

Proposal 3 - Business Plan Incentive Early Proposal: PSR Data Quality Metric

| Section | Submission |
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| <i>Licensee name</i> | UK Power Networks Ltd. including three distribution license holding companies: Eastern Power Networks plc (EPN), London Power Networks plc (LPN), and South Eastern Power Networks plc (SPN). |
| <i>Proposal name</i> | Priority Services Register (PSR) Data Quality Metric |
| <i>Type of proposal</i> | New or enhanced service Stretching commitment Delivery accountability mechanism |
| <i>Proposal summary (max 200 words)</i> | <p>Situation:</p> <p>Several DNO licence areas are currently registering, or forecasting by the end of RIIO-ED2, close to 100% percent of eligible customers onto the Priority Services Register (PSR).</p> <p>Complication:</p> <p>As DNOs approach full coverage, it is increasingly important that the quantity of contacts is supported with underlying data quality. Beyond regular data cleanses, there is currently no additional measure of the quality/accuracy of this data.</p> <p>Question we are trying to answer:</p> <p>The next stage of maturity should focus on the accuracy and reliability of the underlying PSR data being collected, maintained, and utilised. We need to answer what does a suitable approach to measuring and validating this data look like?</p> <p>Solution:</p> <p>To ensure consumer outcomes continue to improve, we are proposing to develop a robust, transparent, and consistently applied metric to evaluate PSR data quality. This metric should assess data integrity and the alignment of recorded needs with actual circumstances.</p> <p>We further propose this metric be embedded within existing annual regulatory reporting and through the CVI PSR Reach element – supporting the retention this financial incentive within ED3. Incorporating this will promote comparability across DNOs and support continuous improvement in identifying and supporting vulnerable customers throughout ED3 and beyond.</p> |
| <i>Which ED3 outcomes does the proposal support?</i> | Investing for the energy transition Responsible and sustainable business Smarter networks Resilient networks |
| <i>Which Consumer Interest Pillars does the proposal support?</i> | Low cost transition Fair prices Quality and standards Resilience |
| <i>Summary of key reason(s)/driver(s) for the proposal (Max 200 words)</i> | <ol style="list-style-type: none"> 1. Increasing emphasis on consumer outcomes High PSR Reach rates does not guarantee data is accurate. A data-quality measure ensures CVI performance assessment reflects the actual level of coverage. 2. Better identification of vulnerability and risk Accurate PSR data allows DNOs to identify customers with acute or evolving vulnerabilities and tailor support with confidence. Poor-quality or outdated data risks misidentification, delayed interventions, and reduced confidence in DNOs' ability to manage vulnerability. 3. Operational efficiency and network resilience Reliable PSR data supports planning for outages, emergencies, and targeted |

