

Understanding stakeholder's expectations, developing effective means of stakeholder engagement and incorporating stakeholder views into business processes

Our Vision: To execute stakeholder engagement and management well as part of normal business and create value by sharing our stakeholder insights and plans.

Western Power Distribution is the electricity distribution network operator for the Midlands, South Wales and the South West. We deliver electricity to over 7.6 million customers over a 55,300 sq kms service area. We have around 6,000 employees.

This submission refers to the two licences we hold for Western Power Distribution (East Midlands) plc and Western Power Distribution (West Midlands) plc. Previously these Distribution Network Operators were collectively known as Central Networks.

Identifying our stakeholders, collecting and acting on their views

Customer Panel – Open and honest forum pays dividends

We put our customers at the heart of everything we do, but how do we really know what our customers want? In 2009 we created an industry first; our Customer Panel is a progressive idea that gives a broad range of stakeholders the chance to voice their opinions, concerns and ideas in an honest and open forum, giving them the opportunity to help shape our thinking and future strategies. We have listened and better understand what our customers expect and it remains the only such panel within the industry.

Members include The Major Energy Users Council, Consumer Focus, Warwickshire Police, the Royal National Institute for Deaf people, British Red Cross, Women's Royal Voluntary Service and East Midlands Development Agency. Acting on their feedback, we decided to split the panel in 2010 creating two smaller working groups, each focusing on their specific areas of Interest. One group looks at vulnerable and domestic customers, and the other group looks at business customers.



This initiative is only as good as its outputs. For example, feedback from the panel members helped in the redesign of the planned interruption card, which proved a huge success during a trial, and has subsequently been rolled out across the whole region. This change was designed by the customer for the customer. Feedback told us the cards were occasionally mistaken as leaflets/ junk mail. We've made the most critical information clearer, included more details about why work is required and added important help and advice. They speak, we act!



- **98% reduction** in customer calls from customers who had missed their notification.
- **100% customer satisfaction** with clarity and ease of understanding of the new card.

Other benefits from the panel include simplifying the terms and conditions issued to customers who request a new connection. In addition, our members told us that Electricity Distributors appeared slow to communicate changes to Distribution Use of System (DUoS) charges so we have now done some great work around effective communication for our HV Customers, including a survey to gauge opinions. The panel have also helped us make changes to the way we communicate with our customers when they are affected by our street works activities. They told us that it's not just about making affected customers aware that their power will go off, but also how important it is that we also let the wider community know what we're doing in their area. We have also shared the outputs of DPCR5 with them as well as explaining some of our plans as we move towards RIIO-ED1.

What our members are saying...

"Being a member of the customer panel has been a useful experience for me as it has been important to get a DNO perspective on the most recent price control. Many millions of pounds will need to be invested by the DNOs and it is important that customers know this and are involved. The dialogue during meetings has been beneficial in a number of ways and it has helped MEUC members to know there's at least one DNO they can talk to!" – **Hugh Conway, Electricity Group Chair, Major Energy Users Council.**

"Being a panel member is definitely a worthwhile experience. It allows direct engagement with the provider of key infrastructure to business and domestic customers. Subsequent to the meetings, I have also seen a willingness to engage with emda directly on a one to one basis, and this was facilitated out of discussions held at the Customer Panel meetings. I believe this demonstrates that such issues are taken seriously and there is commitment to improving some aspects of their business. The range of stakeholders involved ensures that a good-cross section of customers and other interested parties are represented." – **Andy Abraham, East Midlands Development Agency.**

Keeping our Stakeholders safe

Communicating with contractors: Keep it simple!

When Central Networks "thinks safety", it thinks safety for all of its stakeholders, which includes the contractors who work in and around our underground network. The HSE have produced a 47-page document - HSG47 - detailing safe working practices; but customer feedback has told us that companies and Health & Safety Managers carrying our excavations, struggle to ensure their operatives follow the guidelines. In addition the Electricity Networks Association (ENA) has recently recommended that much simpler guidelines should be made available. Central Networks have responded to this by producing a user-friendly step-by-step booklet, which we have sent to over 12,000 contractors working in our region. We've had excellent feedback - telling us its likely to reduce cable damages as its easier to understand and more accessible. As safety is paramount for all companies we have shared our initiative with the ENA's "No Strike" working group as well as local councils and major contractors.



