

Stakeholder Engagement Activities and Outcomes

Ofgem Stakeholder Engagement and
Consumer Vulnerability Incentive 2017/18



Contents

Electricity North West Limited is the electricity distributor for the North West of England. We own, invest in, operate and maintain the network of poles, wires, transformers and cables which carry electricity from the national grid to 2.4 million premises and five million customers.

We are proud of the essential role we play for our customers and the investment we make locally and nationally to meet our stakeholders' and customers' needs.

This document is the Electricity North West Part Two submission to Ofgem's Stakeholder Engagement and Consumer Vulnerability (SECV) Incentive for the regulatory year 2017/18.

The SECV incentive is an annual scheme that encourages network companies to engage proactively with stakeholders in order to understand and deliver services which reflect these needs. The submission is divided into three parts:

Part 1 : Stakeholder Engagement and Consumer Vulnerability Strategies

Part 2 : Stakeholder Engagement Activities and Outcomes

Part 3 : Consumer Vulnerability Activities and Outcomes

CEO Welcome	1
Our Stakeholder Engagement Strategy	1
Strategic objective 1 - Business objective: Sustainability	2-3
Strategic objective 2 - Business objective: Reliability	4-5
Strategic objective 3 - Business objective: Affordability	6-7
Strategic objective 4 - Business objective: Customer Service	8-9
Case study - Defining our role in a changing landscape (DSO transition)	10

Embedding stakeholder engagement

The UK is entering a period of major change in the way electricity is generated, stored, transported, traded and consumed. Our conversations with stakeholders in 2017/18 focused not only on how we can continue to deliver an affordable, high quality service but how we can adapt our business to best serve our customers in the future.

Our engagement continues to be aligned to our business plan objectives and working with our stakeholders, we've identified key outcomes to address their concerns and challenges, demonstrating how such engagement is embedded within our business.

We can now measure the value of the investment we make in stakeholder engagement and have included metrics to express the benefits of the activity we've undertaken as a result.

We've continued to enhance and develop our approach and this document captures the progress we have made. We're excited about the opportunities and challenges that lie ahead and are grateful for the collaborative approach adopted by our stakeholders. Together we'll ensure our decisions continue to reflect the priorities of the region we serve.



Peter Emery
Chief Executive Officer

Key metrics

Over **£740k** invested in stakeholder engagement

Nearly **900** stakeholder interactions

£75m investment to develop DSO

64% customer awareness

£6.2m invested in flood defences

Our Stakeholder Engagement Strategy

Our Stakeholder Engagement Strategy in action

Strategic Stakeholder Advisory Panel

Chair - Peter Emery, Chief Executive Officer

Affordability Advisory Panel

Chair

David Brocksom
Chief Finance Officer

Vulnerable Customer Advisory Panel

Chair

Stephanie Trubshaw
Customer Director

Reliability Advisory Panel

Chair

Mark Williamson
South Operations Director

Sustainability Advisory Panel

Chair

Steve Cox
Engineering and Technical Director

Membership organisations

Energy Saving Trust, Citizens Advice, University of Lancaster, More Renewables, NEA, University of Salford, UK Power Solutions, Association for the Conservation of Energy, CEB, Turner and Townsend

Greater Manchester Combined Authority, Rural England, United Utilities, British Red Cross, Citizens Advice

EA Technology, Environment Agency, AB Energy, University of Manchester, National Farmers Union, Enterprise Inns, Manchester City Council, Lucy Electric, Federation of Small Businesses'

Carbon Co-op, Salford City Council, Greater Manchester Community Renewables, Lucy Electric, Kelvatek

Issues discussed 2017/18

Fuel poverty, energy efficiency, current pricing, Value of Lost Load, creation of referral networks

Data sharing, fuel poverty, Value of Lost Load, creation of referral networks, improving understanding of the social issue

Reliability vs resilience, how do we support SME's, future of resilience, Value of Lost Load

Distribution System Operator, community and local energy, energy efficiency, carbon emissions, smart meters, Value of Lost Load

Business objective: Sustainability

We're moving rapidly towards a decarbonised electricity market, with green energy generators of all shapes and sizes connecting to our network.

These essential changes will help meet 2050 carbon reduction targets and keep bills affordable against rising electricity demand.

The transition has major implications for our role and we're working closely with stakeholders to evolve our business and meet future needs.

Working with our stakeholders to agree priorities

Extensive stakeholder consultation regarding sustainability included:

- Consultation and strategy development around community and local energy including the creation of a specific advocacy role as part of our management team.
- Three meetings with Sustainability Advisory Panel to brainstorm key issues with emphasis on transforming to a low carbon future.
- Co-hosted a stakeholder event with Carbon Co-op on a future decentralised energy landscape (DSO Conference).
- Participation in the first Mayor of Greater Manchester's Green Summit and pre-summit engagement events.
- Extensive consultation with customers and partners on the benefits of low carbon innovation projects.

