

**Quality of Service Working Group
12 September 2006, 10:30 - 4:00
EDF Energy (Ipswich)**

Attendees:

Bob Parker – Western Power Distribution	James Hope (Ofgem)
Andrzej Michalowski – Central Networks	David Broster (Ofgem)
Jeff Douglas – Central Networks	Dorothy Eke (Ofgem)
Steve Cox – United Utilities	Imran Jami (Ofgem)
Mike Green– Scottish and Southern	
Alyn Jones - SP	
Bill D'Albertanson – EDF	Geoff Stott (BPI)
Colin Nicholl – EDF	David Holding (Mott MacDonald)
Jim Morrell – Central Electric	

Agenda item - Post audit review of 2005/06 interruptions audits

MM/BPI presented a summary of the main findings and lessons learnt from the summer 2006 audits of the 2005/06 interruptions data. The main points from the presentation were:

Achievements

- All audits completed in accordance with pre-agreed timetable
- Conducted over 8 week period using less visiting auditors than in previous years
- Visiting audit team of one Consortium Auditor and one Ofgem Auditor
- Every DNO exceeded all Stage 2 minimum reporting accuracy figures – no need for any Stage 3 samples to be audited
- Formal sign-off of streamlined audit report and audit results (subject to QA) successfully achieved for each DNO at the conclusion of the relevant audit visit
- Confidence gained that connectivity model updating is taking place
- No particular issues with auditing the Exceptional Event incidents

Lessons learnt – audit process

- Importance of pre-visit preparation
 - Pre-arranged program could be shortened
 - Circulation of incidents, automated workbooks and questionnaires
 - DNOs prepared audit material for both Stage 2 and Stage 3 audit samples
 - Dialogue between lead auditor and DNO prior to visit
- Value of pilot audit visit
 - Early identification of issues
- Visit logistics
 - No introductory session – auditing started immediately at visit commencement
 - Good audit environment
 - Good access to DNO measurement systems
 - Pre-filled questionnaire
 - Availability of experienced DNO staff empowered to make decisions on variations

- Ofgem present and involved in auditing process
 - Capability for immediate adjudication and sign-off of issues without the need to refer to others was welcomed
- Sign-off of results subject to QA
 - The capability for sign-off of results from the automated workbook at the end of the audit was well received by all DNOs
- Streamlined Audit Visit Report
 - Prompt completion of visit report for formal sign-off was welcomed by DNOs – opportunity for final comment at the overall reporting stage
- Annotating of fault reports
 - Carried out on all visits
- Questionnaire
 - Guides the process
 - Provides an immediate and agreed record

Audit conclusions

- Overall reporting percentage accuracies
 - Consistent with last year's results
 - All DNOs exceeded the minimum requirements for accuracy after Stage 2
 - Not possible to conclude whether accuracy is improving
- Fault reports
 - As in previous year, with some exceptions, a general trend has been noted where the quality of information in these reports has improved with fewer errors
 - Companies using paper incident logs specifically designed to help record IIS data experience less transcription errors
- Pre-arranged incidents
 - Significant improvements noted
 - More specific auditable information being recorded by the DNOs
- MPAN / Connectivity models
 - Maintenance & update processes reviewed and found to be robust
 - DNOs will re-reference MPANs when information emerges to correct spatial connections
- Exceptional Event incidents
 - Five incidents audited per DNO (except LPN & WPD South West)
 - Some DNOs had no notice of these events
 - No apparent evidence of drop in reporting standards
- LV Sub-feeder faults
 - DNOs with better capabilities to display customer connections to LV cables tended to have higher number of customer number variances

During the presentation and subsequent discussion it was suggested by MM/BPI and supported by the DNOs that for the audit of 2006/07 interruptions data Ofgem would only circulate the Stage 2 incidents prior to the audit visit. The main reason for this was that as all the DNOs had exceeded the accuracy requirements after Stage 2 it was unnecessary during this year's audits to audit the Stage 3 incidents. To avoid wasting time and effort it was therefore agreed that the Stage 3 incidents would be provided to DNOs only where they had failed the audit with the restricted Stage 2 sample.

Discussion was also held on the suggestion for holding back some of the incident details of the Stage 2 sample until the actual audit visit, rather than giving DNOs advanced notice of the full sample. It was agreed that a balance needs to be struck between the introduction of further audit rigour and the amount of time

required to replay incidents. For the 2006/07 audits it was agreed that 5 unplanned 11kV incidents from the Stage 2 sample of 50 HV and above incidents would be unannounced. All 30 LV incidents would be pre-announced as would the remaining 45 HV and above incidents.

Given that DNOs would be required to prepare fewer incidents in advance of next year's audits it was discussed and agreed that the 2006/07 audits would be undertaken over a four week period, with any audits of Stage 3 samples taking place after DNOs had had time to prepare. The agreed approach for 2006/07 is as follows:

Who	What	When
DNOs	Submit 2006/07 interruptions data	By 30 April 2007
Ofgem	Send Stage 2 samples to DNOs	At least 1 week in advance of the audit
MM/BPI and Ofgem	Carry out audits	4 week period starting week commencing 14 th May 2007
Ofgem	Issue stage 3 samples where DNOs fail initial audit	At the end of the audit visit
MM/BPI and Ofgem	Carry out audits of Stage 3 samples (if required)	2 week period starting week commencing 25 th June 2007

As the condensed audit timeframe for 2007 requires back to back visits to DNOs over the four week period Ofgem agreed to circulate a suggested running order for DNOs to discuss and agree on.

