



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

## **ESB Networks - Service Level Agreements**

### **Decision Paper**

**CER 04/345  
11 November 2004**

## **Introduction**

On the 21<sup>st</sup> June 2004 the Commission published a draft decision on the Service Level Agreements (SLAs) relating to services provided by ESB Networks to all suppliers. This followed consultation on the ESB Networks paper published on 22<sup>nd</sup> April 2004, entitled “ESB Networks Proposed Service Level Agreements”. Following a review of submissions made in response to the draft decision, the Commission has made a number of changes to that draft decision. This decision paper does not include a full description of each SLA; it documents all changes that have been made to the original proposals, either in response to the initial consultation or as a response to the more recent draft decision.

The approved Service Level Agreements paper incorporating all changes to the original proposals has also now been published. The ESB document entitled “ESB Networks Service Level Agreements” contains a full description of each SLA along with comments, process diagrams and notes.

## **Decision**

In accordance with section 34(2) of the Electricity Regulation Act 1999, the Commission hereby directs ESB Networks to adopt the approved Service Level Agreements. These agreements relate to quality targets for the provision of certain services by the DSO under licence obligations. The SLAs will come into force on 4<sup>th</sup> January 2005. ESB Networks will report on the level of achievement of the targets set out in each of the SLAs in the DSO Annual Performance Report.

These SLAs do not constitute a contract or part of a contract between the DSO (or ESB) and suppliers or any other party. They set out performance standards which the DSO must strive to achieve and report on, as laid down in Condition 13 of the DSO licence. As provided in that Condition, the standards and/or targets of performance may be determined by the Commission from time to time.

## **Background**

ESB Networks operates under the Distribution System Operator (DSO) licence. This licence outlines, among other conditions, the functions that the DSO shall carry out in relation to market opening services, including the key market functions of the Meter Registration Service (MRSO) and the Metering & Data Services (Data Collector and Meter Operator).

There are three market roles that ESB Networks perform which are central to supporting a fully open market; these roles are the Meter Registration System Operator, Data Collector and Meter Operator. These functions involve daily processes to support the market. The processes, to come into effect with full market opening in 2005, are detailed in a suite of documents referred to as the Market Process Documents (MPDs).

The Service Level Agreements set out the target service levels the DSO will operate to in providing these market roles to all market participants. They are of particular interest to suppliers, since the majority of the SLAs outline the level of service that the suppliers can expect in response to market messages. The format of the SLAs, in general terms, outlines the time frames within which suppliers can expect the required transactions to have been completed in response to the supplier's message. These market messages and related SLAs are based on the agreed MPDs approved by CER to date.

The sections below outline all changes that have been made to the original proposals set out by ESB Networks on 22<sup>nd</sup> April 2004.

The final service level agreements paper describes each SLA in full, incorporating all of the changes below. This decision paper only describes the changes made as a result of the consultation process; the full details of the SLAs can be found in the approved ESB Networks SLA document also published today. The ESB Networks paper also has further background comments and points to note in relation to each SLA.

All SLAs submitted in the original proposals and not commented on in the sections below are to the satisfaction of the Commission.

### **SLA 1 Change of Supplier (CoS) NQH**

There will be an SLA for CoS requests based on scheduled reads. The SLA for CoS based on special reads and customer reads are unchanged from the original proposal. In the case that there is a CoS requested upon a scheduled read, the meter reading activity will be carried out as normal based on the reading schedule.

If the scheduled read results in no access, the supplier may then provide a customer reading or allow an estimated reading to be used. The supplier may alternatively request a special read if they do not want an estimated reading to be used. Where an estimate is not allowable (when no actual read has been obtained in the previous twelve months), arrangements for the provision of a non-chargeable special read to the MRSO will be made by the Data Collector. This should be completed within 10 working days. This process is fully described in MPD 1.

Where a CoS is to take place on the scheduled read date and a meter reading is taken, the CoS should be completed and processed within 3 working days of the reading. In the cases of a customer read or an allowed estimate, these should also be processed within 3 working days of the customer read or the date of estimation.

In the case that a customer read is not provided with the initial request, the trigger for part B should be the receipt of the customer read.

Suppliers need to take into account the working days specified in the SLAs in order that a submitted request is completed in time for any required date they may have. This comment also applies to **SLA 2**.

**Modification 1:** For a CoS based on a scheduled read, this should be processed (Part B) within 3 working days of the read, with 95% of transactions completed within this timeline and 100% within twice the timeline. This timeline will also apply to customer reads (when obtained following no read being taken due to no access) and estimated reads where allowable, as per market processes set out in MPD1. The trigger for Part B for scheduled reads or estimated reads will be the actual read date.