Tom Brennan, Cablesafe Liaison Officer, with operatives from Thomas Vale Construction

- **Cable damages in 2010 reduced by 29% from the previous year**

Multi-Stakeholder forum addresses top concern

Metal Theft – The Threat to essential utilities and the impact on our Customers; the real victims

We recognise that security of supply is of paramount importance to our customers. However the rising cost of metal, and in particular copper, has increased its popularity as a target for thieves. When thieves steal cable, not only do they put themselves in danger, but cause significant inconvenience to our customers – leaving them in the dark, without warning.

In an effort to raise awareness of the issue we co-hosted a conference with West Midlands Police, and brought together other major service providers in an attempt to combat the issue. Central Networks funded the event and over **200** of our key stakeholders were invited including **BT, National Grid, Severn Trent Water, Network Rail and Anglian Water**, as well as representatives from the specialist security industry. Presentations were delivered by a range of

companies with Central Networks providing the DNO perspective from the stage. In the presentation we used feedback from one of our customers (who had been affected by copper theft) to emphasise who the real victims are and for whom such incidents have a significant and distressing impact on their lives.



Customer Operations Manager Phil Wilson, Restoration & Repairs Manager Tom Shanley and Security Risk Manager Peter Lowe with delegates at the event

In addition to our colleagues from other Utilities and the Transport Infrastructure industries, **16** police forces attended – meaning our vital safety and customer service messages were heard and left them feeling better informed and able to aid crime prevention and protection. The main feedback from the day was that a more joined up approach to a national problem can really help in the fight against a rapidly growing problem. Since the conference **10 arrests** have been made in relation to theft of Central Networks cable.

Local Community Engagement

Partnering Parish Councils to help the community

Parish Councils are one of our most important stakeholders and play a major role in helping our more vulnerable customers, particularly in rural areas. They play a crucial role in the community. To give our full support we attend numerous Parish Council meetings each year. The meetings provide a fantastic opportunity for us to address any concerns that the local parishioners may have regarding power losses, network improvements and environmental issues. They also give us a platform to explain who we are and what we do, and ensure customers know that we are here, if they need to contact us.

We also help Parish Councils to develop their emergency plans. It's not always about power cuts, sometimes its about making them aware of useful information we hold that could prove vital in circumstances such as evacuations. To help spread our key messages, in November 2010 we sent 2400 free 'tool box kits' – containing examples of useful items – to every Parish Council in central England, to raise awareness and communicate the importance of power cut preparation. Items in the packs include a wind-up mobile phone charger, battery operated radio, torch, analogue phone, blanket and re useable hand-warmer. This initiative led to us being invited to speak at numerous meetings towards the end of 2010 and throughout 2011 as part of our ongoing engagement strategy.

Shaping the Future

Working together for a more sustainable future

A key group of customers in the village of Hook Norton have an ambition to work towards a low carbon future, and we are helping them make this ideal a reality. Hook Norton is home to a very different demographic of customers. Many of the customers living in the affluent Oxfordshire village are actively seeking to use low carbon technologies, such as heat pumps, electric cars and SMART meters. All this has the potential for significant load-increases on the rural network, so it's important that we work with local residents to understand their needs and are working hard in conjunction with key stakeholders such as the National Energy Foundation and Hook Norton Low Carbon Ltd (a company specifically set up to aid environmentally friendly living in the village) to support their decision to switch to a lower carbon electricity based energy solution. Ensuring the network can cope and doesn't increase the risk of power cuts is fundamental to the trial. The village also has no mains gas, making it an ideal location for a rural Smart Grid demonstration, using funding awarded from tier one of Ofgem's Low Carbon Network Fund. We are also testing a revolutionary way of getting information about our assets and customer consumption using the power lines themselves as a data carrier, in order to better manage the load.

