



**SCOTTISH WATER'S RESPONSE TO
WATER INDUSTRY COMMISSION FOR SCOTLAND
CONSULTATION ON
DISCONNECTIONS DOCUMENT
OF SEPTEMBER 2007**

9 OCTOBER 2007

Scottish Water

Consultation on Disconnections Document, September 2007

1. Summary

Scottish Water agrees with the Commission that the Disconnections document (the Document) is an important tool for the water industry in Scotland, and welcomes the opportunity to comment further on this matter.

Scottish Water welcomes many of the changes that have been made from previous drafts, in particular the distinction drawn between standard and non-standard timescales, and the recognition that in practice it is not usually possible to discontinue trade effluent services.

Scottish Water's comments are set out in three sections:

- Our principle concerns, relating to the statutory standing of the Document, the potential use by customers of their contractors in permanent disconnections, and the need to ensure that wholesale charges continue to be correctly calculated following temporary disconnections;
- Practical issues in connection with aspects of the timescales for disconnections; and
- Further detailed comments on the Document.

2. Principal issues

2.1 Statutory element of the Document

As it stands, it is difficult to determine which parts of the consultation document constitute the statutory Disconnections Code required by the Water Services etc. (Scotland) Act 2005. Clearly, the consultation Document covers a wider range of subjects than are covered by the Disconnections Code, for example, the treatment of trade effluent disconnection. In the interest of certainty, it would be important to clearly distinguish between the different parts of the Document and their regulatory effect.

2.2 Customer requested disconnections – use of customer's contractor

The Document proposes that where a non-household customer requests a permanent disconnection it is possible for the customer to have this work carried out by its own contractor. Scottish Water considers that this proposal carries unacceptable risks to water quality and that only Scottish Water or its agents should carry out any work on Scottish Water's network.

2.3 Temporary disconnection – meter removal and charges

It is noted that following a temporary disconnection, the LP continues to be liable for fixed charges at the premises, even where the meter is removed. However, in these circumstances, the relevant Code Subsidiary Document – CSD 0104 – requires Scottish Water to inform the CMA of the removal of the meter, and it appears that this will trigger the CMA to removal of fixed charges from the premises. Scottish Water would welcome confirmation that this will not happen, and that the LP will continue to be charged for the relevant fixed charge consistent with the Wholesale Charges Scheme.

3. Considerations in carrying out a disconnection

Scottish Water welcomes the recognition in the Document that the timescales for disconnections will vary depending on whether it is a standard or non-standard situation. However, we consider that it may not be possible for Scottish Water to

Scottish Water

Consultation on Disconnections Document, September 2007

determine whether a disconnection is standard or non-standard without a site visit, for example, to determine whether it is necessary to remove masonry to access the connection point. In view of this, Scottish Water proposes that the confirmation of whether a connection is standard or non-standard should take place at the same time as the report on the viability of the disconnection.

Scottish Water also notes that the timescales in the Document may not be deliverable across the whole of Scotland. In particular, in remote or island areas it is not likely to be practical to make site visits, to make disconnections or to make reconnections within the suggested timescales. This section sets out our specific comments with regard to the practical proposals in the consultation. The principal comments relate to timescales to perform activities.

3.1 Checking the viability of a disconnection – customer sited

For customer sited meters or disconnection points (i.e. those not on private property belonging to other parties and not on public land) this activity can normally be done in the timescale proposed, provided full access to the site and the disconnection point is obtained and the environment is safe to allow staff to carry out their work.

Scottish Water notes, however, that there are cases where access is denied and legal recourse may need to be considered by the Licensed Provider who has the contract with the customer. In such cases, Scottish Water proposes that the time limit will only run from completion of any legal procedure necessary to permit access.

3.2 Checking the viability of a disconnection – other locations

In approximately 60% of cases the meter or disconnection point is situated on private property belonging to other parties or on public property. Our current experience is that it can take 10-15 days to determine the viability of a disconnection, depending on the specific circumstances. The meter or disconnection point may be on a major road where Scottish Water must comply with the New Roads and Street Works Act (1991) and other applicable legislation, e.g. Health and Safety Legislation. The Act would come into play in cases where the supply system needs to be checked, which may require a road excavation to be carried out. Scottish Water must also send any statutory notifications required to other utilities when seeking to carry out work on a public road or footpath. Access to property belonging to another party can take time to resolve. Consequently, Scottish Water is not able to agree to the timescales in Table 1 in this regard.

3.3 Delays due to customer or third party permissions

Scottish Water suggests a clause be included to the effect that where compliance with any time limit is dependent on a customer or other third party allowing access and such access is refused or otherwise cannot be made, the time limit will only run from completion of any legal procedure necessary to permit access.

3.4 Charges for abortive work

In some circumstances an LP will cancel a request for a temporary disconnection after confirming that it is to proceed. In such cases, Scottish Water would expect to charge the LP for any reasonable expenses it has incurred.

4. Detailed comments

This section sets out Scottish Water's more detailed textual comments. As an aide to reference, it would be helpful to number the sections in the Document.

Scottish Water

Consultation on Disconnections Document, September 2007

4.1 Permanent disconnections at the CMA

Scottish Water welcomes the clarification that a premises can only be permanently disconnected at the customer's request, following illegal use of services, or after a temporary disconnection has continued for a period of 3 months.

