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Date

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Dear Steven,

Consultation on changes to the arrangements for “Clock Stopping”

I am writing on behalf of Western Power Distribution (South Wales) plc, Western Power Distribution (South West) plc, Western Power Distribution (East Midlands) plc and Western Power Distribution (West Midlands) plc in response to Ofgem’s consultation on clock stopping.

WPD is a member of Ofgem’s Quality of Supply Working Group, which has been discussing various detailed scenarios since April 2017, following concerns raised with Ofgem in 2015 and 2016. We agree that in the light of discussions at the Working Group, it is evident that in some areas the Quality of Supply Regulatory and Guidance (‘RIGs’) need clarifying to ensure consistency of approach across the DNOs.

We do not consider Ofgem’s proposals against the 5 scenarios, which are proposed by Ofgem to ensure consistent reporting by Licensees, adequately provide the clarity required to meet this objective. We have proposed additional drafting in Appendix 1.

There are other areas where DNOs are in agreement that clock stop reasons are valid, and interpretation is broadly consistent. Nevertheless, in some of these areas the RIGs could be more explicit and transparent. A number of no access scenarios previously confirmed by Ofgem as being valid clock stop reasons at the Working Group have not been included in the Consultation letter.

Our detailed response highlights these omissions and proposes drafting.

We will continue to input via the Quality of Supply Working Group.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P Branston', with a vertical line extending downwards from the right side of the signature.

PAUL BRANSTON
Regulatory & Government Affairs Manager

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

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

Please see answers below to both questions.

Scenario 1 (Paragraph 1.1 a)/existing 2.46))

We agree with Ofgem's view on clock stopping where access is prevented by emergency services. These circumstances are well understood and consistently applied by most DNOs.

Therefore we agree with Ofgem's proposal to retain the existing paragraph 2.46 relating to access prevented by emergency services.

Scenario 2 (Not included under amended RIGs as 2.44 is being deleted.)

As discussed at the recent Working Group, on 27 November 2018, we disagree with Ofgem's proposal to change the policy on the application of clock stops in relation to islands.

As explained at the Working Group Meeting, access would not necessarily be prevented by emergency services or land owners. Access is most commonly prevented due to boat operators not being prepared to sail due to dangerous conditions.

Historically it has been accepted that it is a valid stop clock where there is an unplanned interruption and due to severe weather no boats are operating, and a DNO needs to transport authorised staff, equipment and materials to an island to carry out repairs. From discussions at the Working Group during 2017, it was clear that SSE and WPD have a consistent understanding of how these clock stops should be applied, i.e. a last resort where no reasonable alternative means of transport is available.

SSE and WPD would currently use the existing paragraph 2.44 under these circumstances. As Ofgem is proposing the removal of Paragraph 2.44, specific guidance needs to be included in the RIGs in relation to access to Islands. We have proposed a separate specific paragraph. See new paragraph (b)

The use of phrase "remote geographical location" is unclear and would be open to misinterpretation. As explained at the meeting on 27th November, access issues are more due to snow and flooding preventing access to DNO equipment and customer premises, rather than a remote geographical location.

We have proposed that current paragraph 2.44 be amended to apply specifically to no access due to heavy snow or flooding. See new paragraph (c) at Appendix 1.

Scenario 3 (Existing 2.44)

As discussed at the Working Group, clock stops are not widely used if it is unsafe to work.

However, access to DNOs' equipment or customers' premises may be prevented due to flooding, snow, and other circumstances (as noted at the Working Group), but not necessarily prevented by Emergency Services. This is provided for by the current paragraph 2.44.

We have proposed that current paragraph 2.44 be amended to apply specifically to no access due to heavy snow or flooding. See new paragraph (c) at Appendix 1.

Scenario 4a (Paragraphs 1.1 b) and c)/Existing 2.45/2.47)

We agree that where the DNO is in a position to provide a temporary restoration via a generator, and/or is able to carry on working to carry our repairs, the customer should have the right to request that restoration is delayed until a more convenient time, and a clock stop applied.

