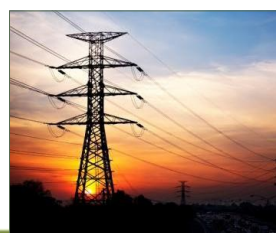


Electricity Guaranteed Standards of Service

Call for Evidence

24th November 2016



About the Utility Regulator

The Utility Regulator is the independent non-ministerial government department responsible for regulating Northern Ireland's electricity, gas, water and sewerage industries, to promote the short and long-term interests of consumers.

We are not a policy-making department of government, but we make sure that the energy and water utility industries in Northern Ireland are regulated and developed within ministerial policy as set out in our statutory duties.

We are governed by a Board of Directors and are accountable to the Northern Ireland Assembly through financial and annual reporting obligations.

We are based at Queens House in the centre of Belfast. The Chief Executive leads a management team of directors representing each of the key functional areas in the organisation: Corporate Affairs; Electricity; Gas; Retail and Social; and Water. The staff team includes economists, engineers, accountants, utility specialists, legal advisors and administration professionals.

Our Mission

Value and sustainability in energy and water.

Our Vision

We will make a difference for consumers by listening, innovating and leading.

Our Values

Be a best practice regulator: transparent, consistent, proportional, accountable, and targeted.

Be a united team.

Be collaborative and co-operative.

Be professional.

Listen and explain.

Make a difference.

Act with integrity.

Abstract

The guaranteed standards of service (**GSS**) set out prescribed service levels which individual consumers can expect from electricity companies. They include compensation payment requirements where there has been a failure by the company to adhere to the standards (subject to certain exemptions). In Northern Ireland the electricity GSS do not currently also relate to electricity suppliers. However in Northern Ireland the gas GSS relate to both gas network and gas supply companies and in GB there are GSS which apply to both electricity network and electricity supply companies.

The present guaranteed standards of performance (performance in individual cases) were specified in Regulations made under Article 42 of the Electricity (Northern Ireland) Order 1992 by the Director General of Electricity and the current standards have been in place since 1st October 1999.

The current GSS require update and revision to ensure they are fit for purpose. The Utility Regulator (**the UR**) would like to initiate a call for evidence to all stakeholders and interested parties to inform this review. This call for evidence will help identify and prioritise the relevant issues and assist in development of policy in this area.

Audience

Electricity network and supply companies, gas network and supply companies, electricity customers, consumer groups, electricity industry participants, statutory bodies and the wider stakeholder body.

Consumer impact

GSS set out the prescribed levels of service which consumers can expect. An effective GSS mechanism has the potential to benefit consumers by incentivising high quality customer service and ensuring that customers receive redress for inconvenience caused by failures of electricity network companies, and possibly electricity suppliers also, to meet the prescribed levels of service.

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Executive Summary

This paper will primarily concentrate on electricity guaranteed standards of service (GSS). The electricity guaranteed standards of service set out prescribed service levels which individual consumers can expect from electricity companies. They include compensation payment requirements to individual customers where there has been a failure by the company to adhere to the standards (subject to certain exemptions).

Electricity and gas companies are also subject to certain Overall Standards of Service (OSS) which relate to the companies' performance in relation to the generality of customers rather than in relation to individual cases. Guaranteed standards of service for gas companies have already been updated as recently as 2012, therefore unless otherwise stated where this paper refers to GSS it means electricity GSS.

The current guaranteed standards of performance (performance in individual cases) were specified in Regulations made under Article 42 of the Electricity (NI) Order 1992 by the Director General of Electricity. The Electricity (Standards of Performance) Regulations Northern Ireland 1993 came into force on 1st January 1994. The schedule tables were subsequently amended by the Electricity (Standards of Performance) (Amendment No 3) Regulations (NI) 1999 and the current standards have been in place since 1st Oct 1999.

The Electricity (Standards of Performance) Regulations (Northern Ireland) do not currently relate to electricity supply companies, unlike the Gas (Individual Standards of Performance) Regulations (Northern Ireland) 2014 which cover both gas suppliers and network companies and unlike GB where there are standards which relate to both electricity network and electricity supply companies.

