

**ECSG Sub Group  
Unmetered Service Level Agreement  
03 April 2007**

Ofgem, 9 Millbank, London

**Attendees**

Mark Smith	(MS)	SSE (DNO Representative)
Steve Hanson	(SH)	SSE (DNO Representative)
Mark Williamson	(MW)	UU (DNO Representative)
Keith Hodson	(KH)	CN (DNO Representative)
Steve Scarisbrick	(SS)	CE (DNO Representative)
Mike Smith	(MSm)	WPD (DNO Representative)
Alan Michie	(AM)	SP Energy Networks
Tony Stephens	(TS)	Hampshire CC
Lee Evans	(LE)	Caerphilly CBC
Roger Morgan	(RM)	Ofgem (Chair)
Nicola Love	(NL)	Ofgem
Michael Dooley	(MD)	Ofgem (Minutes)

**Introduction**

RM asked attendees to introduce themselves and discussed agenda items. RM provided an overview of the Competition in Connections (CiC) review, in particular, Ofgem's proposals in relation to the SLA. RM summarised Ofgem's proposals and explained that:

- The SLA should continue on a national basis with minimum benchmark performance figures against the SLA standards.
- DNOs and LAs should meet regularly to agree performance data before it is submitted to Ofgem.
- A number of the best practice guidelines also applied to unmetered connections services.

RM explained that Ofgem's SLA proposals were discussed in detail during the March ECSG meeting. RM added that the ECSG agreed to establish a sub-group in light of concerns raised about high priority fault definitions and general issues relating to the operation of the SLA. RM added that the sub-group's remit did not cover the proposed benchmark performance figures and that Ofgem would consider the next steps in this respect in light of responses to the proposals document.

**Sub-Group Terms of Reference**

RM tabled draft terms of reference and invited sub-group comments. Ofgem was asked to amend the terms of reference to make it explicitly clear that sub-group recommendations would be discussed in the ECSG. The sub-group agreed with the proposed aims, objectives and terms of reference.

**Action:** RM agreed to amend the terms of reference and circulate to sub-group members in conjunction with a minute.

## **SLA Arrangements**

A number of DNOs suggested that some local authorities have not signed onto the national SLA and have progressed local arrangements with LAs. RM explained that LAs and DNOs should work closely to develop the SLA and added that a national SLA would help to promote consistency in service delivery and facilitate performance comparisons across DNOs.

A DNO suggested that the SLA document should be reviewed by the sub-group and explained that since its introduction the SLA has not been subject to a legal review. A number of attendees whilst supportive of a review of the SLA expressed concerns about undertaking a full legal review. RM pointed out that the immediate focus of the sub-group was to review SLA definitions and that a review of the SLA could be progressed by the sub-group at a later date.

CN discussed the merits of incorporating amendments into the SLA and suggested including any arising additional legal clauses or an addendum within the existing DNO / LA unmetered connections agreements rather than amending the national SLA. CN suggested that amending the unmetered connection agreements would negate the need for a lengthy legal review of the SLA which would involve DNO / LA legal counsels agreeing on the insertion of clauses.

### *SLA Reporting*

The sub-group discussed SLA reporting. LA representatives suggested that a number of LAs experienced difficulties verifying the accuracy of the SLA data recorded by DNOs. The sub-group recognised the need for Ofgem to receive reliable and robust SLA data and recommended that DNOs/LAs should seek to agree performance reporting on a monthly basis before submitting data to Ofgem on a quarterly basis.

The sub-group discussed whether SLA performance data reported to Ofgem covered all LAs or just those participating in the SLA. RM suggested that DNOs currently report performance against those LAs that are participating in the SLA. RM suggested that DNOs without participating LAs, should record and track requests received, therefore, these DNOs should be in a position to report their performance.

RM added that SLA participation should not determine the level of service received by LAs. The majority of the sub-group agreed that DNOs should report to Ofgem their performance against all LAs (including those not participating within the SLA) within their Distribution Services Area (DSA).

SSE expressed concerns about SLA reporting and suggested DNOs should only report on LAs that were participating in the SLA. SSE added that further discussion on this issue should take place in the next ECSG meeting.

One attendee was concerned about the treatment of Parish Councils (PCs). He added that all PCs should be within the scope of the SLA. Some delegates raised concerns over the number of PCs and the relatively small percentage of jobs they contributed to the total works within a DSA. One attendee questioned how "Authority" had been defined within the SLA and whether it included PCs. It was agreed that this would be noted but no action would be necessary in this respect unless it became an issue.

**Sub-Group recommendation:** DNOs to report performance against all LAs, including those not included in the SLA.

#### *Closer working relations*

The sub-group discussed the operational arrangements that underpin the SLA. A DNO explained that the SLA places obligations on both LAs and DNOs. Therefore, for the SLA to work smoothly it was important for LAs to forecast, plan and discuss with DNOs their planned work schedules. In the event that LAs do not provide sufficient notice of works to DNOs, then these should be discounted from the SLA and subsequent reporting. There was general agreement amongst DNOs and LAs that the SLA should facilitate improved service levels, however, to be effective requires input from both DNOs and LAs and that a good working relationship was fundamental in resolving the issues surrounding planned workloads (replacement columns etc). YEDL discussed the PLA/SLA in place with LAs in its Distribution Service Area and emphasised the benefits arising from improved DNO / LA relations and added that closer working relationships can lead to improvements in DNOs performance.

**Sub-Group recommendation:** LAs and DNOs should establish monthly liaison meetings to discuss, amongst other things, the operation of the SLA, agreeing performance data verification and forecasting of works.

#### **SLA Definitions**

The sub-group discussed fault repair definitions. WPD expressed concerns about the high volumes of 'high priority' fault repairs being raised in its (DSA). WPD added that high priority faults repairs should be used judiciously by LAs and suggested that the SLA should include a cap on the number of high priority faults that can be raised by LAs.

A LA rep suggested that a cap may not be effective and suggested that regular liaison meetings between DNOs and LAs should seek to resolve the inappropriate classification of faults.

WPD suggested that the existing definition for high priority fault repairs should be amended to encourage LAs to use this category judiciously. Central Networks suggested that it has in place agreements with LAs which define work categories that expand on the SLA definitions.

**Action:** CN to circulate its agreement.

The group discussed an appropriate high priority fault definition and agreed on the following text: "work that is urgent but would not require attendance out of normal working hours to restore electricity supplies to street furniture e.g. at the site of an accident blackspot, major road junction, pedestrian crossing facility, an area of public order concerns, a re-occurring fault, or traffic signals. This category is to be used sparingly and reviewed on a monthly basis".

**Action:** Ofgem agreed to amend the definition and circulate a revised definition.

The group discussed the existing emergency fault definition and agreed that the definition should be renamed to "emergency response", which reflects the work undertaken in this respect i.e. DNOs are required to attend the site and remove any danger to life.

**Action:** Ofgem agreed to amend the definition and circulate a revised version to the sub-group.

One attendee enquired about the SLA new works categories and the definition of the word "job". It was agreed that one job would refer to one exit point, such that if one lamp was disconnected, moved a short distance, and subsequently re-connected at a new exit point, it would mean the recording of two jobs as a result of two exit points being utilised.

**Next steps**

RM confirmed that a further sub-group meeting would take place following Ofgem's decision on the SLA benchmarks. Ofgem advised that it would propose dates and circulate papers in advance.