**Modification 2:** For a CoS based on a customer read, the trigger for Part B should be the receipt of the customer read, if this was not initially provided.

**Modification 3:** Where a scheduled read was not obtained and a non-chargeable special read is required, this should be completed within 10 working days (Part B; this is the same timeline as when a supplier requests a special read for the CoS). The trigger for Part B will be seven working days after the date of the scheduled read, to allow for the possible receipt of a customer reading.

### **SLA 1 and 2 – Validation times**

The timeline (Part A) for the receipt, validation and issuing of acceptance for CoS requests is five days. Some of these processes will be automatic and an acceptance can be expected in a very short time, well in advance of 5 days. However, some processes will involve some manual checking and therefore a rejection or acceptance may not be received in as quick a time as an automatic process. Suppliers have expressed concern at the five day timeline for issuing acceptance/rejection messages.

At this time it is difficult to predict what volume of messages will be rejected or what timeframe will be required to issue an acceptance or rejection; this volume will affect the turnaround times for the issuing of these acceptances or rejections. A clearer picture of the volumes of rejected messages will only emerge once these market messages have been in operation for a certain period of time. The Commission will therefore not change the timelines proposed in ESB Networks' original proposals, but will review this SLA once 3 months data is available. This data will be reviewed with a view to establishing the volume of messages that are rejected and the reasonable times required for rejecting and accepting market messages, and specifically CoS requests.

### **SLA 3 CoS Cancellation**

*(Unchanged from draft decision)*

Two different scenarios are referred to and accordingly two different processes apply.

The Commission believes that it is necessary to specify an SLA for the first process: cancellation by the new supplier. It should not be left open ended as was proposed.

Consideration of the second process (an objection from the old supplier) can await the Commission's determination later this year, but an SLA will need to be put in place at that stage. It is an area that will need to be monitored and resolved within a specific time period.

**Modification:** For CoS cancellation by the new supplier: Timeline to be 10 working days, with 95% of transactions completed within this timeline and 100% within twice the timeline.

### **SLA 4 Revert to Supplier of Last Resort (SoLR)**

Following further consideration of this process and discussions with suppliers at the Suppliers' Forum, the Commission removes the need for an SLA for this scenario. There is no market process in place, without which an SLA may be difficult to interpret. Further discussions are still required regarding the role of SoLR; however this is a separate matter to any SLA between ESB Networks and suppliers.

### **SLA 5 New NQH Connection and SLA 6 New QH Connection**

It is the responsibility of the DSO to register a connection with a supplier once energisation has taken place and also to inform the supplier that this registration has been completed. Failure to do so in a timely manner will mean a supplier would be unaware of having a customer and could result in a dispute with the customer. However, as a result of the automated procedures that will be in place governing the registration of new connections it is not anticipated that the scenario described above will occur.

### **SLA 9 De-energisation of a meter point**

*(Unchanged from draft decision)*

A separate SLA for NPA De-energisation and Re-energisation will be required once codes of practise on all suppliers for this activity are in place.

One supplier noted that "non NPA requests are usually associated with a greater degree of urgency e.g. hazardous building, premises closure needing

disconnection of supply in case of vandalism. In these circumstances we would expect the supply to be disconnected at one days notice...” However, in cases where the safety of continuation of supply is an issue, ESB Networks already has obligations regarding the safety of connections.

**Modification 1:** Timelines as per ESB Networks’ proposals. Suppliers always to be informed of any delay in a de-energisation call being completed within this timeline.

**Modification 2:** In the event that ESB Networks do not gain access to the premises to effect the de-energisation, ESB Networks will also inform the supplier of when another call will be made; this will be in conjunction with access arrangements being made with the supplier.

### **SLA 10 Re-energisation of a meter point**

The Commission believes that it is very important that customers are re-energised as quickly as possible if they have settled their account. While the ESB PES customer charter guarantees re-energisation within one day of settling an account it is ESB PES that pays the customer when this standard is not achieved. It is not based on any agreement with ESB Networks.

Due to scheduling of works, immediate (e.g. same day) responses to re-energisation requests in certain areas will divert resources from other work being completed. However, the Commission believes that a high percentage of re-energisation requests need to be completed in a relatively short period, especially when de-energisation was due to non-payment (NPA).

The important issue to be addressed is that sites are re-energised promptly when the customer has settled the account and wishes supply to be resumed. ESB Networks, from a planning perspective, will be aware of possible future re-energisation requests, as these will frequently follow shortly after de-energisation requests.