The Utility Regulator has identified a need to update and revise the current framework. We stated in our Consumer Protection Strategy (CPS¹) that we will review the GSS and OSS for electricity during year 2 of the CPS, i.e. year commencing 1 April 2017. In advance of this the purpose of this call for evidence is to provide evidence which will allow UR to scope and plan the project effectively. Our goal is to ensure that the standards are fit for purpose, reflect consumer needs and do not create unnecessary burdens on business. This call for evidence is a preliminary step which will allow the UR to form a collective perspective on the approach to take and relevant policy considerations.

This document outlines the areas in which the Utility Regulator would appreciate feedback and evidence, and provides details of how to submit a response. The information obtained from this call for evidence will be used to inform our subsequent consultation and approach on the guaranteed standards and overall standards of performance. A stakeholder workshop may then be required to further discuss possible approaches and relevant issues.

¹ <https://www.uregni.gov.uk/publications/201617-202021-consumer-protection-strategy-decision-paper>

1. Introduction

- 1.1. Electricity Guaranteed Standards of Service (**GSS**) set out a prescribed level of service which customers can expect from electricity companies in individual cases. If the company fails to provide the level of service required, it must make a payment to the customer affected, subject to certain exemptions.
- 1.2. This call for evidence is part of the Utility Regulator's commitment to review and update the current GSS for electricity companies. The GSS review was identified as a priority within strategic objective 3 of the UR Consumer Protection Strategy year 2 to empower customers through education and transparency.
- 1.3. The current electricity GSS regime in Northern Ireland (**NI**) is set out The Electricity (Standards of Performance) Regulations Northern Ireland 1993² which came into force on 1st January 1994. These regulations were made under Article 42 of the Electricity (NI) Order 1992 by the Director General of Electricity.
- 1.4. The schedule tables to the 1993 Regulations were subsequently amended by the Electricity (Standards of Performance) (Amendment No 3) Regulations (NI) 1999 and the current standards have been in place since 1st October 1999³. The current electricity GSS Regulations in NI are summarised in Appendix 1.
- 1.5. The current electricity GSS regime in NI means that NIE Networks has a set of minimum standards of performance it is obliged to meet. These standards protect customers and provide for payments to be made to individual customers if prescribed levels of performance are not met. The standards are available on NIE Network's website at <http://www.nienetworks.co.uk/help-advice/customer-standards>.
- 1.6. Northern Ireland Electricity Networks Limited also adheres to Overall Standards of Service (**OSS**) which are available on NIE Networks website at <http://www.nienetworks.co.uk/help-advice/customer-standards/overall-standards>. Overall Standards of Service are performance targets applicable to customers as a whole. No compensation payments are attached to the OSS and these are specified in a Determination by the Utility Regulator made under Article 43 of The Electricity (Northern Ireland) Order 1992⁴. The OSS are set out in Appendix 2.

² These Regulations have been published alongside this document on the Utility Regulator's website

³ <http://www.legislation.gov.uk/nisr/1999/366/contents/made>

⁴ Available for view at request to UR from the Electricity Register Document DET056

- 1.7. The current electricity GSS regime in NI provides exemptions in certain circumstances when the guarantees do not apply, which means that no guaranteed standard payments would be due to be paid by the network company. The exemptions apply in severe weather where the number of faults affecting the high voltage network exceeds 13 times the normal operations. There are also instances when an exemption may apply which include when the company is unable to access a property, or where the customer agrees to the electricity not being restored within the prescribed timescales.
- 1.8. The GSS for the electricity industry in NI does not currently relate to electricity supply companies but to electricity network companies only. However, for the gas sector in NI, the gas GSS⁵ was introduced in 2012 and covers both gas network companies and gas suppliers. The GSS for gas companies in NI are set out in Appendix 4. The UR will need to decide in the coming project if electricity GSS are to be specified for electricity suppliers in NI for the first time.
- 1.9. The electricity GSS regime in GB applies to both network and supply companies. Ofgem, the energy regulator in Great Britain (**GB**) updated its GSS for network companies and supply companies in 2010 and 2015.
- 1.10. The current GSS regime in GB is set out in the Electricity (Standards of Performance) Regulations 2015 (summarised in Appendix 3) and the Electricity (Connection Standards of Performance) Regulations 2015⁶. These standards are envisaged to remain in place for the duration of the current price control period (until 2023).
- 1.11. The GB reviews of GSS have brought in some key changes which are currently not reflected in the NI regime:-
- Increased compensation payment values to reflect inflation;
 - Reduced length of time customers are off supply before a compensation payment is due during normal weather conditions;
 - Categories of “severe weather”⁷ have been introduced;
 - Additional protection for exceptional weather events;
 - Additional measures for multiple disconnections within a year;

