

New standards for network connection services

Factsheet 94

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Housing developers, small-scale power generators, businesses and home owners all depend on local electricity network companies when they need a new network connection.

Ofgem wants customers to be able to rely on network companies to give them a good standard of service.

Ofgem has brought in new standards of performance which set strict deadlines for connection services and provide compensation for customers where deadlines aren't met. These rules came into effect on 1 October 2010.

▶ The issue

Historically, the Distribution Network Operators (DNOs) which run the 14 local power networks around Britain have not always offered good customer service on connections. Some customers have faced delays in getting quotes from the companies and in getting the connection work completed.

This has cost customers valuable time and money – and until now no compensation has been available from the network companies for these delays.

▶ The solution

Ofgem wants the DNOs to improve so customers can be confident that connections work will be completed on time. Ofgem therefore developed a new set of performance standards. These rules provide:

- clear timescales for the provision of each stage of the connections process
- payment directly to customers where the DNO fails to meet the standards

The rules are legally binding, so DNOs must comply with them.

From 1 October customers can expect to see an improvement in service. The DNOs have put new systems and processes in place to help them meet the new deadlines.

Ofgem worked with the DNOs, industry and groups such as the Home Builders Federation and the Major Energy Users Council to develop the standards and compensation payments.

▶ What do the new standards cover?

The standards set time scales for the DNOs to:

- provide quotes and budget estimates for connecting a metered customer (eg a householder or housing developer)
- complete work including energising the connection itself
- repair faults on unmetered networks (such as street lights) in emergency situations if needed.

The standards apply to connections to the local power networks for:

- individual private properties
- housing estates
- larger business units
- power generators.

► Compensation

Companies must keep to Ofgem’s new standards. If the companies breach any of them, they are liable to pay stiff compensation to customers. In some cases the compensation reaches as much as £200 per working day for delays.

Some examples of the standards and levels of compensation for metered and unmetered connections are outlined below. **In general the standards applying to small-scale power generators are similar, though some have different timescales involved.**

A full list of standards applying to demand connections is available at:
http://www.legislation.gov.uk/ukxi/2010/2088/pdfs/ukxi_2010_2088_en.pdf

A list of standards applying to connections for generators is available at:
<http://www.ofgem.gov.uk/Networks/ElecDist/QualofServ/GuarStandds/Pages/GuarStandds.aspx>

Standard	Standard	Level of compensation
Provision of a quote for a connection at extra-high voltages	Within 65 working days	£150 for each working day
Completion of high-voltage connection work	Within timescales agreed with the customer	£150 for each working day
Complete works for extra high-voltage connections	Within timescales agreed with the customer	£200 for each working day
Provision of a quotation for a single lower-voltage single phase service connection ¹	Within 5 working days	£10 for each working day delay
Provision of a lower-voltage generation quotation - for power generation	Within 45 working days	£50 for each working day delay

► Monitoring performance

Ofgem expects the standards to result in an improvement in the performance by DNOs on connections. However, if the

DNOs don’t meet targets in 90 per cent of cases across all connections, we can take enforcement action.

► Disputes

Ofgem has also introduced a requirement on the DNOs to produce a quote accuracy review scheme. This allows customers to challenge the accuracy of a DNO’s quote through a simple and easy to understand process. Only customers with up to four small service connections will be eligible to challenge the accuracy of a quote. Details on how to do this are available on the websites of the DNOs.

If this approach is not successful and where a complaint is from a domestic customer or micro business,² the customer or DNO should apply to the Energy Ombudsman to mitigate the dispute. For general details about how the Ombudsman scheme operates, including details about how to raise a complaint and the types of complaints the Ombudsman will take forward, visit: www.energy-ombudsman.org.uk.

If a dispute arises between the customer and the DNO over any of the standards or compensation, or the accuracy of the quote they receive, they should in the first instance seek to resolve this through the DNOs dispute resolution process.

Ultimately, any customer may apply to Ofgem and request a determination. This means that we examine the issue and make a ruling either in favour of the customer, or the DNO.

► Further information and Guidance

For help and advice on these new standards customers can contact their DNO. This link shows the companies that own the networks and contains links to the DNO’s websites with

their contact details:
<http://2010.energynetworks.org/electricity-distribution-map/>

¹ Most domestic properties are connected through a lower-voltage single phase service

² The Energy Ombudsman service is available for domestic or micro business customers. A micro business is one that:

- employs fewer than ten people (or full time equivalent) and an annual turnover not exceeding 2 million Euros; or
- which uses less than 200,000 kWh gas per year or 55,000 kWh electricity per year.