<u>Government publishes interim report on</u> Storm Arwen review

The UK government has today (17 February) published an interim report as part of its <u>review into the industry response to Storm Arwen</u>.

The review was launched last year by the Business and Energy Secretary Kwasi Kwarteng in the wake of one of the worst storms in decades, with Storm Arwen bringing significant and widespread severe weather to the UK and leaving just under 1 million households experiencing power cuts, 59,101 of whom were without power for over 48 hours and 3,032 for a week or more.

Today's Interim Report has identified early key findings and initial recommendations based on preliminary evidence including that call wait times for customers to speak to network operators were too high, and that some households, especially in rural areas, experienced unacceptably long power cuts.

Nearly 90% of those affected received compensation payments by 24 January, following the Business and Energy Secretary writing to network providers to ensure this was paid as soon as possible — with the timeliness of payments a key focus of the review.

As the government made clear at the time, it was completely unacceptable that thousands of homes were left without power for so long, which is why a specific review into how network operators responded to Storm Arwen was launched to identify lessons and recommendations for the management of future power disruption events.

Some of the key initial findings in the Interim Report include:

- recognising that wait times for some customers to contact their network operator were unacceptably high, and recommending that more needs to be done to manage both the method and content of customer communications effectively during severe events to allow customers to make informed decisions about their welfare
- identifying the unusual northerly wind as putting the network at more risk, recommending Network Operators and partners should better account for wind direction as well as speed and duration in their escalation thresholds
- acknowledging there were unacceptably long power cuts to some households, especially those in rural areas, and recommending enhancing strategies to reduce the length of time customers remain off supply following severe and widespread power disruption
- recommending that new processes should be established to ensure payment of compensation to affected customers occurs without delay

The review is in addition to the <u>industry regulator Ofgem's</u> which is looking at how each individual network operator performed against the legal standards

they are required to, such as whether network operators made sufficient investments in infrastructure in areas that experienced faults. Where operators did not meet these standards, Ofgem will consider if appropriate enforcement action needs to be taken against them.

Ofgem can impose financial penalties of up to 10% of a licensee's turnover, make consumer redress orders and issue provisional/final orders, where appropriate, for breaches of relevant conditions and requirements under the Gas Act 1986 and the Electricity Act 1989.

A final report, detailing specific actions and delivery plans for their implementation, is due around the end of March 2022, when Ofgem will also publish findings from their review into the handling of the storm. In the meantime, the review will continue to work on the issues that have been identified, in order to learn lessons and develop recommendations for the prevention and management of storms.