⁵ https://www.uregni.gov.uk/sites/uregni.gov.uk/files/media-files/2014-03-03_The_Gas_Individual_Standards_of_Performance_Regulations_Northern_Ireland_2014.pdf

⁶ Further details on Ofgem’s 2015 revision of Network company GSS may be accessed at: <https://www.ofgem.gov.uk/publications-and-updates/electricity-standards-performance-regulations-2015-and-electricity-connection-standards-performance-regulations-2015>. The supplier element of the GB regime is set out in [The Electricity and Gas \(Standards of Performance\) \(Suppliers\) Regulations 2015](#)

⁷ The UR implemented a licence modification on 5th February 2015 to include a definition of “severe weather event” <https://www.uregni.gov.uk/news-centre/utility-regulator-publishes-its-decision-paper-nie-licence-mod-severe-weather>

- Revocation of OSS (mostly covered in GB GSS);
- Separate regulations covering GSS for connections⁸;
- Clear indication of requirements for electricity supply companies.

1.12. The UR has identified that in light of: the Ofgem reviews of GSS in 2010 and 2015; the existence of electricity supplier GSS in GB; and the existence of recently updated Gas GSS in NI for both network and supply companies, that the level of consumer protection offered to electricity consumers in NI requires further consideration.

1.13. We would therefore appreciate respondents' views on the latest Ofgem regime, the GSS arrangements for network and supply companies in Northern Ireland and the considerations that UR should take on board when scoping a new project to review the electricity GSS and OSS arrangements that best protect electricity consumers in NI.

⁸ <http://www.legislation.gov.uk/uksi/2015/698/contents/made>

2. Purpose of this Call for Evidence

- 2.1. This call for evidence will allow the UR to gather information from stakeholders and interested parties, including electricity customers. The responses will assist the UR in forming an understanding of current issues related to the development of updated GSS for electricity companies in NI, and their impact or potential impact on both consumers and the companies.
- 2.2. The responses will also help us to consider whether the electricity arrangements for GSS in NI should mirror the NI gas GSS arrangements, the Ofgem arrangements or some combination of the two. The information provided will allow the UR to understand what steps are required to address these issues. The UR seeks examples and evidence, where relevant, in order to inform the next steps in the electricity GSS review.
- 2.3. This call for evidence includes a questionnaire for respondents to complete. This questionnaire takes the form of an Excel spreadsheet which is separately appended. There may be further issues that have not been identified and we request that respondents include any additional information which the UR should take into consideration at the bottom of the second tab of the questionnaire (Additional Factors section).

Contact details

If you wish to discuss any aspect of this call for evidence or have any specific questions about what should be submitted, please contact:

Laura Kane
The Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED
Email: Laura.Kane@uregni.gov.uk
Tel: 028 9031 6357

Or

Electricity_Networks_Responses@uregni.gov.uk

3. Next Steps

- 3.1 This call for evidence in relation to GSS will inform subsequent work streams in this area. The submission required is detailed in Section 4 of this report. All call for evidence documentation must be received by **5.00pm on 9th January 2017** for consideration.
- 3.2 The UR will review evidence provided in response to this call for evidence and, dependent upon responses received, will plan and scope the GSS and OSS review or publish a further consultation document in March 2017. Any review will include appropriate consultation and engagement.
- 3.3 We will work with partners including the Department for the Economy and the Consumer Council and the electricity companies throughout. Table 1 below shows a summary of the activities the UR will undertake and an indication of the timeframes for completion.