160 customers participating.

Total community saving of **£10,000 per year** on energy efficiency alone.

Quicker power cut detection, allowing us to call customers first.

Working with customers by incentivising, not forcing them!

Trial and test transferable techniques that could be used in hundreds of similar communities across the Midlands.

Best practice

Sharing Best Practice with Bristol Water

Bristol Water experienced supply problems at their Purton treatment works in Gloucester, a site of significant importance which forms part of their fresh water supply to critical infrastructure in the region.

Recognising the vital role they play and their need for a reliable supply, we meet with them regularly to share best practice and discuss any actions that we could take to improve their security of supply.

Visits to each other's respective control centres have enabled us to gain a better understanding of the challenges we face and to best practice ideas and initiatives to the benefit of our stakeholders.

Outputs and Benefits

- Mitigated issues from future supply disturbance
- Shared experience of site security techniques and methods of preventing interference with our network assets
- Reviewed the Primary network infrastructure to mitigate against significant events such as the Gloucestershire flooding of 2007
- Sharing our approach to network control and incident management

Inform and Educate

Keeping our Stakeholders informed

We continue to publish our Quality of Supply report each year. Called 'Keeping the lights on', the report, issued to key stakeholders including MPs and local authorities, outlines our performance and demonstrates our commitment to providing a reliable electricity supply to our customers' homes and businesses, through a high quality distribution network.

Despite challenges ranging from bad weather to copper theft, we believe our commitment has paid off and last year, electricity was available to our customers 99.98% of the time. In fact, overall, our network performance is improving year on year.

The most recent report tells how, in the past year, we focused on continuing to invest in network improvements, forming new working relationships with contractors, and developing the next generation of technology to allow us to manage incidents on the network more efficiently. We also explained how we made our customer panel a permanent feature of the business and have continued to improve our services to our vulnerable customers.

We have been working hard to improve our performance and will continue to do so to ensure that this trend continues. We take on board all the comments we receive and ask our customer panel for the final sign off – a real endorsement that we're on the right track!

A tailored approach for our most Vulnerable Customers

Working with the British Red Cross

Following success in the West Midlands, we've extended our partnership with the BRC to the East Midlands too. So when there's a power cut, as well as our own Customer Support Vehicles and Support Teams, BRC volunteers visit vulnerable people to check they're coping ok and provide hot meals and drinks.

Last year this saw us provide **vital support at 42 incidents** affecting **2127 customers**. After adopting the project as best practice, we've taken it a stage further - providing 4000 free crisis packs, for the BRC to distribute to our customers. And in 2011 our partnership was shortlisted for a BRC Excellence Award: "Adopted with Pride"; acknowledging how we've taken a best practice project and improved on it to meet the needs for our customers.



Different Customers have different needs

Energy Users help to shape our business

Since establishing our Customer Panel in April 2009, we have continued to build strong relationships with our stakeholders. Having worked closely with the Major Energy Users Council (MEUC) at panel meetings, we are now directly involved in MEUC events across the midlands – understanding first hand the individual concerns of their members - our key stakeholders.

These meetings give us the opportunity to work with a broader range of stakeholders, listening and acting upon their needs and concerns. For example, we have worked with Lafarge Aggregates to discuss concerns over supply reliability at their key sites and ESPO (Eastern Shires Purchasing Organisation) about the proposed changes to the way local authorities pay for unmetered supplies.

We have received some valuable stakeholder information on key business strategies, including feedback from MEUC members on the common charging methodology at a specific workshop. This vital information has helped us shape the service we are providing now and for the future.

Communicating with constituents

Keeping MPs 'SwitchedOn'

Recognising the role that MPs and their constituency office's play in the community we have been producing a quarterly Newsletter for all MPs in our area and during the 2010 election campaign, Prospective Parliamentary Candidates. The initiative allows us to build some key relationships as well as informing MPs and their constituents about who we are, what we are doing, and how we can help and work with them going forward. Topics have ranged from public safety advice, to doorstep crime and copper theft prevention, to our plans for the future of networks, including the role of distributed generation and smart grid technologies.



