



Data Privacy Statement

Customer Load Active System Services
(CLASS) Project



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EXECUTIVE SUMMARY

The Customer Load Active System Services (CLASS) project is funded via Ofgem's Low Carbon Networks (LCN) second tier funding mechanism. Electricity North West received formal notification of selection for funding on 21 December 2012. The project is due for completion by 30 September 2015.

CLASS will demonstrate a low cost, rapidly deployable solution that applies innovative and active voltage management to provide a range of demand response capabilities and network voltage regulation services. By aligning demand to existing network capacity through voltage control, CLASS has the potential to minimise the need for costly asset-based interventions and make a positive contribution to a low carbon future.

To enable robust analysis to be undertaken on the impacts and viability of the CLASS concept, a range of data will be collected during the life of the project. The majority of data collected for CLASS will be technical in nature and will be collected at network level.

Some personal data will be collected as part of the customer surveys that will be undertaken to assess whether customers observe any changes in the quality of their electricity supply as a result of the CLASS trials. This Data Privacy Statement describes how this personal data will be managed, and summarises the steps that will be taken to comply with the Data Protection Act 1998.

The key highlights from the CLASS Data Privacy Statement are outlined below.

- Electricity North West has a robust data protection policy that integrates a 'privacy by design' approach as advocated by the Information Commissioner's Office (ICO). This policy outlines the standards and procedures for the processing and protection of personal data contained within manual files and on computerised systems, in order to comply with the Data Protection Act 1998. All personal data collected or used in the CLASS project will be managed in accordance with this policy.
- Some personal data (names and addresses of customers) which is already held by Electricity North West will be used to identify and recruit customers for the surveys and to disseminate information about CLASS. All such data held by Electricity North West is stored in a secure, confidential and appropriate manner.
- Impact Research, one of the CLASS partners, will use this data to recruit customers to participate in the CLASS surveys. In doing so, Impact Research will comply with all requirements of Electricity North West's data protection policy, as described above.
- The results from the analysis of customer survey responses will be shown in an aggregate manner, eg by customer segments. Therefore, in reporting the survey results, no personal data will be put in the public domain.
- As part of the surveys, customers will be informed of the scope and benefits of the project, and will be informed that survey results will only be shown in an aggregate manner. Consent for use of customers' personal data will be obtained as part of the survey process.
- Electricity North West maintains a priority services register (PSR) of vulnerable customers or those who may be reliant on electricity for medical reasons. This is classified as 'sensitive data' by Electricity North West, and is subject to an even higher level of security and access rights requirements.
- The CLASS trials are not expected to have any adverse impacts on PSR customers. However, PSR customers in the trial area will be provided with contact details of the project team, who will be contactable via the Electricity North West customer contact centre (tel: 0800 195 4141), an SMS/text messaging facility, a dedicated project email address and a postal address for written correspondence.

1 THE CLASS PROJECT

1.1 Background and context

Current trends towards a significant increase in electricity demand driven by greater levels of low carbon technologies (LCTs), combined with an increased uptake of renewable and low carbon energy generation, will present new challenges to operators of electricity networks in Great Britain (GB). In particular, these trends have the potential to necessitate expensive capital investments. In addition to being costly, these capital investments would also be carbon-intensive and would cause considerable traffic disruptions etc.

To minimise financial costs – which will inevitably be passed to customers – as well as disruption and carbon emissions, innovative approaches to managing electricity networks are required.

Electricity North West is leading a number of innovative projects including the Customer Load Active System Services (CLASS) project, which will demonstrate a low cost, rapidly deployable solution that applies innovative and active voltage management to provide a range of demand response capabilities and network voltage regulation services. By aligning demand to existing network capacity through voltage control, CLASS has the potential to minimise the need for costly asset-based interventions and make a positive contribution to a low carbon future.