Modernising our PV solar connections service

The predicted increase in local, green energy generation requires a streamlined connections service. At our Distribution System Operator (DSO) conference stakeholders told us they want to see the removal of red tape and access to improved local data, so they can choose where, when and how to connect to our network.

We streamlined our process for connecting PV solar systems to our low voltage network with a speedier 'threshold' based approach. In 2017/18, 580 PV solar systems were connected.

Forging links with community and local energy organisations

The North West currently has around 20 community energy groups, generating enough green electricity to power 3,000 homes every year. We expect the number of groups to grow exponentially in the coming decade, and for them to play a pivotal role in the transition to a low carbon network.

To ensure we meet their needs and best understand the opportunity this presents, we appointed a dedicated Community Energy Manager to engage with community energy organisations in the region to identify their priorities and understand what they need from Electricity North West in the future.

We have subsequently undertaken an extensive consultation programme to develop our Community and Local Energy Strategy.

Feedback from the dedicated events and our call for evidence has helped us in the production of our new Community and Local Energy Strategy which will be published in May 2018.



Meeting future demand with Greater Manchester

By building a low carbon economy in Greater Manchester, we will put ourselves in a strong position to attract more jobs and investment.

Andy Burnham, Mayor of Greater Manchester

Greater Manchester Combined Authority (GMCA) is preparing for major changes in consumer behaviour over the next decade, including the uptake of low carbon technologies such as electric vehicles (EV) and heat pumps. Our collaboration will ensure that our infrastructure and services guide and keep pace with this transformation.

Key activity includes:

GMCA collaboration:

We're working with GMCA on an integrated transport plan, including provision for electric vehicles in the city centre. We also sit on cross-industry advisory groups such as the GMCA Infrastructure Advisory Group and Energy Group to provide a vital perspective on major changes the city is undergoing.



A greener city:

The Mayor of Greater Manchester has signaled his intention to make the city among the greenest in Europe - focused around a landmark Green Summit in spring 2018. We were event partners in recognition of the vital role we will play in this transformation.

21 March 2018



Our Green Summit Pledge

We will ensure that Greater Manchester's power network keeps ahead of the region's needs as we all use more electricity to lower our carbon emissions.

We will do this by:



Building a smarter network

The challenge is to connect disparate generation sources and to do this requires flexibility and intelligence within the network.

Feedback from December 2017 stakeholder event

We have ongoing stakeholder engagement to understand how we develop a network which can meet future demand and is 'open for business' for energy generators of all shapes and sizes, and achieving this while keeping bills affordable.

To maintain momentum and meet these emerging needs, we've invested £40m in smart network projects. This is achieved through utilising current assets in more effective, smart and efficient ways to save the significant cost of rebuilding the network, including managing network voltage and fault levels, together with making connections flexible.

Many of these initiatives have been supported with Network Innovation Competition and Low Carbon Network Funding. Key to the success of such projects is up-front engagement and best-practice dissemination.

C2C

£10 million project combines proven technology and new commercial contracts to release network capacity

Technical innovation



New commercial contracts



CLASS - Customer Load Active System Services

£9 million project seeks to demonstrate that electricity demand can be managed by controlling voltage without any discernible impacts on customers



Lower network costs
Faster connections



Lower balancing costs
Reduced carbon



Lower energy costs

SMART STREET

£11.5 million project combines innovative technology with existing assets to make networks and appliances perform more efficiently



New controllable switching devices stabilise voltage



Allows us to lower voltage levels



Networks and appliances work in harmony

RESPOND

£5.5 million project. The first UK demonstration of an active fault level management solution that avoids traditional network reinforcement



Faster Low Carbon Technology adoption



Less disruption



Lower bills

CELSIUS

£5.5 million project which provides a co-ordinated approach to managing the temperature of electrical assets in distribution substations



Improved knowledge of distribution assets



Avoids early asset replacement



Releases additional capacity

Inspiring the engineers of the future

There's a need for aspiring electrical engineers in the UK. We're seeking to address this through an education outreach programme and thriving apprenticeship and graduate programmes.

In 2017 our apprenticeship scheme entered its 10th year and 32 new apprentices joined in May 2017, bringing the total number trained to more than 200.

We also recruited four graduates onto a two year programme benefiting from training and on-the-job experience throughout the organisation, providing a pipeline of talent.

Since 2012 our outreach Bright Sparks programme has delivered workshops at primary schools across the region. The one-day session covers the electricity element of the national curriculum including electricity distribution and safety. In 2017/18, we delivered sessions to 4,000 pupils.

We were partners at two regional science festivals (in Preston and Manchester) reaching around 150,000 people and engaged with the public and local schools to promote and raise awareness of STEM careers. We're looking to continue this engagement in 2018/19.

4,000

pupils attending Bright Sparks session

200

apprentices in 10 years

4

graduates recruited in 2017

Nearly 150,000 people reached through science festivals

Reducing our environmental impact

In partnership with our Sustainability Advisory Panel we've improved our operational environmental performance and continue to identify future opportunities.