Table 1 – Proposed timeframes

Activity	Description	Timing
Collation of Information	• Issue call for evidence	24th November 2016
	• Final Submission of Evidence	9th January 2017
Information Review	• Review and analysis of information provided	Q1 2017
Consultation	• Publish evidence ⁹	Q1 2017
	• Issue Consultation Paper	Q1 2017
Conclusion	• Next Steps Paper published	Q2 2017

⁹ Please see section 5.3 regarding discoverability of responses

4. Call for Evidence Questionnaire Spreadsheet

- 4.1 We request that respondents complete the two tabs within the Call for Evidence questionnaire spreadsheet.

Respondent Information

- 4.2 The first sheet in the questionnaire spreadsheet collates details about you and your position in relation to the GSS approach.

Questionnaire completion

- 4.3. We have identified a number of areas that we believe would benefit from consideration as part of this review and which could assist the UR in deciding whether, and if so how, to revise the GSS. We have outlined a number of questions (Q1-Q14) in the second tab of the spreadsheet. Please answer these questions where applicable. If any questions are unanswered, they will be assumed to be not applicable to the respondent.
- 4.4 Alongside the questions is a column that asks the respondent to indicate whether their response can be published by the UR. Please indicate whether you consider that part, or all, of your response should be treated as confidential, with any relevant explanation.
- 4.5 In addition to the questionnaire questions we also welcome any additional views and evidence that respondents consider should be taken into account in this review. We request that respondents include this information within the '*Additional relevant factors*' section of the questionnaire.

5. Responding to this call for evidence

- 5.1 The UR welcomes responses to this call for evidence by 5.00pm on **Monday 9th January 2017**. It is our preference that responses are sent by email where possible. Responses should be sent to:

Laura Kane
The Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED
Email: Laura.Kane@uregni.gov.uk
Tel: 028 9031 6357

Or

Electricity_Networks_Responses@uregni.gov.uk

- 5.2 The UR will seek to publish all responses to this call for evidence on the Utility Regulator's website. If part of your response is confidential, it would be helpful if you could also submit a non-confidential version of your response redacting all confidential information.
- 5.3 As a public body and non-ministerial government department, the UR is required to comply with the Freedom of Information Act (FOIA). The effect of FOIA may be that certain recorded information contained in consultation responses is required to be put into the public domain. Hence it is now possible that all responses made to consultations will be discoverable under FOIA, even if respondents ask us to treat responses as confidential. It is therefore important that respondents take account of this and in particular, if asking the Authority to treat responses as confidential, should specify why they consider the information in question should be treated as such.
- 5.4 This paper is available in alternative formats such as audio, Braille etc. If an alternative format is required, please contact the Utility Regulator's office, which will be happy to assist.

6. Appendices

Appendix 1 – Summary of The Electricity (Standards of Performance) Regulations Northern Ireland 1993 (subject to exemptions)

Standard reference	Standard	Timescale	Payment Due on Default
Suppliers fuse (Regulation 3)	Replacing your main fuse	3 hours during a working day 4 hours on any other day	£25
Restoration of supply (Regulation 4)	Restoring your electricity following a fault	24 hours	£50 (domestic) £125 (non-domestic) (extra £25 for every 12 hrs electricity stays off after first 24hrs)
Providing a supply (Regulation 5)	Installing a meter and turning on your supply Keeping an appointment for the above purpose	2 working days (domestic) 4 working days (non-domestic)	£50 domestic £125 non-domestic £25
Estimate of charges (Regulation 6)	Providing you with a cost estimate for a new electricity supply	7 working days (small jobs) 15 working days (larger jobs)	£50
Notice of supply interruption (Regulation 7)	Notifying you of a planned interruption in your electricity supply	3 days	£25 (domestic) £50 (non-domestic)
Voltage Complaint (Regulation 8)	Dealing with a complaint about your electricity voltage	7 working days to make an appointment 5 working days to offer an explanation if a visit is not required	£25 £25 (appointment not kept)
Meter disputes (Regulation 8A)	Meter accuracy queries	7 working days to make an appointment 5 working days to offer an explanation	£25 £25 (appointment not kept)

