



Thames Water's Response to Ofwat's Request for Information – Review of Freeze/Thaw incident:  
Further questions to B2

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# **Thames Water's Response to Ofwat's Request for Information – Review of Freeze/Thaw Incidents**

**Further questions to B2**

**10 May 2018**



## Our response

Our original response to B2.2 focussed on the role our Executive took in preparing for severe weather events. Our responses to other questions in the original request for information covered the role our Board and Executive took during the event. Building on those answers in response to the email on 3 May 2018, this note provides further detail on how the Executive Committee and Board:

- a) Were involved in any planning or preparation, or approved any planning and preparation, for exceptional winter weather events.
- b) Were notified of each applicable weather status update (amber alert, red alert) and the earliest point at which this occurred.
- c) Were involved in any planning or preparation in advance of the freeze and thaw event, following the amber or red alert notification.
- d) Had the freeze and thaw event escalated to them, such that they were aware of the full scale and severity of the event.

### **a) Planning and preparation for exceptional weather events**

We explained in our response to B2 that our Executive was involved in the preparation and testing of our winter event plans. This included:

- the relevant Executive for each area overseeing the development of our winter event plans;
- the Managing Director of Wastewater, who is a member of the Executive Committee, reviewing the winter event plans and our business readiness; and
- the Managing Director of Wastewater leading the testing of our winter event plans in December 2017.

In particular, the testing of the winter event plans was vital to ensuring we had robust procedures in place to manage a major event. While this exercise focussed on the wastewater side of our business, it included representatives from across the business including our Logistics Management Centre, Customer Field Services, Internal Communications, Business Resilience and Security, Health Safety and Wellbeing. The exercise tested a range of procedures and responses such as our:

- health and safety procedures (both generic and specific to the activities being carried out);
- event management procedures;
- winter event plans; and
- flood barrier deployment procedure.

### **b) Notification of each applicable weather status update and the earliest point at which this occurred.**

Together, our responses to questions A1 and C1 explained how we escalated the management of the event in line with the worsening weather warnings, and the frequency of reporting to our



Executive before and during the event. Table 1 below provides further information and sets out when we notified the Executive of the weather warnings.

**Table 1: Notification of weather warnings**

Date	Weather warning			Notification
	Weather warning	Likelihood	Impact	
22/02/2018	Yellow Warning: (snow)	Very Low	Medium	Internal communication on Thursday 22 February at 13:59 to CEO and Executive Committee
26/02/2018	Yellow Warning: (snow)	Very Low	Medium	Internal communication on Monday 26 February at 18:48 to CEO and Executive Committee
27/02/2018	Amber Warning: (snow)	Medium	Medium	Internal communication on Tuesday 27 February at 11:12 to CEO and Executive Committee
28/02/2018	Yellow Warning: (snow)	Low	Medium	Internal communication on Wednesday 28 February at 12:50 to CEO and Executive Committee
01/03/2018	Amber Warning: (snow & wind)	Medium	High	Internal communication on Thursday 1 March at 11:33 and 19:09 to CEO and Executive Committee
02/03/2018	Amber Warning: (snow & wind)	Medium	High	Internal communication on Friday 2 March at 11:52 to CEO and Executive Committee
03/03/2018	Yellow Warning: (Ice)	Medium	Low	Internal communication on Friday 2 March at 11.52 and 16.29 to CEO and Executive Committee
04/03/2018	Yellow Warning: (Ice)	Medium	Low	From the 4 March 2018 this was reviewed as part of the daily level 3 and 4 event strategy (as per the previous table).



**c) Involvement in planning/preparation in advance of the freeze and thaw event, following the amber or red alert notification**

Table 1 above explains when the Executive were notified of the changing weather forecasts. The updates provided included updates on weather forecasts, our event management approach, and our progress implementing winter event plans.

Additionally, our response to question B1 explained that as weather forecasts became more severe, we escalated the management of the weather winter event, initiating daily event calls from 26 February 2016 to assess and manage risk to operations and implement weather event plans to manage the risk.

Specifically during the period following the weather warnings and prior to the arrival of the severe weather period, the Event Controller provided daily updates to the Managing Director of Wastewater who provided guidance on the management of the event and on water and wastewater activities. The Managing Director of Wastewater also provided direct guidance to the manager leading the delivery of our water network’s winter plans.

**d) Escalation of event to Executives so that they were aware of the full scale and severity of the event**

Our responses to questions A1 and C1-3 explain our established processes for responding to issues during severe weather, including how events are escalated as the scale and severity increases. In particular, Tables 1 and 5 in our answers to those questions explain:

- how the event level was escalated in response to the worsening weather forecasts; and
- how the event management was escalated to senior management and executive directors as the scale and severity of the event increased.

This information is summarised below in Table 2.

**Table 2: A timeline of our event management and escalation to the Executive**

Date	Level of event	Event level definition	Reason for escalation	Event Controller	Reporting to Executive Committee
19/10/2017 – 22/02/2018	Level 1	An operational occurrence or minor localised business disruption (managed locally)	N/A	Head of System Operations	Weekly status updates
22/02/2018 – 26/02/2018	Level 2	An event that is localised / limited in scope and contained (managed by a middle manager)	Yellow weather warnings and weather forecasts from Met Office suggested low likelihood of medium impacts in our area.	Head of System Operations	Weekly status updates



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26/02/2018 – 03/03/2018	Level 3	An unstable, severe or uncontained event (managed by senior manager)	Weather forecasts suggested an increasing likelihood of severe weather in our area.	Senior Manager – Head of Waste Water Control	Daily reporting
03/03/2018 – 12/03/2018 <sup>1</sup>	Level 4	Emergency / Critical business disruption (managed by an executive director)	Water demand increased beyond our predictions, combined with a significant spike in customers experiencing supply interruptions.	MD of Wastewater and MD of Water	Daily reporting

Table 2 shows that from the beginning of the Level 1 event on 19 October 2017, the Executive received weekly status updates, which increased to daily reporting as the event increased to a Level 3 event. During this period Executive members provided advice and guidance on our response. Our CEO also received regular verbal updates. Once the event was escalated to a Level 4 event, an Executive Director provided took direct ownership and control.

In terms of providing updates to our Board during the peak period of the event, we first notified them at 10am on 4 March 2018 that the winter weather event had escalated to a significant operational event in London and that we estimated approximately 20,000 customers were affected. We provided further updates to our Board at 8pm on 4 March 2018 and 4pm on 5 March 2018 explaining the status of the event, our estimate of the number of customers affected, our progress restoring supply to customers and the arrangements in place to provide alternative water supplies to customers.

Towards the end of the event, on 9 March 2018, we updated our Board members and investors on the event, confirming the vast majority of customers were back in supply and explained the few exceptions where that was not the case. In that update, we also explained our approach to compensating customers.

On 26 March 2018, we provided Board members with an update on the interruptions to London's water supplies as a result of the freeze and subsequent thaw at the start of March; summarises the key questions raised by the media and stakeholders; and explained our position and key messages.

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<sup>1</sup> We reduced the level of the event from 12 March 2018 as we recovered control of the issues caused by the severe weather.