In our RIIO-ED1 plan, we targeted a 10% reduction in carbon footprint by 2023. By 2017/18, we achieved a 15.6% reduction in our carbon emissions, achieving our business plan commitment early. Outperformance was attributed to energy reduction in our buildings and less vehicle fuel being used.

We replaced oil-filled cables with environmentally friendly oil-free alternatives and responded quickly to leaks on legacy circuits. In 2017/18 we replaced 14km of oil-filled cable, bringing our total to 60km in the last three years.

We are working with our Sustainability Advisory Panel and other stakeholders to explore how we can prioritise further improvements.

Nearly 16%

reduction on carbon emissions

Replaced 14km

of oil filled cables

Replaced 174

transformers with lower loss models

4

environmental commitments

There are three National Parks and four Areas of Outstanding Natural Beauty (AONB) in our region. Overhead lines running through them can detract from the beauty of these areas. Since the inception of our Undergrounding for Visual Amenity programme we've worked with regional partners and representatives from the seven areas to identify priority areas for undergrounding.

In our RIIO-ED1 business plan we committed to invest £9m (2012/13 prices) in undergrounding 80km of existing overhead lines by 2023. In the first three years we removed a total of 19.9km of the 80km we've committed to remove in the regulatory period.

Yorkshire Dales National Park and North Pennines AONB included the programme as successful examples of matched funding in applications to the Heritage Lottery Fund for landscape improvement programmes and both applications were successful.

Investment of £9m*

Undergrounding 80km* of overhead line

In partnership with 7 stakeholder organisations

* In RIIO-ED1

Business objective: Reliability

In 2016 we worked with our external Strategic Stakeholder Advisory Panel to identify their priorities and concerns to ensure our engagement is delivering relevant outputs and outcomes. As a result, we created our materiality matrix and network resilience was identified as the top concern for all stakeholders. We'll be reviewing our materiality matrix at our next Strategic Stakeholder Advisory Panel in July. We agreed with stakeholders that it was appropriate to review the matrix every two years.

Customers benefitted from our high levels of reliability in 2017/18, through a combination of network automation, inspection, maintenance and strategic investment.



Our conversations with stakeholders over the past year have focused on how to maintain a reliable service against a backdrop of major economic and market change, as well as extreme weather events which are likely to become an increasingly frequent occurrence based on current climate change forecasts.

These issues require us to think more strategically about infrastructure investment, the way we manage our network day-to-day and the relationships we have with our customers.

Working with our stakeholders to agree priorities

Consultation with stakeholders about network reliability was extensive in 2017/18, and included:

- Consultation with local authorities, housing associations and the Mayor of Greater Manchester around safety in high-rise buildings, following the Grenfell Tower tragedy.
- Regular liaison with the Environment Agency, local authorities, parish councils and Local Resilience Forums around flood defences and contingency plans for severe weather. This has involved a number of multi-agency exercises during the year.
- Three meetings with our Reliability Advisory Panel to brainstorm key issues around reliability, with an emphasis on protecting assets from storms, looking after customers during prolonged power loss and future resilience investment.

At previous Reliability Advisory Panels, we were asked by stakeholders how we differentiate between reliability and resilience. At the March Reliability Panel, we worked with panel members to develop a resilience model which looks at the tiered layers of resilience activity that we undertake to prepare for unplanned events. We used this to discuss our current plans in these areas and agreed with the panel to use the model to prepare options for future resilience improvements that we can both bring back to the panel and use in customer preference surveys shaping our future programme.



Protecting customers in high rise flats

The Grenfell Tower disaster brought the issue of fire safety in multi-occupancy buildings into sharp focus. To understand and address these concerns, we're participating in a taskforce, set up by Greater Manchester Mayor Andy Burnham, to identify potential fire risks in high rises throughout the city.

Across the wider North West, we're also working closely with local authorities, local fire and rescue services, housing associations and private landlords to identify blocks in need of inspection.

We've created a dedicated team to inspect and replace wiring in high risk buildings (defined as those buildings with more than 50 properties, 20 years old and more than three storeys high). When ownership is ambiguous, we're assuming operational responsibility, in agreement with landlords.

In 2017/18 we:

- Identified 500 high risk buildings across the North West.
- Inspected 120 of these buildings and installed 'weezaps' as a monitoring device on the associated electrical feed. The technology provides remote monitoring of communal electrical cables and early warning of fault current (e.g. due to a fire) before the building's main fuse. It also allows to remotely disconnect the building's supply if required for safety reasons.
- Our approach is supported by the Health and Safety Executive, and we have started to share the technology and best practice with other DNOs.

February to March 2018



Partnering with Local Resilience Forums

Providing support to our communities in the event of an emergency or outage is high on the list of priorities of our stakeholders. That's why we take a lead in developing effective partnerships with our Local Resilience Forums.

