



Our business plan 2015-23

RIIO-ED1 price control review forum
30 July 2013

Our plan offers customers improved outputs with lower prices and lower like-for-like costs

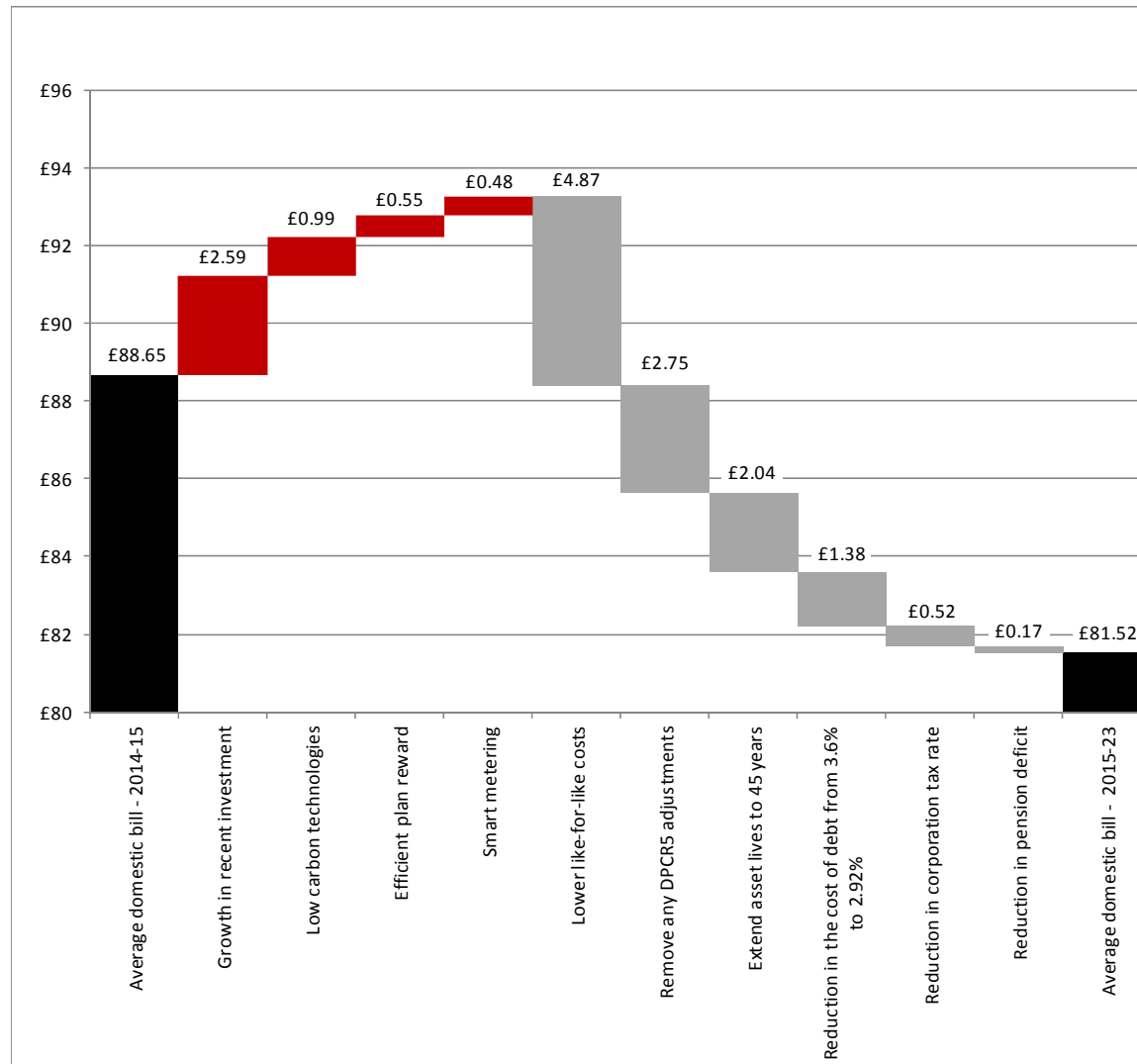
- Real prices fall by *ca.* 9% and then stay flat
- Improved transparency and predictability of future prices
- Like-for-like costs reduce by 3.2%
- Financing package matches Ofgem parameters
- Power cuts 20% shorter, in line with Ofgem targets
- Fewer long-duration faults with enhanced automatic payment if we fail – doubled for vulnerable customers
- 50% reduction in accident rates for staff and enhanced site security for the public
- Asset health maintained, flood resilience increased, environmental impact reduced
- Routine connection times shortened by 30%
- Innovation in asset-light smartgrid solutions
- Base costs assume modest LCT take-up – we take the risk of more LCTs
- Major increase in innovative web-based information services and self-service transactions
- Innovation in services to vulnerable customers
- New social partnerships to tackle the affordability challenge
- No additional reopeners or uncertainty mechanisms



The image shows a comparison of Northern Powergrid's communication materials. On the left is a red brochure titled 'YOUR POWERGRID' from November 2012, featuring a photograph of power line workers. On the right is a screenshot of the website 'www.yourpowergridplan.com' from April 2013, which has a more modern, multi-colored design with sections for 'Our stakeholders', 'Our proposal', and 'What's in it for you?'. Below the images is the URL www.yourpowergridplan.com.

- First mover on reducing costs and improving outputs
- Much greater reach due to use of digital channels
- Externally facilitated, structured feedback
- One-to-one meetings for 'professional stakeholders'
- Focused groups for 'common interest' stakeholders
- Direct and extensive engagement with suppliers
- Detailed challenge and support from 3 expert panels
- 81% approval rating from stakeholders
- Explicit endorsement from largest energy supplier

Although we are delivering more, we can do so at a lower price



www.yourpowergridplan.com