CLASS is funded via Ofgem's Low Carbon Networks (LCN) second tier funding mechanism. The project is being undertaken by Electricity North West in partnership with key industrial and academic partners, namely General Electric (GE), Siemens, Parsons Brinkerhoff, Impact Research, Chiltern Power and the University of Manchester. Formal notification of selection for funding was received from Ofgem on 21 December 2012. The project is due for completion by 30 September 2015.

Some of the challenges that operators of electricity networks are facing – and will increasingly face if current trends in demand continue – and which CLASS is seeking to address, are outlined below.

1.2 High peak demands

Demand for electricity is not constant. Demand tends to be greatest during specific seasons, ie winter; and during particular times of the day, eg early evenings.

Although these periods of 'high peak demand' are temporary and seasonal, networks traditionally must be built with enough capacity to accommodate them. In some cases therefore, this could result in costly investments being made to increase capacity to accommodate high demand peaks that only occur a few times a year. The expected doubling in electricity demand by 2050 driven by customer adoption of LCTs, has the potential to increase these peak demands and therefore necessitate significant investment in network capacity.

Cost-effective tools that could enable distribution network operators (DNOs) to accommodate short-term, high peak demand, without expensive asset-based interventions, would therefore provide significant benefits. Not only could such tools achieve cost-savings for customers, they could also give DNOs time to fully investigate any new patterns of peak demand and only invest where absolutely necessary.

CLASS is seeking to exploit the natural relationship between voltage and demand to manage high peak demand. The ability to actively manage peak demand through voltage control, in a way that does not adversely affect customer perceptions of their electricity supply, could provide DNOs with a useful tool for accommodating increasing demand and avoiding or deferring costly network reinforcement; thus realising cost savings for customers.

1.3 Frequency response to support system balancing

As electricity cannot be stored, instantaneous generation must match the demand that is being taken from the system at any given point in time. If the instantaneous demand is higher than generation, system frequency will fall. Conversely if demand is lower than generation then frequency will rise.

In addition to owning the electricity transmission network, National Grid is also the national electricity transmission system operator (NETSO) for GB. In its role as NETSO, National Grid has a licence obligation to maintain frequency within the limits specified in the electricity supply regulations, ie $\pm 1\%$ of 50 Hz.

In the period to 2050, the generation mix in GB is expected to change significantly, with increased amounts of low inertia intermittent generation connected to the system along with large nuclear generating units that will increase the largest secured generation loss from 1320 MW to 1800 MW. The increasing proportion of intermittent renewable energy sources in the GB generation mix will increase the need for so-called 'frequency balancing services' used by the NETSO to maintain system stability and to ensure that frequency remains within statutory limits.

The traditional approach for ensuring a ready source of frequency balancing has been by maintaining a number of power stations connected to the grid ready to produce power when required. These so called 'spinning reserves' are effective but are expensive and very carbon intensive.

CLASS will demonstrate the application of a number of voltage control measures that will enable rapid and significant reductions in demand, thus providing the NETSO with a flexible and cost-effective tool for frequency response and achieving their balancing requirements. By providing the NETSO with a fast-acting and flexible demand management capability for frequency balancing, CLASS has the potential to contribute to both reductions in costs to customers as well as carbon emissions.

1.4 High network voltages

A key challenge for network operators is managing the unacceptably high voltages that can occur on distribution and transmission networks during periods when high renewable generation output coincides with low local demand. The operation of primary transformers in a staggered tap configuration has the potential to provide a highly flexible and cost-effective means of absorbing reactive power within a network, thus controlling these dangerous over-voltages.

CLASS will demonstrate the viability of the tap staggering technique for provision of reactive power services (ie voltage regulation) to the NETSO and the DNO. The aim is to demonstrate that a reactive power absorption service can be provided, quantify the effect on the distribution network and the aggregate effect on the transmission network.

1.5 The role of data in CLASS

To enable robust analysis to be undertaken on the effects and viability of the CLASS concept, a range of data will be collected during the life of the project.

The majority of the data collected will be technical in nature and assessed at a network level, eg percentage voltage reduction achieved at a primary substation.