Over the last twelve months we have:

- Partnered with our four Local Resilience Forums, Greater Manchester, Lancashire, Cumbria and Cheshire and are members of their executive meetings.
- Worked to ensure the risk relating to power is fully understood within their areas.
- Continued collaboration with Greater Manchester on their Resilient Cities submission.
- We have taken part in 11 collaboration events within the Greater Manchester and Cumbria area working with local staff to ensure their plans fully reflect what is needed during a major power outage. We're currently working on three further exercises in Lancashire following the same theme.



Preparing for extreme weather events

I am pleased that Electricity North West has invested substantially in the electricity supply in our area and in the two years post Storm Desmond.

David Morris, MP for Morecambe and Lunesdale

Severe storms and flooding have become regular features of modern weather patterns. In the past five years more than 820,00 customer interruptions (power cuts) have been caused by storm or flood related power loss.

Our stakeholders told us that they are keen to see us continue to improve network resilience, and to take a more holistic approach to looking after customers during prolonged power loss.

Key activity in 2017/18 included:

- Improving flood defences:** We've increased spending beyond our original business plan to protect strategic substations, with more than £6.2m invested since 2015. 47 strategic sites are receiving additional defences which serve 1.1m customers. At some sites, we're investing in measures including raising key equipment over 10ft high, new flood doors, additional pumps and CCTV to monitor activity in substations.

In others, we're investing in additional network connectivity so that supplies can be re-routed in the event of site flooding. We're consulting closely with key stakeholders on this programme, including the Environment Agency, National Grid, local authorities and parish councils.

April 2015 to present



- Protecting exposed rural areas:** We're trialling sensor technology to detect faults on overhead power lines. Rural areas with a large quantity of overhead lines, such as Cumbria, are especially vulnerable during storms. The new sensors will enable engineers to detect and repair broken or damaged equipment more quickly, leading to dramatic improvements in safety and customer service. This project is in its development phase with the trial rollout planned for 2018/19.
- Launch of Customer Service Hub:** Through customer feedback we launched a new incident welfare van which enables customers to make hot drinks and food, get information, recharge mobile phones and use wi-fi during prolonged power loss. Our Reliability Advisory Panel was also keen for us to offer support for small businesses/self-employed, which is why the van is equipped with phone chargers and free wi-fi.

820k customer interruptions (power cuts) have been caused by weather events

Working with Environment Agency, National Grid, local authorities and parish councils

Case study - Storm Emma 1-3 March 2018

Following a week of subzero temperatures, named the 'the beast from the east', which brought high winds and snow across the North West, poor weather was then compounded by the arrival of Storm Emma on Thursday 1st March.

Weather conditions significantly worsened with wind speeds of over 60 mph, gusting to over 90mph in places, and nearly 50cm of snow recorded in the region. The combination of freezing temperatures, high winds and snow resulted in a significant number of power cuts and damage to the electricity network during the evening of Thursday 1st March.

Drifting snow also made access very difficult and we worked closely with local authorities, emergency services and local farmers to clear roads so our teams could get to site and restore power.

Throughout the incident we kept customers and stakeholders informed with regular press releases, radio interviews, social media updates and a proactive approach to contacting our employees, local MPs and relevant government departments.

We sent nine press releases and 320 tweets with more than 350,000 impressions on Twitter and 980 click throughs to the website. Media coverage provided 27 million 'opportunities to see'. Key messages included updates for those without power, how to keep warm in the cold weather, our Priority Service Register, keeping safe around our damaged equipment and how customers could contact us if they needed us. We received numerous retweets from many stakeholders and agencies across the region and customers used social media to contact us.

We had 27,000 hits on the website and 80,000 page views between Thursday and Saturday (equivalent to a month's traffic) with three quarters of users accessing the site via mobile or tablet.

Our press releases were extensively covered in print, radio and digital media including BBC (North West Tonight, BBC Breakfast), ITV, The Guardian, Mail Online, Telegraph online, Manchester Evening News, all local BBC radio stations (in area), The Sun and Sky News.

Throughout the incident we worked closely with Local Resilience Forums and received lots of positive comments from customers and stakeholders.

Immediately after the event we circulated a post-incident report to our stakeholders and all local MPs.