The Document proposes that where a supply of services has been temporarily disconnected for 3 months, the premises should be permanently disconnected by removing the relevant SPID from the CMA systems. Scottish Water notes that the relevant Code Subsidiary Document (CSD 0104) allows for the removal of a water SPID while leaving the associated sewerage SPID "live" and vice versa. It would be helpful to clarify in the Document that:

- Where only water services have been temporarily disconnected for 3 months only the water SPID is permanently disconnected;
- Where only sewerage services have been temporarily disconnected for 3 months only the sewerage SPID is permanently disconnected; or
- Where both water and sewerage services have been temporarily disconnected for 3 months, both the water and sewerage SPIDs are permanently disconnected.

In each case, all relevant services would have to cease before a permanent disconnection is triggered.

4.2 Treatment of vacant premises

Scottish Water notes that under the Charges Scheme, vacant premises are not liable for wholesale charges after one month. Scottish Water's understanding is that this does not constitute a disconnection and would welcome confirmation of this position.

4.3 Licensed providers to be informed

There are a number of processes which require a licensed provider to be informed of actions. In general, Scottish Water will not know the licensed providers will associated with a premises. In these circumstances, Scottish Water will be dependent on timely provision of this information from the CMA to fulfil its obligations.

4.4 Objectives

It may be worth noting in this section that the Document also sets out the respective responsibilities of Scottish Water and LPs relating to reconnections.

4.5 Disconnections for illegal use, or suspected illegal use, of water and/or sewerage (sic) services

Scottish Water notes that there are two separate processes provided, one relating to illegal use of services and the other relating to a breach of Water Byelaw or trade effluent consent. Scottish Water considers that a breach of water byelaw or trade effluent consent could be considered to be an illegal use of services, and would welcome clarification of the distinction intended between these two processes.

In relation to illegal use of services, the Document uses different terminology in different places, for example at: page 5, paragraph 2, item 2; page 7, paragraph 1, bullet 2; and page 32, in the title and in paragraph 4. Since these describe the same situation, it would be helpful to align the terminology and it is suggested that the situation is referred to consistently as "Disconnection for illegal use of water services and/or trade effluent services".

Scottish Water

Consultation on Disconnections Document, September 2007

It would also be helpful to make clear that illegal use of a service would only allow disconnection of that service e.g. illegal use of water services only allows disconnection of water services and not of trade effluent services.

On page 6, paragraph 2, bullet 3, it is suggested that breach of a water byelaw would be legitimate grounds for temporary disconnection of trade effluent services. Scottish Water considers that it may be a misprint.

4.6 Limitations on disconnection of trade effluent services

On page 25, paragraph 8 and page 28, paragraph 7, there is a list of conditions under which disconnection will not be permitted. It would be helpful to include the full set of limitations on trade effluent disconnections set out in the Act and in bullets 9 – 11 on page 12 i.e. a disconnection of trade effluent services is not permitted:

- If the provision of sewerage to, or disposal of sewage from, the affected premises for a purpose other than in respect of trade effluent will be adversely affected by the disconnection of trade effluent services to the affected premises;
- If the provision of sewerage to, or disposal of sewage from, any other premises for any purpose will be adversely affected by the disconnection of trade effluent services to the affected premises; or
- If there is a likely risk to public health arising in consequence of the disconnection of trade effluent services.

4.7 Self supply licensees

It is proposed on page 32, paragraphs 3 that “Scottish Water shall notify the non-household customer’s service providers of the scheduled appointment ...”. In the case that the customer is self-supplying, it is suggested that this notification may take place up to 24 hours after the visit takes place, which would be consistent with the Operational Code, e.g. Process 23.

4.8 Relation to Operational Code

Scottish Water notes that Process 25 of the Operational Code covers similar matters to the trade effluent process in the Disconnections document. It would be helpful to clarify which process should be followed.

4.9 Relation to Market Code CSDs

Scottish Water notes that CSD 0104, Section 3.5 covers the market flows required in relation to disconnections and reconnections and it would be helpful ensure that these documents are aligned. For example, CSD 0104 requires Scottish Water to inform the CMA within 2 days of undertaking a permanent disconnection, whereas the Document requires the CMA to be notified on the date of the permanent disconnection.

4.10 Consequential impact on Wholesale Charges Scheme

Scottish Water notes that currently agreed Wholesale Charges Scheme is not consistent with this Disconnection Document, and recognises that further work will be required in this area.

4.11 Disconnection dispute handling process

As noted in Scottish Water’s response to the previous consultation it is unclear if customers or other affected parties can complain directly to the Commission or how

Scottish Water
Consultation on Disconnections Document, September 2007

issues of customer recourse are addressed. We suggest it would be helpful if these issues were clarified.

4.12 Editorial comments

Location	Text
Page 25, paragraph 8	The text reads: "The requested disconnection would not adversely affect ... water services for public use." This comment appears to be irrelevant as the process relates to trade effluent services.
Page 33, Figure 4	This diagram does not appear to follow the text on page 32 e.g. the actions set out in paragraph 2 does not appear in the Figure. Also, box 3 should include the option of a disconnection of trade effluent services.
Page 41, customer requested disconnections, paragraph 1	It is suggested that this text be amended to read "the disconnection may be carried out by Scottish Water or its appointed agents". This would also require consequential amendments in paragraph 6.
Page 41, customer requested disconnections, paragraph 3	There is a misprint in this paragraph – the phrase "to Disconnect" is repeated.
Page 45, paragraph 1	The text reads: "When a service has been disconnected for longer than three months, a new application for connection under the Market Code will be required to restore that service." Presumably the relevant Process in the Operational Code should also be followed, and it would be helpful to reference this.