We do not agree with the criteria that "*the licensee is unable to continue working to provide a restoration without access to the relevant customer's premises*". Typically customers prefer to remain off supply overnight, because they do not want the DNO's engineers on site carrying out works such as underground excavations or fault locations during the night. The customer therefore requests that the DNO starts work again in the morning. In WPD's case, they are likely to have refused the connection of a generator until the morning for similar reasons. Where only some customers in a street request delay, and we agree to stop work, we only apply this stop clock to the customers who request delay.

We note that Ofgem is not proposing any changes to existing paragraphs 2.45 or 2.47 relating to delayed restoration. We have proposed some clarification around temporary restoration to ensure consistency across DNOs.

There has previously been discussion regarding a default time to restart the clock as different DNOs use different times. The RIGs need to provide clarification as to the default time to be used if the customer does not specify one.

Scenario 4b

We disagree with Ofgem's view that in future clock stops should not be applied where the customer refuses a mobile generator as a means of supply due to reasons such as noise or smell.

We do not understand the relevance of access prevented by emergency services under these circumstances.

For the avoidance of doubt and to ensure future consistency Ofgem should include explicit guidance in the RIGs stating the position in relation to Scenario 4b.

Scenario 4c (New Paragraph 1.1e)

We agree with Ofgem's view that where a customer wishes to use its own generator (for example a water company), the DNO should apply a clock stop where the DNO provides the feedstock or reimburses those costs.

The RIGs also need to clarify when the clock stop should be applied. In our view the clock should be stopped when the customer advises the DNO that they wish to use their own generator.

Scenario 5 (Not included under amended RIGs as 2.44 is being deleted.)

We disagree with Ofgem's view that in future the clock should not be stopped in these circumstances.

WPD currently applies a clock stop under paragraph 2.44 of the RIGs where we have a generator available, but we are unable to contact the customer to gain access to our equipment at the property to connect the generator in order to provide a supply of electricity.

In our view as a customer's supply is considered to be restored if they accept the offer of a generator, then not having access to connect a generator is logically a valid clock stop.

As per discussions in the Working Group DNOs are in agreement that they would apply a clock stop where there is no access available to DNO equipment located in individual premises to confirm that the customer is on/off supply, carry out fault location activities or polarity safety checks, or to provide a temporary restoration not involving the offer of a generator.

These circumstances need to be covered in the proposed drafting. For the avoidance of doubt and to ensure future consistency Ofgem should also include explicit guidance in the RIGs stating the position in relation to Scenario 4b where there is no access to restore supplies via a mobile generator.

We have proposed a new paragraph (d) to provide clarification around no access to customer premises to provide restoration which specifically excludes clock stops where there is no access to connect a mobile generator.

Scenario 6 (New Paragraph 1.1e/Existing 2.48)

The new drafting is welcome.

This scenario has not been discussed in the Working Group. However this appears to be an appropriate clock stop and DNOs move towards more DSO functions.

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.

Ofgem is proposing to delete Paragraph 2.44 of the RIGs, and amend Paragraph 2.48. Otherwise the wording is unchanged.

A number of no access scenarios previously confirmed by Ofgem as being valid clock stop reasons at the Working Group have not been included in the Consultation letter. Our response highlights these omissions and proposes drafting.

Ofgem's proposed RIGs drafting does not provide any added clarity. Therefore we have proposed additional drafting at Appendix 1.

The purpose of the Working Group discussions around clock stopping highlighted inconsistency in relation to two specific uses of clock stopping:

1. Clock Stopping for no access to DNO's equipment to restore a customer via a mobile generator;
2. Clock Stopping when a customer refuses a mobile generator as a means of restoration.

To ensure future consistency in the application of stop clocks there should be explicit guidance in the RIGs to address these issues.

We agree with the definition of "Restoration" and as discussed at the meeting on 27th November, there is no need for the additional definitions of Agreed Capacity and Supply.