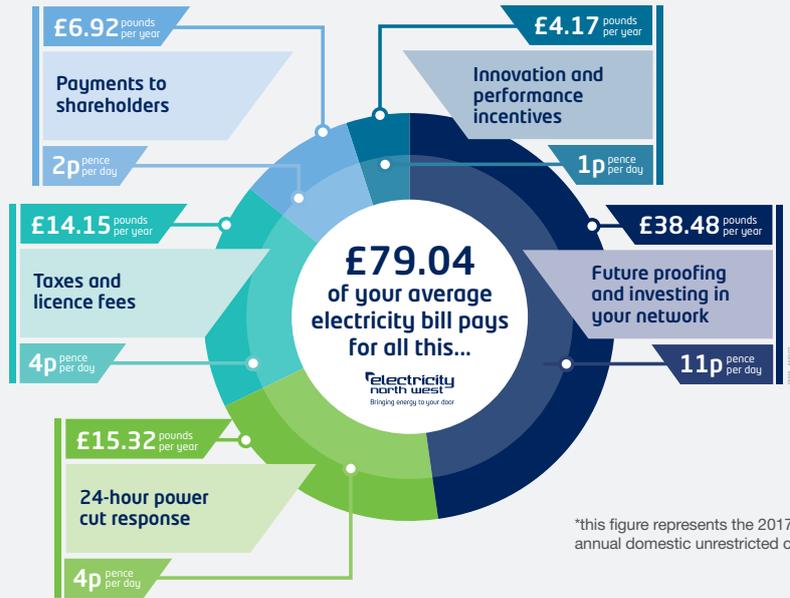


Our conversations with stakeholders in 2017/18 focused on how we can maintain affordability and protect struggling households, even as electricity use increases in the future.

Transparency of bills was also a key area of stakeholder focus, in light of recent national press criticism of the industry for 'hiding' distribution charges.

We're committed to providing a value-for-money service and highlighting the distribution element of the bill so our customers know exactly what they are paying for. Legitimacy in the eyes of our stakeholders and customers is a priority for us so we've developed the following diagram to explain our bill breakdown. We've shared this with key stakeholders including our regional Members of Parliament.

Electricity North West revenue allowances – 2017/18



*this figure represents the 2017/18 typical annual domestic unrestricted charge.

Value of Lost Load

We are completing a detailed programme of research with 6,000 domestic customers and small businesses to better understand the value they place on losing their electricity supply.

Our survey which included 3,000 customers from the North West and 3,000 from across the rest of Great Britain has provided a much better understanding of the impact a power cut can have on a diverse range of domestic and business customers.

The research shows a huge difference in the way customers value their electricity supply. Working couples are among the least affected by a power cut whereas the customer groups most affected include those with electric vehicles or electric heat pumps, young families, the elderly and the fuel poor.

Understanding this impact or 'value of lost load' is important as it is used across the electricity industry to guide investment decisions and the way customers are compensated after a power cut. At present, one customer's power cut is valued the same as another. For example, the impact of a power cut affecting the home of a working couple is valued the same as a nursing home with 100 residents.

The findings from our research will help ensure that future investments are targeted at areas of the network which will benefit our customers the most. It's also likely to influence how we support vulnerable customers and address fuel poverty.

The results of our customer research and recommendations for the application of the Value of Lost Load will be made available in two separate reports which will be published on our website in Spring 2018.



Agreeing priorities with our stakeholders

Consultation with our stakeholders about affordability was extensive in 2017/18, and included:

- Worked with external partner organisations on the delivery of a series of fuel poverty referral networks in line with Energy Saving Trust's research.
- Three meetings with our Affordability Advisory Panel to brainstorm key issues around affordability, with an emphasis on fuel poverty and cost of energy.
- Partnered with local authorities and transport authorities on shared utility trenching to reduce time and save money and disruption for customers and stakeholders.
- Launched a new campaign, which included an energy persona test, to engage customers and raise awareness around the importance of energy efficiency.

A partnership-led approach to fuel poverty

Fuel poverty, and the means of addressing it, has been a key topic of conversations with our stakeholders for several years.

In 2017, we commissioned the Energy Saving Trust to carry out a new piece of research into the nature of fuel poverty in the North West, and the role we could play in helping to alleviate it. The Energy Saving Trust are valuable members of our Affordability Advisory Panel.

This extensive piece of work explored the socio-economic conditions that give rise to fuel poverty; successful (and not so successful) Government and local authority schemes to address it; the policy landscape and recommendations for our future activity.

In line with the report's recommendations, 2017/18 saw us begin to develop a series of new referral networks with expert partner organisations across the region.

Please see Part 3 for more detail.

Promoting energy efficiency

To keep bills affordable, our stakeholders have told us that they want us to invest in smarter, more advanced networks, but also to encourage customers to use less electricity in the first place.

Solutions need to be behavior driven, as well as technology driven, stakeholders at our DSO conference told us. They also said that electricity distributors were best placed to deliver these messages. Energy saving campaigns from suppliers can be seen as counter-intuitive, and hence viewed with skepticism.

We responded to the BEIS Call For Evidence: Building a market for Energy Efficiency calling for DNOs to drive these messages and we also ran our own campaign as stakeholders told us it was the right thing to do.

Our Power Saver Challenge (reported in last year's submission) saw 1,000 households in Stockport given support and incentives to reduce their electricity usage. This year we developed this project and submitted a new Network Innovation Competition bid for Power Saver Plus. Unfortunately, there is a technical challenge to the bid.

For the first time we launched a new 'energy persona' test, which was supported by National Energy Action and key MPs in our region. Participants complete a series of online multiple choice questions linked to their energy use. Upon completion, consumers can download a guide specific to their behavior, with top tips to help them reduce their energy consumption and electricity bills. Over 1,500 participants responded to the online test with over 50% being identified as 'energy savvy'. We've followed this up with the launch of the 'Big Energy Conversation' which further encourages domestic customers to adopt energy efficiency measures.