During 2010 we hosted Andrew Bridgen MP at our Pegasus Head Office, as the new MP for the area he was keen to see how we run our network to help him respond to potential queries from his constituents. In addition we continue to engage MPs and have invited them to see how we run our business. A good example of this is when we show MPs how we design our network to avoid the disruption caused by floods, by building substations on 4.5m stilts, allowing flood water to flow underneath.

Two-way Communication

Embracing change for our key customers

We know our industry can be confusing. To make it easier our New Connections' major customers were given an early insight into the changes that the new regulatory requirements will bring.

We hosted the 'Future of New Connections' event in March 2010 for key account managed customers such as house builders, industrial and commercial organisations to share our plans. The aim was to reassure them of a seamless transition to delivery and to explain in more detail what the new performance standards required by Ofgem mean for our customers.

Following an introduction and overview of the challenges of DPCR5 that we are facing, the event broke into group sessions covering four key areas – the new Regulatory Performance Standards in DPCR5, Wayleaves & legal changes, the New Connections process and how we intend to exceed customer expectations.

We explained the range of stringent new customer based performance standards introduced by Ofgem and the costly penalties we face if we fail. We told them how we'd introduced a new payment structure and procedures to remove much of the frustration of the application process and were keen for stakeholder feedback.

We also explained what we're doing to improve our customer service, embracing the new performance standards and what levels of customer service to be expected by our customers. One major topic of conversation was the new website which enables customers to track the progress of their job online.

We had a lot of positive feedback from the day with customers saying they were impressed with how we were moving forward. Responding to direct feedback from the group we held a second event in the autumn, so they could tell us whether we were keeping our promises! Overall they told us their experience really had changed and we were indeed delivering on what we set out to do.

We've been nationally recognised for the quality of our communications with customers – in particular making it easier for them to get in touch and to access the latest information in the format they prefer.

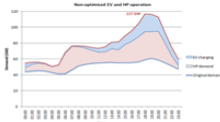


We were named winners in the category of "Best use of Technology in Customer Service" in the National Customer Service Awards, and for "Customer Satisfaction Innovation of the Year" in the Institute of Customer Service UK Satisfaction Awards.



Demand Side Management: Consumers would happily adapt to using appliances at different times of day or night

- Key motivator is to save money
- Some concerns on what the impact of peak times would be and assumed this would simply create other peaks
- Not one size fits all; for example:
 - older participants already limit energy usage, but make exceptions when the family visits
 - those in flats thought using/charging appliances during the night would disturb their neighbours
- Although consumers grasp the concept the technology is still confusing (and therefore limits how consumers respond)
- No core concerns about letting supplier take control over household appliances although there are practical concerns and considerations.....



They'll have to have different peak times for different areas if everyone is charging their cars etc at the same time

I don't understand how they know where to find my freezer.... So if it's like that chap there says, I have to have a special plug, why don't I just use the one I can buy from the shop now?

Letter received following a multi agency event held by Age UK that we supported in Hereford



Hereford & Localities

1 Offa Street
Hereford
HR1 2LH

Tel: 01432 350483
Fax: 01432 271370
E-mail: contact@ageconcernhereford.org.uk

Reg. Charity No. 1093512
Company No. 4394769

Jeanette Sheehan
Customer Liaison Department
Central Networks
Toll End Road
Tipton
West Bromwich
DY4 0HT

25 February 2011

Ref. JBS06

Dear Jeanette

Age Concern Hereford and Localities – Open Day, Thursday 17th February at the Shire Hall, Hereford

I am writing to thank you for your hard work and contribution to the Open Day on Thursday 17th February. I am in no doubt that without your continued support, time and effort, this would not have been possible and I am most grateful to you for your commitment to Age Concern Hereford and Localities.