Proposed Paragraph 1.2 is currently part of Paragraph 2.48 relating to non-firm contracts. This appears to be a typographical error. For incidents where a clock stop is applied for the whole period of the incident, for example due to Emergency Services, where the resulting reportable time is less than 3 minutes, then WPD currently manually adds minutes to these incidents so that they are reported. This may be another area of inconsistency between DNOs. In our view these incidents could be reported under IIS as incidents with zero minutes.

Guidance needs to be added in relation to access to Islands. We have proposed new paragraph (b).

Guidance needs to be added in relation to no access to DNOs' equipment or customer premises due to flooding, snow, and other circumstances, but not necessarily prevented by Emergency Services. We have proposed new paragraph (c).

In addition guidance relating to access to a customer property to confirm a customer is on/off supply, for fault finding purposes or for safety/polarity checks needs to be added. We have proposed new paragraph (d).

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

We do not agree with Option 2. In WPD's view ending all clock stopping would be more appropriate to consider when resetting targets for ED2, rather than in the middle of a price control period. ED2 targets could be set to take account of historic levels of clock stops applied within each DNO area.

Appendix 1

Current Clock Stopping in RIGs

2.44. Where (i) access to DNOs' equipment necessary to restore supplies is not possible, for example due (but not limited) to environmental factors such as flooding or heavy snow, and (ii) supplies cannot be restored through other means such as remote switching, and (iii) network reconfiguration and alternative LV generation is not economic, the DNO will be allowed to stop the clock for the period where access is prevented. The DNO must keep auditable records detailing the precise situation on site and the attempts made to restore supplies by alternative means. The clock must be restarted as soon as access is available.

2.45. Where a Customer requests that Restoration work be delayed, the DNO must stop the clock for the period requested by the Customer. The clock must be restarted at the time, agreed with the Customer, that the delay in Restoration work would end. The DNO must keep appropriate audit records of the Customer request and agreed delay. In the records it must be clear that the Customer has chosen for the work on the Restoration to be delayed, and where applicable all Customers affected by the delay are in full agreement. A DNO asking a Customer whether they would accept having their supplies restored later is not an example which is considered a valid reason for clock stopping.

2.46. Where access necessary to restore supplies is explicitly prevented by the emergency services, government authorities or other utilities (eg gas and water) (and supplies cannot be restored through other means such as remote switching or network reconfiguration and the use of temporary generation is not economic), the DNO must stop the clock for the period where access is denied. The DNO must keep auditable records detailing orders given by the emergency services or government authorities and the times of the orders. The clock must be restarted as soon as access is available.

2.47. Where the DNO is in a position to restore supplies but the Customer either requests to be left off supply, or they have to reset their own equipment, then the DNO must treat the time they were able to restore supplies, but prevented from doing so by Customer request, as the Restoration time and classify this as a temporary supply arrangement.

2.48. Where an interruption occurs and the DNO has a non-firm contract with the Customer, once firm load (as required by the contract) has been restored, the Restoration of non-firm load can be treated as a clock stop. The clock must be restarted as soon as non-firm supply is restored. The DNO must notify Ofgem of these clock stops in the reporting pack. If the interruption lasts less than three minutes after the clock stop, due to using switching via automated equipment, then this does not need to be reported. The DNO must keep appropriate audit records of these interruptions.

Proposed Clock Stopping in RIGs
Red indicates proposed WPD additional drafting.

1.1. The DNO will only be permitted to stop the clock in the following circumstances.

(a) Where access necessary to restore supplies is explicitly prevented by emergency services, government authorities or other utilities (e.g. gas and water) (and supplies cannot be restored through other means such as remote switching or network reconfiguration and the use of temporary generation is not economic), the DNO may stop the clock for the period where access is denied. The DNO must keep auditable records detailing orders given by emergency services or government authorities and the times of the orders. The clock must be restarted as soon as access is available to provide a Restoration.

(Currently 2.46) (Scenario 1)

(b) Where normal transport access to DNOs' equipment or Customers' premises located on an island is not available and all economic means of alternative transport have been exhausted, (and supplies cannot be restored through other means such as remote switching or network reconfiguration and the use of temporary generation is not economic), the DNO may stop the clock for the period where access is not available. The clock must be restarted as soon as access is available. The DNO must keep appropriate audit records of the inability to gain access and the associated delay.