		if a visit is not required	
Charges and payments (Regulation 9)	Queries about your bill and standard payments	5 working days 5 working days to make a refund if this is due	£25
Appointments (Regulation 10)	Keeping an appointment	AM (8.30am – 1.00pm) or PM (12 noon – 5.00pm)	£25
Payments (Regulation 13)	Making standard payments	10 working days	£25
Prepayment meters (Regulation 8B)	Dealing with a problem with your pre-payment meter	3 hours during a working day 4 hours on any other day	£25

Appendix 2 – Northern Ireland Electricity Networks Limited Overall Standards of Performance¹⁰

Turning your power back on	We aim to reconnect 87% of customers affected by a power cut, due to a fault on our distribution system, within 3 hours and all customers within 24 hours.
Putting voltage issues right	We will correct known voltage issues outside the stated limits within 6 months, subject to any agreement needed from landowners.
Getting a new supply of electricity	We will complete all new low voltage connections for domestic customers within 30 working days or within 40 working days for non-domestic customers once the terms of the connection have been accepted.
Getting you back on if you were cut off (due to debt)	Once you have made an agreement with your supplier and they let us know, we will get your electricity back on within 24 hours of a working day.
Moving a meter	We will reposition your meter on your meter board within 15 working days of our quotation being accepted.
Changing your meter if you change your tariff	If your new tariff needs a new meter installed at your home, we will change the meter within 10 working days of being notified by your supplier.
Reading your meter	We aim to get a meter reading for 99.5% of customers once a year.
Replying to your letters	We will reply to you within 10 working days.

¹⁰ Source – <http://www.nienetworks.co.uk/help-advice/customer-standards/overall-standards>

Appendix 3 – Summary of The GB Electricity (Standards of Performance) Regulations 2015 (subject to exemptions)

Standard reference	Standard	Timescale	Payment Due on Default
Supply Restoration Normal Weather Conditions (Regulation 5)	Restoring your electricity following a fault	12 hours	£35
Supply Restoration Normal Weather Conditions with >5000 customers affected (Regulation 6)	Restoring your electricity following a fault	24 hours	£75 (domestic) £150 (non-domestic) (extra £35 for every 12 hrs electricity stays off after first 24hrs) £300 cap on total compensation payments
Supply Restoration Severe weather conditions (Regulation 7)	Restoring your electricity following a fault caused by severe weather	Category 1- 24 hours Category 2 -48 hours Category 3 - Determined by formula in Reg 7(6) ¹¹	£70 (extra £70 for each additional 12 hours off supply) £700 cap on total compensation payments
Supply Restoration (Rota disconnection) Regulation 8	Restoring your electricity after a rota disconnection (where demand needs to be reduced to match capacity)	24 hours	£75 (domestic) £150 (non-domestic)
Supply Restoration (Multiple Interruptions) Regulation 10	Restoring your electricity after rota disconnection	Where there have been 4 or more supply interruptions in one year, each lasting longer than 3 hours	£75
Distributor's fuse	Replacing your main fuse	Working days – within 3 hours	£30

¹¹ <http://www.legislation.gov.uk/uksi/2015/699/regulation/7/made>

(Regulation 11)		4 hours on any other day	
Notice of Supply interruption (Regulation 12)	Prior notice of supply interruption	At least 2 days notice	£30 domestic £60 non domestic
Voltage complaints (Regulation 13)	Responding to a complaint about your voltage	Visit to be arranged within 7 days or if visit not required, written response within 5 days	£30
Charges and Payments (Regulation 14)	Responding to payment queries or customer request to change payment method	5 working days	£22
Meter disputes (Regulation 15)	Responding to meter accuracy queries	Visit to be arranged within 7 days or if visit not required, written response within 5 days	£22
Prepayment meters (Regulation 16)	Dealing with a problem with your pre-payment meter	Working days – within 3 hours 4 hours on any other day	£22
Appointments (Regulation 17)	Offering an appointment where the relevant operator is a supplier	Within a reasonable period	£22
	Offering an appointment if relevant operator is a distributor	Within a reasonable period	£30
	Keeping an appointment		£22
Payments (Regulation 19)	Making standard payments	10 working days (or as soon as is reasonably practicable in severe weather)	£30 £22 (For Regs 14 – 17 or where a supplier receives a payment from a distributor for onward transmission to the customer)