As you are well aware, Charities, such as ours rely heavily on your good will and I am happy to say that event was a great success. Once again, a very big thank you!

With best wishes

Yours sincerely

Julia Batsurina
Trading Manager

Working with and for older people in Hereford and Localities

Age Concern Hereford and Localities is an Appointed Representative of Age UK Enterprises Limited which are authorised and regulated by the Financial Services Authority for insurance mediation.

Some of the outputs from our market research on "Consumer Views of Future Supply"



Team Co-ordinator, Jeanette Sheehan hands out a crisis pack

RNID accredited for a 4th year



Since becoming the first DNO to gain the RNID's best-practice Charter mark, our co-working continues to shape major improvements and increase accessibility for deaf customers in particular. Our telephony system enables customers to text or email us in real-time, whilst our new iPhone app, allows customers to access information first hand rather than through a relay service. Currently in collaborative development, we are producing DVD's for customers – explaining what to do in a power cut, including how to check the trip switches – that will feature on-screen sign language.



Carl Henshaw, CN Stakeholder Relationships Manager with Neighbourhood Watch co-ordinator Sheila Jackson, Parish Councillor Carol Wright, Neighbourhood Watch member Janice Pallett, PCSO Marianne Beeston, and Police Sgt Mike Sisman, at a substation in Swadlincote.

The value of communicating effectively and proactively with our vulnerable customers: It's not just about giving free packs – it's the vital messages we communicate with it, so our customers are prepared and know what to do if there's ever a problem. We work closely with key stakeholders including Age UK, local authorities and other utility providers to ensure our messages reach those that really need them.

CN's new programme really brings the vital safety messages alive for the kids. Children visit the mock substation and as well as learning what it is and what it does, discuss the hazards. The scenario where they're asked how to retrieve their property – in this case a football – and the use of pyrotechnics to show what can go wrong is a very innovative way of emphasizing the importance of safety. The children find the session really enjoyable and clearly learn a lot from it. Feedback from all the teachers has been really positive. CN's support and attendance at these events is really appreciated."



Keeping our communities safe

"Play Safe, Stay Safe" – children's education
Educating our customers, in particular young children, about our network, how electricity works and staying safe around electrical equipment, underpins our work in the community. We're keen to demonstrate a holistic approach with a variety of initiatives delivered alongside partners such as the blue light services and local authorities in order to deliver important safety messages, but in a way that's fun and interactive.

Power cut crisis kits help residents

by Army Hirst

PENSIONERS who have been experiencing random power cuts have told the Advertiser they "just want to get back to normal".
The homes of 22 people living in areas of Kirk Hallam, including Elliot Drive, Sander Higham Place and Windmere Avenue, have been cut off due to a fault which electricity distribution company Central Networks are trying to fix.
Gwilym Jones, 90 and his wife Mavis, 86, have experienced four or five power cuts at varying times of day and night over the last week.
Mr Jones said: "We're coping alright but we just want to get back to normal."
The electricity company are doing everything they can. I understand he can't use to work for the electric before Friday."
Most of the people living in the area affected are elderly which prompted local councillor John Fraudt to contact Central Networks and find out what the problem is.
He said: "The power cuts will continue to occur until a fault on one of the cables is pinpointed."
"Until the cable blows altogether it is very difficult to know where it is."



POWER CUTS: Gwilym Jones, 90, lives in one of 23 Kirk Hallam homes that have been...

In the meantime Central Networks supplied Mr Fraudt with emergency packs, including an analogue phone, thermal blankets, gloves and a torch, to distribute to pensioners.
Mr Fraudt added: "I had no idea these packs existed until I was at Central Networks. I suggested they send some to help make life more comfortable for residents during the power cuts that they are unfortunately experiencing." A spokesman for Central Networks said: "We've had repeated problems with these blowing wires there in a fairly section of cable but we've not yet been able to locate the fault."
"We've fitted monitoring equipment to try and find the source of the problem."

Martin Tristram, Youth Issues Officer,