The nature of the CLASS technique and the project methodology means that there will be only minimal use and need for personal data.

The types of data that are relevant to CLASS are described in greater detail in the subsequent sections.

2 DATA BEING COLLECTED FOR THE CLASS PROJECT

What is 'personal data'?

The following definitions are taken from the Data Protection Act 1998.

'Personal data' is defined as any information which is capable of being used to identify a living individual.

In addition to name, address and contact details, this could include individual preferences, transactional history, record of activities or travel, profiles or credit scores.

'Sensitive personal data' is defined as any personal data that relates to any of the following: racial or ethnic origin, political opinions, religious or other similar beliefs, trade union membership, physical or mental health, sexual life, criminal convictions or proceedings.

What personal data is Electricity North West processing for CLASS?

Electricity North West holds relevant personal data about its customers such as names and addresses and details on connection, equipment and consumption. The company also maintains a priority services register (PSR) of elderly and vulnerable customers. In the majority of cases, only data that is relevant to the customer's electricity supply is held. The only sensitive personal data held is in relation to customers who are registered as reliant on electricity for a medical need. (Electricity North West is registered on the ICO data protection public register ref Z5419068.)

The activities that will be undertaken during the CLASS project that may involve measurement and/or data collection are outlined below:

- **Customer surveys:** A number of surveys will be undertaken to assess whether customers observe any changes to their electricity supply. To enable this, personal data (addresses and contact details) will be passed to project partner Impact Research in order that they can conduct customer surveys prior to, during and following, the CLASS trials. During the actual surveys no further personal data will be collected. The surveys will seek to assess customer perceptions of events, eg "Did you notice any flicker on a given date?", rather than seeking to get any information from them.
- **PSR customers:** The trial will identify PSR customers connected to trial circuits in order to inform them of any impact the trial may have on them. No sensitive personal data will be passed to organisations outside of Electricity North West. The following personal information will be extracted from Electricity North West's existing customer database and used for the purposes of general customer communication. This is consistent with the purpose for which it was provided.
 - Names, addresses and PSR status of customers connected to selected substations
 - Names and addresses and PSR status of customers connected to selected feeders.

A list of data items being processed in connection with the CLASS project is detailed in Appendix A.

- **Measurement of voltage decrement/increment:** At primary substations there is a need to measure what effect the operation of tap changers has on the primary busbar voltage. Additionally there is a need to record the voltage response following either a trip of one transformer or a tap change. It is proposed to replace the existing MW and MVA_r transducers and replace them with a modern equivalent which provides greater accuracy. The data of interest in this process is the extent of the voltage

reduction/increase realised (in volts and percentages). No personal data is collected, used, shared or in any way relevant to this process.

- **Measurement of asset health:** The project will also assess whether the CLASS approaches of tapping, staggering and switching out transformers have any impact on the health of the assets. This activity will be concerned with the general physical and operational well-being of the transformer and substation assets. No personal data will be used, shared or collected.
- At 132kV there will be a need to measure the power provided/consumed to the NETSO ie what variation in demand or VAR absorption is actually observed. There is currently central volume allocation (CVA) metering installed at strategic 132kV sites. These units are owned by National Grid, but it is expected that CLASS will be able to gain access to some of the relevant data from them for the purposes of this project. This contains no personal data.
- At distribution level it is necessary to install voltage monitoring equipment at remote ends on specific feeders in order to quantify the extent of any changes in the power quality provided to the end customer. This contains no personal data.

3 HOW PERSONAL DATA WILL BE USED IN CLASS

The project will use names and addresses and PSR status of customers from the existing customer contact database to write to them to explain the scope and impact of the CLASS project.

The customer's location will be provided by reference to a substation name and number, low voltage feeder reference, meter point administration number (MPAN) and premise address.

Electricity North West will not pass customer names and addresses to third parties, other than those partners who have a specific need for this information as part of the project and only where we have consent of each customer to process their personal data in this manner.

