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By email to: RIIO-ED1@ofgem.gov.uk

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Consultation on changes to the arrangements for 'Clock Stopping'

Dear Neil

Thank you for the opportunity to comment on the above consultation. This response is on behalf of UK Power Networks' three distribution licence holding companies: Eastern Power Networks plc, London Power Networks plc, and South Eastern Power Networks plc.

As discussed at the QoS Working Group during 2018, we believe that clock stopping is a valid component of the IIS scheme and although we welcome a review to ensure its consistent use, we believe that Ofgem should not be making wholesale changes to its mid-price control.

We have set out our detailed feedback in the appendix to this letter. If you have any questions, please do not hesitate to contact Paul Measday in the first instance.

Yours sincerely



James Hope
Head of Regulation and Regulatory Finance
UK Power Networks

Copy Paul Measday, Regulatory Compliance Manager, UK Power Networks
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Appendix – Response to Individual Questions

Question 1: For each scenario please explain whether you agree with our view on whether licensees should, or should not, be able to stop the clock. Please explain the reasons for your view.

- Scenario 1: where emergency services prevent access to assets;

We agree with Ofgem and support the use of clock stopping in this scenario. It is however important to note that prevention of access to assets is not solely by the emergency services so the title of the scenario is misleading. Your detailed commentary does mention this as it refers to access being denied by other utilities. We believe that the “access denied”/“prevented access to assets” scenario should not be restricted to emergency services and should be open such that any appropriate person or body that prevents access is accepted (for example incidents where DNOs are requested to isolate supply by emergency services, government authorities or other utilities). This reflects the outcome of the discussion at the QoS working group in December. This will then reflect the wider variety of scenarios in the real world where access could be denied by any number of parties from the emergency services, through local or national government agencies to home or land owners.

- Scenario 2: where a licensee is unable to access a remote geographical location;

UK Power Networks do not and have not stopped the clock for the reason described in this scenario and will leave to DNOs who use clock stops in such cases to justify their continued use. However, there are events in urban areas which prevent staff getting to site and clock stop is not used (e.g. a road traffic collision on the M25). This can add many hours to journey to site to restore supply and we are unclear what the difference is between this and remote geographic locations.

- Scenario 3: where it is unsafe to work (e.g. because of a severe weather event such as high winds, or after a severe weather event where an area is flooded);

This is a complex scenario as the underlying reason for no access in the two examples are quite different.

We support the use of clock stopping where access to assets due to flooding is not possible – in such cases it is not that it is unsafe to access the assets, but it is actually the fact that it is not possible to access them. This is similar to scenario 1 however in such cases it will be hard to identify a specific body or person who has explicitly denied access. In such scenarios (which will also include other weather events which physically prevent access e.g. snow) it is inappropriate to not allow clock stopping as there is no access possible.

In terms of the other example given, namely a high wind severe weather event, access isn't being denied (it is available but a DNO has chosen for safety reasons not to work) we accept that clock stopping should not be allowed.

- Scenario 4(a): where a customer requests to be left off supply

We support Ofgem's view to allow clock stopping in such cases. This will include incidents where the customer has requested that work is stopped due to noise involved in restoring supply (note that this is usually overnight).

- Scenario 4(b): where a customer refuses a temporary solution

Where a single customer refuses a generator/temporary supply we agree that clock stopping is not appropriate.

- Scenario 4(c): where a customer agrees to be left off supply because the customer has their own generator

In line with Ofgem's views expressed in the consultation, we support the use of clock stopping in such scenarios. Note that there are incidents where a customer uses their own generator and are offered feedstock or reimbursement for feedstock by the DNO, but say they do not want/require it. Such cases should be included/allowed for in scenario 4(c).

- Scenario 5: where a licensee is unable to contact a customer to request access to undertake work necessary to restore supply; and

We believe that it is right to stop the clock where a licensee has been unable to contact a customer to request access to undertake work necessary to restore supply. In it important in such scenarios to keep records of the attempts made to gain access and contact the customer and only in those circumstances should a clock stop be allowed. There are similarities between this scenario and scenario 1 – namely that access is not possible to restore supplies and therefore clock stopping is appropriate.

- Scenario 6: where a demand customer's minimum agreed capacity is restored, but its flexible maximum capacity is not restored until later.

As discussed at the QoS working group, this is not a clock stopping scenario and can be dealt with through the definition of restoration of supply ensuring that this definition is clear that when the minimum capacity has been restored then the customer is deemed to have been restored.

Question 2: Please describe any circumstances not set out in this letter in which you think licensees should be allowed to stop the clock.

We have not identified any circumstances not listed in your consultation, however we did experience over the festive period a number of instances where company/customers were away for two weeks and access was therefore not possible for an extended period of time. Such circumstances should be taken into account in any changes to the RIGs as this is a form of scenario 5.

Question 3: Please highlight any concerns you have with the proposed legal drafting specifically, and whether in your view it would give effect to Ofgem's proposed position.

We believe that the correct way forward is for Ofgem to confirm the policy and to then work with DNOs at the QoS working group in January to ensure drafting reflects the chosen policy. We believe that a suitable starting point for the redrafting of the clock stopping section of the RIGs should be the current version of the RIGs as they cover all of the scenarios and therefore only need minor amendments to reflect any policy changes.

With this in mind we have not given detailed feedback on the draft RIGs paragraphs as the text may be superseded. There are however a few points we wish to make in this area:

- Paragraph (a) should be widened in scope to cover all parties who can prevent access as noted in our response to question 1.
- In paragraph (b) "requests" in the opening line becomes "chosen" in the sixth line – consistency is required
- Paragraph (d) is no longer required
- In paragraph (e) a scenario is missing and need adding – where the DNO offers to pay for feedstock for the customers' generator but the customer does not wish to be reimbursed

Question 4: Should we remove the ability of licensees to use clock stopping? Please explain the reasons for your views.

We do not support the removal of the use of clock stopping. Ofgem have not presented any evidence that (underlying) its use is inappropriate, rather they have identified potential differences in its use by licensees. Therefore, as expressed above, rather than removing the use of clock stopping, additional clarity should be given to the current RIGs to minimise differences identified between licensees.

Our position on this proposal to remove clock stopping from the IIS scheme is informed by the following considerations:

- The lack of justification for no longer allowing it to be being used;
- The potential incentive this could place on DNOs to potentially pressure customers into granting access when they do not want to; and
- Maintaining consistency with how RIIO-ED1 targets were set with clock stopping built into them.