Andy Burnham, GMCA Mayor, taking the energy persona test
To see more and to take the test visit www.enwl.co.uk/bigenergyconversation

Over 1,500 people participated in our online energy persona test

50% of energy persona test participants were 'energy savvy'

#SwitchedOn



#SwitchedOn



#SwitchedOn



“There are businesses that have no awareness of how to make themselves more energy efficient. How are the DSOs going to help these businesses?”

Feedback from Electricity North West December 2017 stakeholder event

“Marketing using the 'green, energy saving' approach doesn't work. Increasing financial gain is better received and a bigger buy-in from consumers.”

Feedback from Electricity North West December 2017 stakeholder event

Faster, cheaper and more efficient streetworks

“Working collaboratively in this way will substantially reduce the cost and time spent on necessary utility works, minimising disruption to surrounding businesses and road users.”

Alex Cropper, Head of Projects, Transport for Greater Manchester

In partnership with the GMCA, we were the first utility company in our region to use joint trenching solutions for complex cable replacement/diversion jobs. The process sees utility and telecoms lay new cables, pipes and ducts in shared trenches.

By eliminating multiple excavations and coordinating multiple workstreams, the joint utility process reduces the time spent on disruptive streetworks programmes, can contribute towards costs savings for the client and make future access to underground assets significantly easier for repairs and upgrades.

Manchester City Council is such an advocate of our approach that they now require all contractors working in the highway to explore the potential for joint trenching, before schemes are given the green light.

Our successes in 2017/18 include:

- **Appointment of a dedicated joint-utilities coordinator** to identify and facilitate joint trenching opportunities across our portfolio of work.
- **Using joint trenching for the £350 million six-stop Metrolink line extension** to the busy Trafford Park industrial estate and Trafford Centre shopping centre. The first phase of the project has been delivered seven months early as a direct result.
- **Sharing the benefits of joint-trenching with other stakeholders**, including members of the Greater Manchester Growth Deal and Stockport Council. We're working with Stockport Council on the delivery of their Town Centre Access Plan.

7 months shaved off first phase of Trafford Park Metrolink scheme, thanks to joint trenching.

“Investing in smart new technology is all very well, but reducing electricity demand is one of the most direct ways to address energy affordability. Demand reduction can be supported in a number of ways that are affordable in the long run for both consumers and energy providers.”

Greg Shreeve from Energy Saving Trust
Member of our Affordability Advisory Panel

“I welcome Electricity North West's initiative to try and get people thinking about how they use their electricity and help them reduce their electricity usage. The 'Energy Persona test' is a great initiative as any advice or support people can get to help them save money on their energy costs is very welcome.”

Rebecca Long Bailey MP for Salford and Eccles, and Shadow Secretary of State for Business, Energy and Industrial Strategy

Our customers want us to deliver a reliable service at an affordable price, to provide easy-to-access information and rectify problems and complaints quickly.

Our conversations with stakeholders over the past year have focused on how we can continue to evolve our service to get these basics right, every time.

We've also discussed how we can take a more customer-focused approach to the information and services we provide – moving from a 'behind the scenes' infrastructure provider to a trusted source of information in a rapidly changing industry.

Working with our stakeholders to agree priorities

Consultation around customer service was extensive in 2017/18, and included:

- **Three meetings with our dedicated Vulnerable Customer Advisory Panel.** We focussed on support for vulnerable customers and measures to address fuel poverty.
- **A monthly, independent customer survey.** We carried out with surveys customers who had a recent interaction with us (e.g. a power cut, planned work or private connection). This 'temperature check' helped us identify trends or specific issues requiring action.
- **Focus groups.** We carried out focus groups across the region in 2017 to discover how we can improve customer communication. Sessions explored everything from use of text message updates to interaction with call handlers in our customer service centre.

Delivering a tailored service during power cuts

Over the past year, we've conducted an extensive research project with customers and colleagues to find out how we can improve communication during power cuts.

Activity included focus groups across our region and the launch of an online customer portal to gather feedback on key topics, including frequency and accuracy of information updates.

In response, we've launched a series of initiatives to improve customer engagement:

- **Role play training for customer call handlers:** To help colleagues provide a more responsive service, call handlers have been trained to identify tell-tale signs that customers could be eligible for our Priority Service Register and to actively promote this service.
- **Creation of 'customer personas':** Different customer archetypes, to help our call handlers be more attuned to customers' personal circumstances.
- **Information dashboard for managers:** Displaying our customer satisfaction performance and hosting a suite of reports that allow all colleagues to understand how we're performing. Managers then work with their team to understand and improve performance. This dashboard enhances our interaction with customers at all times.