At the end of the project and as part of disseminating the learning and outcomes, aggregated data and the results of the project will be shared with interested parties such as other DNOs and academic institutions. Any data shared with interested parties or published for general readership will not contain any personal data. No personal data will be provided to any third parties for any marketing activity. Electricity North West will not use this project or any information collected in connection with the project to market any products or services to customers. Customers may be contacted about any supply quality problems that are identified.

4 OBTAINING CONSENT FOR THE USE OF PERSONAL DATA

Participation of customers will be via agreement to take part in the customer surveys. Customers who agree to participate will be fully informed by the market research provider (Impact Research) about how their data will be used before signing up. By doing so they will agree to their information being used.

Impact Research will also inform customers that their personal data will not be included or shown (in a disaggregated manner) in any customer trial analysis.

5 INFORMATION PROVIDED TO THE CUSTOMER PRIOR TO CONSENT BEING SOUGHT

The trial process will identify customers connected to trial circuits in order to make them aware of the scope of the CLASS trial, inform them of any impact the trial may have on them and ask if they wish to participate in the customer survey. Customers who agree to participate in the surveys will be fully informed about how their data will be used prior to signing up.

6 PRIORITY SERVICES REGISTER CUSTOMERS

The trial process will identify PSR customers connected to trial circuits so they can be made aware of the scope of the trial and informed of any impact the trial may have on them. No sensitive personal data will be passed to organisations outside Electricity North West.

7 OWNERSHIP OF PERSONAL DATA

Personal data collected by or on behalf of Electricity North West will be owned by the individual to whom it relates and held by Electricity North West.

Personal data provided by third parties will be owned by the individual to whom it relates and held by third parties and Electricity North West.

8 RETAINING PERSONAL DATA

Electricity North West will retain its existing database of customers' names, contact details and PSR status, as this is held for normal business purposes to provide services to customers. Data is stored in a secure, confidential and appropriate manner. It will only be retained while relevant and only disclosed to third parties where appropriate or with explicit consent.

More detailed information on the storage and retention of data is outlined in Appendix B.

Electricity North West will not retain any other personal data collected during the project, beyond the life of the project.

Only anonymised technical data will be retained. This will not contain any personal data.

Impact Research will collect data from various customer groups through a number of qualitative and quantitative customer surveys. This data will be used to undertake ongoing analysis to assess participants' and non-participants' perceptions of any impact of the CLASS trials. Customers who participate in any customer engagement with Impact Research will be fully informed of how their data will be used when they sign up. All data will be stored in a secure, confidential and appropriate manner and will be accessible only to the CLASS project team for the duration of the project. All data relating to the project will be retained until completion of the project when it will be destroyed or anonymised.

9 MANAGING PERSONAL DATA BASED ON THE PRIVACY BY DESIGN APPROACH

Electricity North West will continue to manage its existing database of customers' names, contact details and PSR status in accordance with the ICO data protection public register.

Electricity North West's IT systems are very secure. Data is managed according to its IT security policies. The policies are reviewed annually and reissued to all users to remind them of their responsibilities.

Data monitors left installed at substations after the trial may continue to provide voltage monitoring data to Electricity North West as these may be required to facilitate the development of a smart grid. This equipment does not collect personal data. The data provided to any other third party for analysis will not contain any personal data unless there is a specific need for this information as part of the project. This data privacy strategy has been developed following the guidance issued by the information commissioner.

This project complies with Electricity North West's existing data protection policy which is based on the Data Protection Act. This is based on Data Protection Act's 8 Principles of Information Handling. Electricity North West is registered with the UK ICO for the use of personal customer data.

The CLASS project has taken account of the principles of Privacy by Design and the Data Protection Act as follows.