For cases of non payment therefore, the Commission has decided that ESB Networks should re-energise these accounts within 2 days, for 95% of cases, except where there is customer agreement for other arrangements. The remaining 5% will be within twice this timeline. ESB Networks will not de-energise a site before the weekend if it will not be possible to re-energise the site before the weekend, in the event that a validated re-energisation request is made by the supplier on the same day as the de-energisation was carried out. This is consistent with ESB Networks statement regarding de-energisation in SLA 9: “The de-energisation for a customer’s non payment of their account with a Supplier, will be carried out as per the agreed code of de-energisation and customer protective policies. This type of de-energisation will be carried out to ensure that re-energisation could be accommodated on the next consecutive working day/s. E.g. None of these type of de-energisation actions would take place on a working Friday.”

For example, this will mean ESB Networks will therefore in certain circumstances not de-energise on a Thursday for non payment if it will not

be possible to re-energise the next day, if a re-energisation request is made on the Thursday evening.

ESB Networks will also inform suppliers in the event that a particular re-energisation call will not be completed within the timeline.

If alternative arrangements are made with the consent of the customer, the applicable timelines will not apply.

The timelines for this SLA will be reviewed at a later date following an analysis of the service levels being achieved.

**Modification 1:** For NPA cases, Part A timeline to be 2 working days, with 95% completed within this timeline, 100% within twice this timeline.

**Modification 2:** For non-NPA cases, Part A timeline to be working 5 days, with 95% completed within this timeline, 100% within twice this timeline. The Part A here refers to the re-energisation being completed.

**Modification 3:** Suppliers always to be informed if the applicable timelines will not be met.

## **SLA 11 Change of Meter Configuration**

*(Unchanged from draft decision)*

Where customers make a request directly to ESB Networks, suppliers will not have any responsibility to provide wiring certs or other documents. These need to be provided by the customer where required to enable ESB Networks proceed with the required work.

## **SLA 12 Meter Problems and Reports of Damage**

This SLA only applies to individual cases; it is not intended to cover, for example, wholesale changes to a class of meter if such works were required.

Examples of meter problems include the following:

- Replacing a time-switch
- Checking, removing, and installing a Budget Controller, or a prepayment meter once these have been introduced to the market.
- Meter malfunctions
- Installing a check meter

While MPD 12 states that ESB Networks is to resolve and inform the supplier of resolution of the problem, in certain circumstances the resolution of the problem may require a longer timeframe. Physical problems with meters and their replacement often will not have any customer dependencies and ESB Networks will be in position to inform the supplier of the resolution of the issue within the Part B timeframe. Other issues may not be resolved within the SLA timeline if there are customer interdependencies or if a longer monitoring period is required to evaluate metering problems. In such cases

ESB Networks will inform the supplier of the physical work carried out and the status of the problem within the timelines for part B. The point to note is that this information may not include a *resolution* of the problem, for the reasons described above.

**Modification 1:** To repair or replace faulty meter equipment (where required), Part A timeline to be 5 working days, with 95% of transactions completed within this timeline and 100% within twice the timeline. Part B, the processing of this data and informing the supplier of completion, timeline to be 5 working days, with 95% of transactions completed within this timeline and 100% within twice the timeline

**Modification 2:** No SLA timeline to apply where security issues arise.

### **SLA 14 NQH Schedule Read**

**Modification 1:** No consecutive block estimates rate of 99%.

**Modification 2:** DSO to make available to suppliers their meter reading schedule.

**Modification 3:** All customers with capacity reading requirements (i.e. DG6 customers, excluding customers with profile meters) to have a target success rate of 98%.

ESB Networks will, if requested by the Commission, report on the number of withdrawals and replacements of reads, along with the reasons for these. This will enable the Commission to verify the quality of readings and estimations, if there are any concerns from suppliers in this area.

### **SLA 15 QH Data Processing**

*(Unchanged from draft decision)*

It should be noted that the system will send the data to suppliers as soon as it becomes available and validated, and will not be withheld for sending on a particular day.

This SLA may need to be revisited when the new market arrangements are finalised.

**Modification:** Timeline to be 5 working days, with 95% of data delivered within this timeline and 100% in twice the timeline.

### **SLA 16 QH data aggregation**

*(Unchanged from draft decision)*

**Modification:** Export data to be provided to generators.

## **SLA 17 Adjustments to Consumption**

*(Unchanged from draft decision)*

One supplier highlighted the need for agreement between the supplier, customer and ESB Networks before any amount is finalised. The Commission notes that the ESB Networks SLA paper stated “This is a very manual process and requires agreement between Data Collector, Supplier and Customer to complete the process.”

Any final decision will be deferred until the new market requirements and the consequent MPD have been established.