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| | <p>communications while reducing duplication, unnecessary outreach, and administrative burdens. A data-quality metric encourages improved internal management.</p> <p>4. Stakeholder confidence and transparency Consumer groups and charities expect transparent and comparable reporting. A standardised data-quality metric supports benchmarking across licence areas and strengthens trust in the PSR.</p> <p>5. Alignment with wider industry initiatives Energy sector focus on data governance, integrity, and improved sharing of vulnerability information, such as through a “tell us once” PSR programme, could be supported by a data-quality metric, aligning DNO reporting with best practice.</p> <p>6. Systemic benefits Improved PSR data will enhance the support provided by our partners during emergencies (e.g. local authorities, local resilience forums, emergency services), compounding customer benefits.</p> |
| <p><i>Summary of supporting evidence</i></p> <p><i>(Examples could include references to sector specific intelligence, innovation projects, ISG engagement, wider consumer research, endorsement from third parties)</i></p> <p><i>(Max 200 words)</i></p> | <p>In 2024, two iDNOs, working in collaboration with ElectraLink and Experian, developed a proof-of-concept to assess the quality of their PSR data. The exercise compared their PSR records against supplier datasets and Experian-verified data to test the accuracy of addresses and specific household indicators. Although conducted on a limited scale, with two iDNOs sharing approximately 90,000 records as a one-off activity, the findings were indicative. For one iDNO, 26% of customer PSR records did not align with the corresponding supplier data, indicating a material data-quality gap that could affect the effective delivery of services to vulnerable customers.</p> <p>More broadly, there is sustained sector-wide emphasis on improving data quality, particularly as data sharing has expanded across regulated sectors. Stakeholders including Ofwat and the UK Regulators Network have emphasised the importance of accurate, well-maintained PSR data given the sensitivity of the information involved and the increasing reliance on cross-sector data exchange to support customers in vulnerable circumstances.</p> <p>Furthermore, our industry-leading Spotlight NIA project, a data-driven vulnerability insight tool that helps identify and understand customers’ specific support needs, has demonstrated how data and AI-enabled approaches can significantly improve PSR data quality.</p> <p>For reference, ElectraLink case study: https://www.electralink.co.uk/2024/03/idnos-support-vulnerable-customers-data-insights/</p> |
| <p><i>Summary of potential benefits</i></p> <p><i>(Max 200 words)</i></p> | <p>Implementing a PSR data-quality metric would deliver a broad range of operational, regulatory, and consumer-focused benefits. It would enhance the accuracy, completeness, and usability of vulnerability data, enabling DNOs to identify customer needs with greater precision and confidence and to target their support more effectively. Higher-quality data would also improve the reliability of network planning, particularly for outages and emergency events, by ensuring that DNOs have a clear and up-to-date understanding of the customers who may require additional assistance. This, in turn, would reduce duplication, unnecessary outreach activity, and administrative burden, supporting more efficient allocation of resources and improved operational resilience.</p> <p>A consistent and transparent data-quality metric would further increase comparability across licence areas, enabling clearer benchmarking of performance and reinforcing stakeholder trust in the robustness of the PSR framework.</p> <p>As vulnerability data is progressively shared across energy companies and other essential services, a clearly defined and consistently applied data-quality metric would</p> |

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| | <p>play a critical role in ensuring that information is accurate, consistent, and maintained to a standard suitable for secure and effective cross-sector use.</p> |
| <p><i>Where the proposal relates to a new or enhanced service or to stretching commitments, explain why the proposal is not already business as usual or incentivised either through the existing RIIO-ED2 framework or under ED3 proposals that we are consulting on (Max 200 words)</i></p> | <p>Historically, industry's focus has been on increasing PSR reach, and the RIIO-ED2 framework has been designed to incentivise higher registration rather than the quality of the underlying data. DNOs, including UKPN, have invested in campaigns and partnerships to expand the register, particularly in under-represented categories, and have now met, exceeded, or forecasted to hit their RIIO-ED2 reach targets. With this objective largely achieved, further progress requires a shift from expanding the PSR to improving the accuracy, reliability, and consistency of the data held.</p> <p>Although DNOs are required to conduct a regular data cleanse, there is not currently an associated quality metric. In the SSMC, proposals and questions focus primarily on reach metrics; this does not reflect the maturity of sector performance or the increasing need for high-quality vulnerability data.</p> <p>Future incentives should encourage responsible data collection, regular validation, and stronger data management. The existence of a standard and regularly reported PSR data quality metric would help ensure the register is maintained to a high standard and is suitable for use across essential services, particularly as cross-sector initiatives such as "tell us once" projects progress. Without a dedicated metric, data quality risks remaining inconsistent and under-prioritised despite its growing operational importance.</p> |
| <p><i>Where the proposal relates to a new or enhanced service, explain why DNOs are best placed to undertake the activity described under the proposal (Max 200 words)</i></p> | <p>DNOs are uniquely placed to undertake this activity because they hold direct operational responsibility responding to both planned and unplanned supply interruptions. The PSR is a core tool that enables DNOs to identify customers who may require additional support during these events. As a result, DNOs are the only parties with the statutory duties, operational insight, and real-time responsibilities necessary to act on vulnerability information in a way that directly safeguards consumer welfare. Ensuring that PSR data is accurate, reliable, and consistently maintained is therefore essential to fulfilling these obligations effectively.</p> <p>DNOs are already the primary custodians of PSR data, so are uniquely positioned to embed a data-quality metric into business operations without creating duplication or fragmentation across the sector.</p> <p>As cross-sector data-sharing initiatives progress, high-quality vulnerability data will become increasingly important. DNO oversight will help ensure that the data used across essential services is accurate, aligned to customer needs, and maintained to a standard that supports secure, effective, and responsible use.</p> |