- The potential impact of the project on the privacy of individuals has been assessed to ensure that data privacy is integral to the design of the CLASS methodology and to minimise the risks to privacy as a result of processing personal data. One of the main objectives has been to minimise the requirement to collect, process or show personal data in connection with the project.
- Personal data about individuals involved in the project will be processed in accordance with existing systems and business practices.
- The project will respect the interests of customers by providing appropriate information about required data as part of the project, with whom the data will be shared and for what purpose it will be used.
- The project approach recognises the need for privacy of customers' data as well as the need to develop the technologies and processes required for future smart grids.
- When data collected is shared in connection with the project with partner organisations, it will only contain customer names, addresses and data that is specifically required for the execution of their project roles. Data will be shared by secure means. Its use, retention security and confidentiality will be restricted in written contracts.
- Any personal data collected during the project will be securely retained or destroyed. Electricity North West has appropriate security and organisational procedures in place, which will ensure the robustness of data collection and storage systems.
- Personal data will not be passed to third parties for marketing purposes.

APPENDIX A – Data being processed for CLASS

Data item	Source of data	Is this personal data?	What is the purpose of processing this personal data	Is this being passed to a third party outside Electricity North West?
MPAN (meter point administration number)	Electricity North West customer database or provided by third parties	No	n/a	Yes (to market research partner – Impact Research)
Supplier name	Electricity North West customer database or provided by third parties	No	n/a	Yes (to market research partner – Impact Research)
Customer name	Electricity North West customer database or provided by third parties	Yes	Customer communications and engagement	Yes, to Impact Research, customer engagement provider
Customer address	Electricity North West Customer database or provided by third parties	Yes	Customer communications and engagement	Yes, to Impact Research, customer engagement provider
Customer location - transformer name and number, LV feeder reference and distance from feeder end	Electricity North West geographical information system	No	n/a	Yes to Impact Research, customer engagement provider
PSR status	Electricity North West customer database or provided by third parties	Yes	Customer communication	No
Voltage at substation	Equipment at Electricity North West Substation	No	n/a	Yes
Voltage at points on the network	Equipment installed on Electricity North West network	No	n/a	Yes

APPENDIX B – Electricity North West’s Data Protection Policy

- 1. Purpose**
- 2. Scope**
- 3. Policy statement**
- 4. Definition of data**
- 5. Complying with data protection principles**
- 6. Disclosure and processing of personal Information**
- 7. Responsibility**
- 8. List of associated documents**

Purpose

The intention of this policy is to define the responsibilities of both you and the company in adhering to legislation regarding data protection and to offer reassurances to you regarding the secure processing of your own and other individuals’ personal data.

The policy outlines the standards and procedures for the processing and protection of personal data contained within manual files and on computerised systems, in order to comply with the Data Protection Act 1998. The Act regulates the use of personal data and gives effect in UK law to the European Directive on Data Protection. Failure to comply can ultimately lead to a criminal offence being committed, a fine to us and consequential damage to our reputation.

We hold two main types of personal data:

- relating to workers and potential workers
- relating to customers

Scope

All computerised and manual records concerning current, former, permanent and temporary employees of Electricity North West and its associated businesses, and customers and the general public. In terms of recruitment and selection it also applies to all successful and unsuccessful applicants.

Policy statement

We will process personal data in a manner that complies with the principles of good practice in the Data Protection Act.

Data will be stored in a secure, confidential and appropriate manner. It will only be retained while relevant and will only be disclosed to third parties where appropriate or with explicit consent.

All information held within our computer systems are subject to the information technology security policies. Copies of these policies are available from the Volt.

Failure to process personal data appropriately could result in disciplinary action and in some cases criminal prosecution if information is inappropriately processed or used in a manner for which it was not intended.