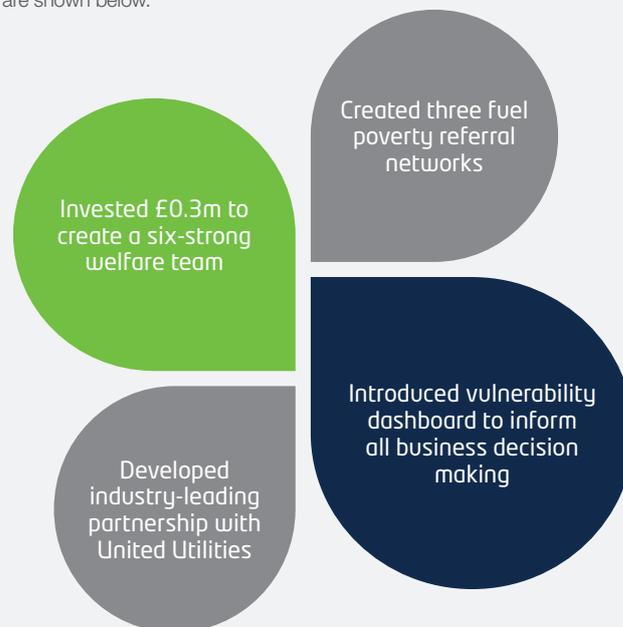


Our Consumer Vulnerability Strategy

Our goal is to ensure that our services are accessible and available to all of our customers, regardless of their personal circumstances and to embed this throughout our business.

Last year, we formalised our Consumer Vulnerability Strategy and this sets our framework to achieve this goal.

Part three of our submission describes the activity we have undertaken this year to achieve our goals. Some of the key outcomes delivered this year are shown below.



Improving digital communications

Increasingly customer interactions are now online. Customers want us to improve the accessibility and ease of use of our digital services so that they can access the information and services they need, at all times. Our primary resource for digital content is our website www.enwl.co.uk.

In 2017/18, we launched a new website to better meet the needs of all customers. The Royal National Institute of Blind People are members of our Vulnerable Customer Advisory Panel and they supported us in ensuring that the website achieves appropriate accessibility standards.

The new site is built and maintained to comply with Web Content Accessibility Guidelines 2.0 which caters for pan-disability access. All pages of our site are now designed and maintained to 'AA' standard with key pages, including contact us, power cut information and Priority Services Register, designed to the absolute highest accessibility standard of 'AAA'.

Other key activity in 2017/18 included:

New website: Over a typical week, more than half of all traffic comes from mobile and tablet users, which increases to 75% during incidents. In 2017, we made our website fully responsive for mobiles and tablets (the previous version offered only limited functionality on these devices).

Tailored information: Stakeholders and customers can now sign-up to email news feeds, bespoke to their area of interest, including innovation, connections and stakeholder engagement.

Social media: Enhanced social media support in the customer team to respond to the continual growth of contact through this channel.

£0.3m investment

25% increase in website hits (383k)*

15% increase in new users (21.7k)*

16% increase in page views (1.1m)*

*Results show data for the five months since go-live (October 2017–March 2018), compared to the previous year (October 2016–March 2017)

Raising customer awareness

The DSO should have the role of education.

Feedback from Electricity North West December 2017 stakeholder event

We need to change the mindset of consumers. There needs to be constant engagement regarding energy efficiency and the options available.

Feedback from Electricity North West December 2017 stakeholder event

Energy markets are becoming much more complex, and stakeholders have told us we're well-placed to demystify these markets and raise awareness of opportunities.

To achieve this, we are raising our profile and evolving our relationships with customers. We are moving from a 'behind the scenes' infrastructure provider to a recognised authority on energy issues, with a strong consumer voice.

This evolution will take time, but we've already begun the process through our annual customer awareness campaign.

Throughout 2017/18 we've utilised social media, TV and radio advertising to raise awareness of who we are and how we can support customers. The campaign reached an audience in our region more than 20 million times and our awareness score reached an all time high of 64%

Campaign ran from October 2017 to March 2018

£0.3m investment

25% increase in customer awareness

28% increase in customer trust

15% increase in confidence regarding contact for power cuts



Our annual customer awareness campaign

Case study - Raising awareness of 105

Latest figures from March 2018 show that Electricity North West has been the most successful DNO in promoting the new national power cut number, 105. More than 60% of calls to our contact centre now come via 105, showing significant awareness of the new number in the North West.

105 was introduced in 2016 as a result of serious storms in winter 2013/14 which highlighted a lack of awareness of network companies among the public. Distribution Network Operators across the UK worked together to introduce the new free of charge three digit number 105 to make it easier for customers to remember and to contact their local electricity network operator during a power cut so they can get support and help when they need it the most.

After two and half years of hard work a system which instantly identifies where 105 callers are located and then automatically routes calls to the appropriate contact centre was launched.

Since its launch we have incorporated the new 105 number into our customer material and our customer awareness campaign, along with joint industry collaborations around 'Be Winter Ready'.



