objectives.

1. The development of competition in live working, probably through a trial of transfers and disconnections; and
2. A National Service Level Agreement (SLA), that specified the services to be provided by DNO's, standards of performance and penalties in the event of failure to achieve agreed targets.

The group discussed the rent-a-jointer scheme. It was agreed that the uptake of rent-a-jointer is slow due to, among other things, terms offered by DNOs. Also, due to resources being limited, not all DNOs have jointers to rent. Group members suggested that rent-a-jointer is unlikely to have a great impact although it suits some Local Authorities (LAs) and DNOs. The group then discussed the possibility of LAs being provided a list of contractors to provide unmetered connection services.

DNOs will work closely with Highway Authority and contractor representatives to identify and develop the most appropriate contractual relationship. The perceived benefits of this scheme are

- LAs would be able to procure contractors and materials on a competitive basis.
- DNO's would retain control of the contractors and would be able to ensure appropriate standards of work quality and safety. In the event of persistent poor performance, the DNO would be able to terminate the contract. This would address some of the problems posed by Legislation impacting the DNO as owner of the asset, but not having Contractual control over those working on it.
- A competitive market would be created in which ICP's could participate.

A group member indicated that DNO's would probably want to charge a management fee for this arrangement. It was agreed that the Unmetered Connections Customer Group should concentrate on the issues of a National SLA, and the possibility of LA being provided lists of approved DNO contractors, in order to contract their services.

**ACTION: Vas Siantonas to take forward issues relating to National SLA and  
Approved DNO contractor lists to LAs**

**4. Electricity Association (EA) Group**

The representatives of the EA Group discussed the work areas they had been concentrating on (see attached list). In relation to the consent to connect process it was confirmed that a paper outlining options, risks etc would be circulated in a few weeks. It was confirmed that it was unlikely that all DNOs will sign up to the same option but all three options outlined in the paper are workable and DNOs should be able to adopt one of the three options. With regards to adoption agreements, comments are still outstanding but once these are received a best practice version can be formulated. (SP has volunteered its own agreement as a straw man). Feedback on the Audit and inspection regime is still continuing. Regarding the inspection regime, a best practice guide will be produced which is likely to be very similar to the earlier work done by the ECSG. The issue of charges for inspection had not been considered at present. One Group member stated that the level of inspection charges needed to be explored. Ofgem referred the group to its Final Proposals document and Ofgem's statement that charges should be reasonable. If a customer considered charges were unreasonable they should raise the matter with Energywatch/Ofgem. With regard to Record Systems, work was underway to identify what records are necessary to be passed between the parties at what stages of work. With regard to standards of service, the 3 standards will be reviewed with a view to formalising information requirements etc. Live jointing on Greenfield House Developments will be discussed at a meeting to be held on 10 October 2003 to assess the progress of the current trials. In relation to

unmetered supplies, work had centred on the framework agreement concerning rent- a- jointer. After today's discussion they would concentrate on development of a National Service Level Agreement and the proposal to allow DNO approved contractors to complete work under contract to the DNO/LA. With regards to the Technical Framework it was confirmed that the existing document for Greenfield sites would be used as the basis for an industrial and commercial (I&C) version, and extended to cover previously developed ( Brownfield ) sites. Larger connections tended to be dealt with on a site specific basis for technical reasons and it seemed appropriate to continue this policy.

## **5. Any Other Business**

The National Electricity Registration Scheme (NERS) and role of the Advisory Body was discussed. At the request of group representatives, Ofgem agreed to clarify its position on governance of the scheme.

The issue of contestable and non-contestable breakdowns was discussed, it was confirmed by Ofgem that DNOs should provide a breakdown of the non contestable charges in the format outlined within documentation currently available on the Ofgem website.

It was agreed that the minutes of ECSG meetings would not be posted on Ofgem's website until all group representatives had been provided with the opportunity to review and comment on the minutes.

## **Date of next meeting**

Tuesday 4 November, 10:30 at Ofgem, 9 Millbank