Definition of data

The 1998 Act defines **data** as: information which is processed automatically, recorded for this purpose, recorded as part of a relevant filing system and / or forming part of an accessible record. The definition includes both computer and structured paper files. Data is categorised as:

- **Personal data:** Relates to a living person who can be identified from that data and includes any expression of opinion or intention in respect of an individual. Personal data can include: name, date of birth, salary, next of kin details, address and telephone numbers, personnel and development information, health information, bank account details and can be found in a variety of documents or records, for example e-mails regarding an individual and notes regarding an individual. This also includes customer call notes if they relate to an identifiable individual.
- **Sensitive data:** Is personal data relating to race and ethnic origin, political or religious belief, trades union membership, physical or mental health, sexual orientation, criminal offences or sentences. This also includes priority services register (PSR) customers where the customer is reliant on electricity for a medical need.
- **Data subject:** The individual of which data is being disclosed or held.

Complying with data protection principles

Everyone who processes personal data (meaning the obtaining, holding, accessing, viewing, recording or carrying out any activity such as amending, altering or deleting) must ensure that they comply with the eight principles set out in the Act as part of their job.

Personal data:

- Must be processed fairly and lawfully and not processed unless certain conditions are met
- Should be obtained for specified and lawful purposes only and not used in any way which is incompatible with those purposes
- Should be adequate, relevant and not excessive in relation to the purpose
- Should be accurate and kept up to date
- Shall not be kept for longer than is necessary for the specified purpose
- Shall be processed in accordance with your rights
- Shall be held in a secure manner to prevent unauthorised processing, loss, destruction of or damage to the data
- Shall not be transferred to certain non-EU countries unless suitable protection for your rights is ensured.

Disclosure and processing of personal information

Before any **personal data** can be processed at least one of the conditions set out in the act must be met. These include:

- Consent has been given to the processing
- The processing is necessary for the performance or setting up of a contract or other contract to which the data subject is party
- Processing is necessary for non-contractual legal obligations (e.g. Health and Safety)
- Processing is necessary to protect the data subjects vital interests
- Processing is necessary for the administration of justice or functions of a public nature

- Processing is necessary for the user's or recipient's legitimate interests and there is no unwarranted prejudice to the individual.

In addition at least one of the following further set of conditions must be met before processing **sensitive personal data**. These include:

- Explicit consent has been given to the processing
- Processing is for legal requirements or rights in connection with employment
- Processing is necessary to protect the data subject's or another person's vital interests
- Processing is necessary in connection with legal advice or proceedings
- processing is necessary for administration of justice or exercise of crown functions
- processing is necessary for medical purposes and is undertaken by a health professional.

Responsibility

Under the Act any data subject has certain rights. Subject to making a formal request in writing, these include:

- the right to be told of data held relating to them
- the right to receive a copy of that data
- the right to seek correction of any incorrect data.

Once requested in writing and the data subject's identity has been verified the company has a legal obligation to respond to the request with 40 calendar days, although where possible we endeavour to respond within 10 working days. Whilst we are eligible to levy a £10 administration charge for the completion of this process, in normal circumstances such a charge will not be made.

The data compliance procedures for the disclosing and processing of personal information are available from HR.

We are committed to fulfilling our obligations in respect of the Data Protection Act 1998 and ensuring that it, and any third parties with access to personal data (eg recruitment agencies), have processes, which are compliant with the legislation.

It is the duty of all of us to conform to our policy and procedures and to accept and carry out our responsibilities in accordance with the Data Protection Act 1998. Failure to do so could amount to gross misconduct and lead to disciplinary action. You are required to familiarise yourself with the requirements under the Act.

Personal data must be treated with due care and respect of the person it concerns. Unnecessary data must not be collected or held any data for longer than is absolutely necessary. Any data held should be accurate and up to date.

All those persons referred to within the scope of this policy are required to adhere to its terms and conditions.

Individual managers are responsible for ensuring that this policy is applied within their own area. Any queries on the application or interpretation of this policy may be discussed with HR prior to any action being taken.

The HR department has the responsibility for ensuring the maintenance, regular review and updating of this policy. The HR director will approve amendments to the policy.

List of associated documents

This policy is underpinned by and linked to other HR and IS policies including:

- Discipline policy
- Information technology security policies including e-mail and internet policies
- Employee monitoring.