Action points

- Ofgem to circulate proposed audit schedule for 2007
- DNOs to discuss with each other and agree on dates and running order
- Ofgem to make an appendix for the Quality of Service Regulatory Instructions and Guidance

Agenda item - Customer number issue re MPANs

During the audit discussion the working group also touched on the topic of inaccuracies in MPAN counts. The issue was originally brought to Ofgem by one of the DNOs during the early part of 2006 following a number of notifications they had received from suppliers in their area regarding the likelihood of bulk disconnections of customers from the MPRS system. As DNOs derive their customer counts from the number of primary traded MPANs via MPRS it was recognised that there was the potential for customer counts to be artificially inflated due to MPANs which should not be in the system. Work is ongoing in this area but from a Quality of Service perspective it is essential that DNOs are incentivised using the most accurate information available.

Bob Parker explained to the group the approach that WPD is taking to ensure that their MPAN counts are as accurate as possible. WPD are introducing an additional filter to remove those MPANs where no meter is present so that these MPANs do not sit in the connectivity model.

Action points

- Bob Parker to circulate paper on WPD's approach
- DNOs to investigate the possibility of doing the same (or something similar) and report back at the next meeting

Agenda item – Disaggregation

Imran Jami presented the 2005/06 disaggregation results. Discussion was held regarding the variances in bands over time and the usefulness of retaining the current number of bands or to group into a smaller number of categories. The actual analysis undertaken for the presentation was discussed and it was agreed that CI per fault would be included in the 2006/07 analysis.

The dates at which counts of certain information are taken was discussed, with it being agreed that the circuit length information should be as of 31st March, in line with the RRP reporting. Customer numbers by circuit would be taken as of 31st March and Ofgem would continue to carry out a reconciliation with the interruptions template customer number that uses the 30th September customer count. Where large variations arise Ofgem will request the relevant DNO to correct its figures accordingly.

Action points

- Group disaggregation data by five categories
- Include CI per fault in any presentation and analysis of 2006/07 results
- Provide circuit length data using counts as at 31st March
- Provide customer numbers by circuit using counts as at 31st March

Agenda item – Medium term performance reporting

Feedback was provided by Ofgem on DNOs' MTP narratives, with Imran identifying some of the good points to come out of the information DNOs provide. Attention was also drawn to the usefulness of correcting previous data and explaining why historic figures had changed. The possibility of merging some of the reporting on asset information from the MTP with that carried out for RRP was raised for comment.

Agenda item – Telephony

Dorothy Eke presented the results of the annual telephony incentive scheme for the quality and speed of telephone response. There was a brief run-through of the main changes to the scheme following the introduction of the new price control and then a review of the 2005/06 results. The overall assessed performance score was higher in 2005/06 than that recorded in 2004/05. Only one DNO (SSE Hydro) achieved an award in 2005/06 and there were no DNOs falling below the penalty threshold.

A short presentation was delivered on the storms telephony surveys undertaken to date, with a conclusion been reached that this approach would not be viable for developing a storms telephony incentive. Ofgem suggested that a number of alternative options would be looked into, including the possible random calling of customers in affected post code areas, or the use of the existing key measures which are reported to Ofgem on a monthly basis. Ofgem expressed a desire to see a measure that took account of the experiences of as many customers as possible, therefore those customers handled by messaging ought to be covered.

Action points

- Ofgem to investigate possibility of random sampling of customers in affected post code areas
- Ofgem and the DNOs to determine the robustness of the KM data under all conditions

Agenda item – Network resilience

A short paper was presented to the working group by Steve Cox outlining the DNOs work to date, their conclusions and recommendations for future work. The DNOs proposed to set up a sub group to advise the industry on the measures necessary to achieve compliance with the ESQCR amendment regulations for high voltage distribution networks.

The DNOs asked Ofgem to review the paper and present to the DNOs the top three points it would like to see regarding ESQCR.

Action points

- DNOs to set up sub group
- Ofgem to provide DNOs with top 3 ESQCR points

Agenda item – Exceptional events

Discussion was held on the exceptional events database and a number of possible refinements that may be required in order that it can fully replace the old statements of facts that DNOs have produced. DNOs agreed to look at the tables that were not populating correctly and to amend as necessary.

The issue of visibility of exceptional event incidents, CI and CML within the main interruptions reporting template was raised, with DNOs requesting that Ofgem include an extra worksheet or additional cells to record this information.

Mike Green presented a possible one-off exceptional event scenario and the estimated impact it could have on a DNO's revenue under the Quality of Service incentive scheme. Ofgem agreed to take the scenario away and look at it in more detail.

Action points

- Introduce an excluding exceptional events related incidents, CI and CML sheet within the main interruptions reporting template
- Mike Green to send Ofgem the one-off scenario
- Ofgem to hold further discussion with DNOs

Agenda item – Treatment of IDNOs under QoS reporting

A discussion was held of the paper circulated by Bob Parker on the reporting of IDNOs within the Quality of Service reporting arrangements. The paper described the current arrangements for incidents arising from transmission systems, other connected networks and distributed generation and the QoS rigs definition of a customer. The group discussed the paper and agreed that for the Quality of Service incentive scheme reporting a fault on a DNO system affecting an IDNO should only record the incident, but no CI or CML.