Appendix 4 – Summary of The Gas (Individual Standards of Performance) Regulations (Northern Ireland) 2014 (subject to exemptions)

Standard reference	Standard	Timescale	Payment Due on Default
Meter Disputes (Regulation 3)	Distribution companies must provide an explanation on the probable cause of any meter accuracy issues	Within 15 working days	£25 (paid by distribution company)
	If an appointment is necessary, the distribution company must offer this to investigate	Within seven working days	£25 (paid by distribution company)
	Where a customer informs their supplier of an issue, the supplier must report this to the distribution company	Within one working day	£25 (paid by supplier)
Meter mix-ups (Regulation 4)	Distribution companies must ensure that customers are not billed erroneously due to a wrongly assigned meter		£50 (paid by distribution company)
Pre-payment meters (Regulation 5)	Distribution companies dealing with reports of problems with prepayment meters within four working hours.	Within 4 hours	£25 (domestic only paid by Distribution company)
	Where a customer informs their supplier of a problem with a prepayment meter, the supplier must notify the distribution company of any report of the problem	Within 4 hours	£25 (domestic only paid by supply company)
Appointments (Regulation 6)	Distribution and supply companies	Timebands 8.30-13.00 or 12.00-	£25 paid by supplier or

	must offer and keep an appointment within a maximum two hour time band, or if acceptable to the customer an appointment within the time bands	17.00.	distribution company (domestic customers only)
Supply Restoration (Regulation 7)	Distribution companies must restore supply to a customer whose gas supply has been discontinued as a result of a failure of, fault in or damage to the pipe-line system	Within 24 hours	£50 for initial 24 hours to be paid by distribution company plus £25 for each additional 24 hour period up to £1000 for domestic customers £125 for initial 24 hours up to £1,000 plus £25 for each additional 24 hour period for non domestic customers
Reinstatement of customer's premises (Regulation 8)	Distribution companies must reinstate customer premises following work to a service pipe and any associated work to a distribution main where the pipe or main lies under or within the premises of a customer	Within 5 working days	£50 paid by distribution company (plus additional £25 per subsequent 5 working days up to £1000 for domestic customers £100 paid by distribution company (plus additional £25 per subsequent 5 working days up to £1000 for domestic customers)
Connections (Regulation 9)	Distribution companies to provide customers with a cost estimate for a new gas supply or alteration to an	Within 10 working days for standard 28 days for non-standard work.	£50 plus £50 for each additional working day up to £250 for existing connections up to and including

	existing one		275kWh per hour and up to £500 for connections over 275kWh per hour paid by distribution company
Notice of planned interruption (Regulation 10)	Distribution companies must give notice to customers whose supply will be interrupted by planned maintenance or replacement work to the pipe-line system	At least 3 days notice	£25 for domestic customers £50 for non domestic paid by distribution company
Responding to complaints (Regulation 11)	Supply companies must provide an initial response Substantive response	Within 10 working days Within 20 working days	£25 £25 (Paid by distribution or supply company)
Charges and Payments (Regulation 12)	Supply companies must deal with customer queries about their bill or standard payments, or change in payment method	Within 5 working days	£25 (Paid by supply company)
Making Standard Payments (Regulation 14)	Distribution or supply companies which fail to provide entitled customers with their standard payments within the prescribed timeframes must make an additional payment	Within 20 working days for payments from distributor to customer, or 10 working days where supply/distribution company receives a payment for onward transmission to a customer	£25 (Paid by distribution or supply company)