Supporting customers during the smart meter roll-out

Although the national roll-out of smart meters is supplier-led, it has major implications for our customers.

Our engineers are dispatched if the meter installer has an issue with a service cable or main fuse. Currently, we're required to attend around 1,000 smart meter related jobs each month. This presents additional time and inconvenience for customers.

We're working closely with the wider industry to share our knowledge and expertise to make the process seamless for customers.

Key activity includes:

- **A dedicated smart meter division:** Comprising more than 50 engineers and customer service staff.
- **Knowledge sharing with meter suppliers:** Including mentoring and training for fitters and hosting visits at our training academy.
- **Slicker handover process:** Working closely with suppliers to make referrals quick and efficient and we're helping to produce new national guidance for meter fitters.
- **Participating in industry forums/working groups:** Including a dedicated national group for networks, suppliers and meter operators.
- **Exploring data sharing issues:** Smart meter data is potentially invaluable to network operators, helping us make smarter investment decisions, remote voltage checks, identify transient faults and much more. However, this data needs to be available at a detailed level to be useful.

We're participating in the national debate concerning permissible levels of data access and have contributed to a joint-funded IPSOS MORI survey of customer attitudes to data sharing, which has been passed to BEIS to help inform its thinking. We're also using the outcomes of this research to develop our approach to data management.

Case study - Defining our role in a changing landscape

The evolution for Distribution Network Operators (DNOs) from the role of passive network operators to proactive Distribution System Operators (DSOs) is an exciting proposition and will see us develop entirely new relationships with our stakeholders, customers and partners.

We wanted to ensure that a wide number of stakeholders were involved in developing our approach to this transition so we co-hosted a stakeholder event with Carbon Co-op (a co-operative community benefit society based in Manchester) in December 2017 to discuss our future role.

Community energy organisations, industry bodies such as Regen, the Energy Networks Association, local authorities and universities attended the event. We were also pleased to welcome representatives from other DNOs.

Visual note-takers captured discussions and this provided an engaging focal point for delegates and an innovative mechanism for sharing vital key themes after the event.



The event enabled us to understand the priorities of this wide group of stakeholders, and we've outlined our approach in a new strategy document 'Powering the North West's Future'. This was shared with a wide group of regional and national stakeholders.

Key activities we're currently undertaking to deliver our strategy:

- Developing a new **Network Management System** to actively manage the network in real time. This is the essential first step to being able to offer the full range of DSO services.
- Developing Active Network Management, we'll be able to call on generation, storage and other connected capacity and contract with them to deliver **Distributed Energy Resource Management** services that provide overall network benefits.
- Working with National Grid to develop **Transmission Operator Interface balancing**.

- Developing **look ahead capability** which will predict what will happen to the network in the short term, including in the next hour, 12 hours and 24 hours so we can act promptly to secure network stability.
- Developing **capacity mapping** which will provide customers with real time information about available network capacity.

We also play a key part in the industry-wide Open Networks project, which is developing processes, procedures and technical changes required to deliver DSO services for the transmission and distribution sectors. Steve Cox, our Director of Engineering and Technical, is a member of the steering group.

Over the next five years we will invest £75m in our transition to becoming a DSO. We'll continue our discussion with stakeholders at our July Strategic Stakeholder Advisory Panel.

Key metrics

DSO conference December 2017



As we decarbonise our energy systems we'll substitute gas for electricity, and with the growth of electric vehicles, there'll be a massive increase in the demand we all place on the distribution network. We need to adapt the network and how we use it; doing nothing isn't an option as it physically won't be able to cope. Which is where Electricity North West comes in – their work is vital to transform the networks and ensure they can support modern communities.

Todd Holden - The Growth Company
Director of Low Carbon, Member of our Sustainability Advisory Panel

Organisations represented at our DSO Conference

- | | |
|---------------------------------------|-------------------------------|
| Acra Style | More Renewables |
| Aecom | My green investment |
| Arup | Cadent |
| Bristol Bluegreen | National Grid |
| Bruntwood | Oldham City Council |
| Business Wise Solutions | Oldham Community Power |
| Citizens Advice | PA Consulting |
| Calvin Capital | Regen |
| Carbon Co-op | Saddleworth Hydro |
| Centrica | Salford City Council |
| CGI | Schneider |
| Depsys | Siemens |
| Derbyshire County Council | Smarter Grid Solutions |
| EA Technology | The Co-operative Group/Energy |
| Growth Company | Enterprise Co-op |
| Endeco Technologies | Transition Wilmslow |
| Energy Networks Association | Turner and Townsend |
| Greater Manchester Combined Authority | UKPN |
| GMCR | United Utilities |
| GMPCS Ltd | University of Keele |
| Hamilton March | University of Lancaster |
| Jones Lighting | University of Manchester |
| Kast Energy | Upside Energy |
| | Western Power Distribution |



Electricity North West

304 Bridgewater Place,
Birchwood Park,
Warrington. WA3 6XG

www.enwl.co.uk



CRUSH_JB0418