(Currently applied under 2.44) (Scenario 2)

(c) Where access to DNOs' equipment to restore supplies is not available due ~~(but not limited)~~ to environmental factors such as flooding or heavy snow, and supplies cannot be restored by other means such as remote switching, network reconfiguration and alternative LV generation is not economic, the DNO may stop the clock for the period where access is prevented. The DNO must keep auditable records detailing the precise situation on site and the attempts made to restore supplies by alternative means. The clock must be restarted as soon as access is available.

(Current 2.44 amended)(Scenario 3)

(d)Where access to Customers' premises necessary to restore supplies is not available, for fault location or polarity checks, the DNO may stop the clock for the period where access is not available. The clock must be restarted as soon as access is available. The DNO must keep appropriate audit records of the inability to gain access and the associated delay. **For the avoidance of doubt the DNO must not stop the clock if it is unable to access customer premises to connect a Temporary Supply Arrangement via a generator or other means.**

(Currently applied under 2.44)(Scenario 5).

(e) Where a Customer requests that Restoration work be delayed, the DNO may stop the clock for the period requested by the Customer. The clock must be restarted at the time, agreed with the Customer, that work would recommence to provide a Restoration, (including temporary restoration via a generator or other means). **Where a specific time has not been agreed with the customer, the clock will be restarted at 08:00 by default.** The DNO must keep appropriate audit records of the Customer request and the agreed delay to the time at which work to provide a Restoration can begin. In the records it must be clear that the Customer has chosen for the work on the Restoration to be

delayed, and where applicable all Customers affected by the delay are in full agreement. A DNO prompting a Customer as to whether it would accept having its supplies restored at a later time is not considered a valid reason for clock stopping.

(Currently 2.45) (Scenario 4a)

(f) Where the DNO is in a position to restore supplies but the Customer either requests to be left off supply **(for example a holiday home where no access is available)**, or it has to reset its own equipment, then the DNO may treat the time they were able to restore supplies, but prevented from doing so by the Customer request, as the Restoration time and classify this as a Temporary Supply Arrangement.

(Currently 2.47) (Also Scenario 4b)

(g) Where an interruption occurs and the DNO has a contract for post-fault flexibility services with the Customer it may stop the clock. The DNO can only stop the clock after the minimum Agreed Capacity has been restored, and whilst it is undertaking work to restore the maximum Agreed Capacity. The clock must be restarted as soon as the maximum Agreed Capacity is restored. The DNO must notify Ofgem of these clock stops in the reporting pack. (Amended 2.48)

(Scenario 6)

(h) Where the DNO provides the feedstock (either directly, or reimburses the customer for the cost of feedstock) for a customer's generator for the period of time the Customer is not able to use its Supply. **The clock stop should be applied from when the customer advises the DNO that it wishes to use its own generator and the DNO agrees to provide the feedstock.** The DNO must retain auditable documents explaining the agreement reached with each Customer. In the records it must be clear that the Customer has chosen to use its own generator. The DNO asking a Customer to use its own generator and not providing the feedstock (either directly, or reimbursing the customer for the cost of feedstock) is not a situation in which a clock stop would be permitted. (NEW)

(Scenario 4c)

Note: Additional clarification is needed for the time to apply the clock stop start and end. In most cases the customer would have suffered a short interruption at the beginning and end of the interruption period. The proposed drafting could be interpreted as meaning that the incident will no longer be reportable as an interruption for IIS purposes. In our view the clock should be stopped from the time the DNO arrives on site and the customer refuses the DNO generator.

1.2. If the interruption lasts less than three minutes after the clock stop, **for example** due to using switching via automated equipment, then this does not need to be reported. The DNO must keep appropriate audit records of these interruptions.

(Currently part of 2.48)

Note: this drafting would mean that these interruptions will not appear as clock stop events. We have added for example as switching is not the only reason. No access by order of the emergency services is another common example.