## **SLA 21 De-registration**

Connections with an MIC<100kVA are automatically accepted for de-registration if the request is made six months after de-energisation. Suppliers may also request the de-registration of a site with an MIC>100kVA before these six months have elapsed. These requests may either be accepted or rejected.

For automatic de-registrations, the Commission believes 5 working days is an appropriate timeframe to issue a confirmation message, and that 95% of transactions be completed within this time. For de-registration requests from suppliers for sites with an MIC>100kVA, this timeline will be 10 working days to issue an acceptance or rejection message

This SLA may need to be updated if there any process changes following consultation on the matter.

**Modification 1:** For requests made 6 months after de-energisation, timeline to be 5 working days, 95% of transactions completed within this timeframe and 100% within twice this timeframe.

**Modification 2:** For de-registration requests within six months of de-energisation, timeline to be 10 working days, 95% of transactions completed within this timeframe and 100% within twice this timeframe.

## **SLA 25 Change of Legal Entity (CoLE)**

*(Unchanged from draft decision)*

This SLA should be consistent with the Change of Customer Details SLA of 5 days.

It is rare that notification to the supplier of a CoLE from an old tenant and new tenant is concurrent. It can also occur that the site is vacant for a period of time. For clarification, the DSO only requires to be advised of a COLE when the new tenant details are available. The old customer details will remain on the record until the connection is de-energised or there is a CoLE.

**Modification:** Timeline to be 5 working days, with 95% of transactions completed within this timeframe and 100% within twice this timeframe. This timeline excludes situations where new connection agreements are required and/or legal issues arise.

### **All other SLAs**

The Commission is satisfied with the proposals for SLAs for all the remaining processes not covered by the comments in the sections above

### **Summary of SLAs and timelines marked for review**

There are a number of issues that the Commission had marked for review at a later date. These included:

SLAs 1 and 2: 5 days for validation of request over three stages is an initial target, however what occurs in practice regarding the quality of market messages and the rejection rate of these will be a better guide to the required timeframe. The Commission will review this timeframe after three months data is available.

SLA 3: Consideration on the second process (an objection from the old supplier) can await the Commission's determination, but an SLA will need to be put in place at that stage.

SLA 5: These timelines will be reviewed following any changes to the ESB Networks Customer Charter, in the event that changes are made.

SLA 9 and 10: These will be reviewed once codes of practise on all suppliers for this activity are in place. The Commission also proposes that the timelines for re-energisation will be reviewed at a later date following an analysis of the service levels being achieved.

SLA 15: This SLA will need to be revisited when the new market arrangements are finalised.

SLA 17: Any final decision should be deferred until the new market requirements and the consequent MPD have been established.

The Commission also wishes to review the timelines for data processing that applies to a number of SLAs, typically as Part B of a process. This processing at present has a timeline of 10 days. After discussion with ESB Networks on the matter the Commission has decided not to seek a reduction in these timelines as ESB Networks have indicated that a reduced timeline is impossible at this time. However, a review of the manual processes currently employed is required to ensure that this timescale is reduced in the future, and to this end the Commission will re-examine the matter with ESB Networks.

***A review of the SLAs will take place no sooner than 12 months with a view to updating any SLA that has been affected by progress in other areas, as described above. There will however be a specific review of the timelines for accepting or rejecting requests in SLA 1 and 2 after three months, when real data is available regarding the volume of messages that are rejected for various reasons.***

For clarity, a request made at any time during day one will need to be completed at any time the following day if the timeline is one working day. As an example, requests made at 9 am and 6 pm on Monday will both need to be completed by midnight on Tuesday if the timeline is one working day.

### **SLAs – Supplier Obligations**

This provision of certain data to the DSO is very important, especially in the event of emergency situations. In the draft decision, the Commission proposed timelines on suppliers that mirror the timelines of the DSO's obligations. The Commission regards such obligations as voluntary; nonetheless suppliers need to ensure that the correct procedures are in place in order that the required data is provided to the DSO in a timely manner. However at this stage the Commission is of the view that these obligations need to be addressed outside of the framework of the ESB Networks SLAs. The Commission will engage with suppliers on any practical issues that need to be addressed to ensure that there is a framework to ensure timely delivery of certain data to the DSO.

### **General Comments:**

The development of (a) appropriate incentives for Networks to beat targets and improve standards and (b) penalties for non-achievement of standards where this impacts on supplier costs needs to be considered. While the Commission has decided against the introduction of such measures at present, it is of the view that these should be considered once these SLAs have been in place and monitored for a period of time. Such experience will inform decisions on which SLAs need to be adjusted and whether incentives are appropriate.