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Review of the Priority Services Register

Dear Rebecca

Thank you for the opportunity to respond to the above consultation. This response should be regarded as a consolidated response on behalf of UK Power Networks' three distribution licence holding companies: Eastern Power Networks plc, London Power Networks plc, and South Eastern Power Networks plc.

The comments we have provided in the appendix in answer to your questions are not confidential and can be published via the Ofgem website.

I hope that you will find our comments helpful. If you have any questions, please contact me in the first instance.

Yours sincerely



Keith Hutton
Head of Regulation
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Appendix

Question 1: Do you agree that energy companies should be required to offer non-financial services with the aim of equalising outcomes for customers?

UK Power Networks recognises the impact that a loss of supply will have on our customers, particularly those who are vulnerable. We agree with the principle of offering non-financial services to our vulnerable customers to help them during such times; however, we would suggest that the aim is revised to reflect the different desired outcomes for suppliers and distributors. Suppliers focus on ensuring equal access to all services for all customers, whereas distributors want to ensure they offer additional welfare support to vulnerable customers during an emergency. If the PSR is to be extended to include other utilities (as signalled by Ofgem as an option in the August Vulnerable Customers meeting), we believe that 'all utility companies should be required to offer non-financial services with the aim of equalising outcomes for customers and to remove any health risk associated with loss of supply'.

It is worth noting that any additional welfare support that is provided to our vulnerable customers comes at a cost. To continue to provide consistent welfare support to an ever expanding PSR customer group may result in funds being diverted from other services.

Question 2: Do you agree that we should continue to prescribe a minimum set of services? Do you support the proposed list of services? What additional services, if any, do you think energy companies should be required to provide?

We believe that Ofgem should continue to prescribe a minimum set of services. The key here is to have a uniform approach across the sector, however there may need to be separate rules for DNOs, GDNs and suppliers to reflect the different risks associated with each part of the sector. There is one generic option that could be included in the current list: a priority contact number (freephone or at least local rate) for PSR customers. Regardless of the standards listed by Ofgem, we would expect all organisations to continue to offer additional services over and above the minimum stated.

It is also important that any services offered address the needs of PSR customers and that the list of required services is not so prescriptive as to prevent all industry players tailoring the service offered to meet individual customers' needs.

Finally, we believe that we should also consider the cross over between fuel poverty and vulnerability. With a high percentage of fuel poor customers also considered vulnerable, we believe that it is sensible to require DNOs to include signposting material in their PSR welcome pack on services available to help tackle fuel poverty.

Question 3: If applicable, what services do you currently provide and what are the current costs of providing services (please break down by service). What financial impact do you think widening eligibility in the way we have proposed will have? Please provide evidence to support your answer.

We have set out below a summary of the services we provide and their approximate costs. These costs are based on the current scale of our PSR and any increase in the number of customers on it will of course increase the resulting cost:

- Dedicated priority phone number – all PSR customers are given a dedicated number to call during a power cut which will take them to the front of any queue to speak to a customer advisor. This is part of our current operational costs built into existing telephony costs.
- A luminous sticker with contact details on is sent out to all new PSR customers. **Cost: circa £32k per annum**
- British Red Cross (BRC) support – we have a formal partnership with the BRC who will attend site to support customers during prolonged power cuts. They have incident vehicles which are equipped to offer support through the provision of hot meals and drinks, blankets, torches and general welfare. While this level of support is available for all incidents, we will only request attendance to a single property where the customer is on our PSR. **Cost: circa £82k per annum**
- Customer Champion support – we run a Customer Champion programme whereby staff attend site during challenging incidents to improve customer service to the local community. As part of their role they will identify vulnerable customers, encourage them to join the PSR and organise welfare support as appropriate. **Cost: circa £232k per annum**
- Hotel accommodation – during prolonged supply interruptions we will offer vulnerable customers subsidised hotel accommodation. **Cost: circa £160k per annum** (these costs are forecasts based on historic trends, but could vary significantly due to the unpredictability of severe weather events, individual customers' needs and the volume of customers registered on the PSR)
- Meal subsidy – during prolonged supply interruptions we will offer vulnerable customers a contribution to a meal. **Cost: circa £100k per annum** (as above, these costs are forecasts based on historic trends, but could vary significantly due to the unpredictability of severe weather events, individual customers' needs and the volume of customers registered in the PSR)
- Generation – we work with customers to understand individual needs and where it is practical to do so we will provide generation to care homes, customers with a medical dependency and those who are critically ill. We currently do not separate generator costs into those specifically for PSR customers and are therefore unable to provide a cost estimate.
- Password option for when engineers need to access a customer's home – a cost for this service is not itemised.
- Welcome packs – we have produced two welcome packs that are sent to new PSR customers. The first consists of a welcome letter, the sticker mentioned above and a booklet giving advice on how to prepare for and cope with a powercut. For our most vulnerable customers, we also have a powercut box which includes practical items such as a torch and plug in phone. The powercut boxes currently cost **£16 each**. Annual costs would depend on the number of qualifying customers to receive this pack. We constantly review this service to ensure it meet the needs of our vulnerable customers and may make changes as appropriate.
- Literature – we have produced key literature in braille to meet the needs of our customers with sight impairment. We are also in the process of producing this material in the seven most spoken languages within our areas to reach those customers who do not speak English as their first language. To date we have translated four documents into the seven languages and braille at a cost of approx. **£17k**.

- Work with third parties – we work with a range of trusted third parties such as NEA to promote our PSR through different channels (online, fuel poverty workshops, newsletters etc.) As this promotion forms part of a larger initiative, it is not possible to assign a proportion of the costs to this specific task.

As previously mentioned, any additional services provided by widening eligibility would require funding which has not been built into our RIIO-ED1 business plan.

Question 4: Do you agree that we should move away from requiring energy companies to provide services to disabled, chronically sick and pensionable age customers to an approach which requires energy companies to take reasonable steps to identify and provide appropriate services to any customer with safety, access or communication needs?

We fully support this proposal and already acknowledge the often transient nature of vulnerability in our Social Obligation strategy. It is imperative that each customer's needs are assessed on an individual basis, with additional services provided as appropriate. To achieve this, all customer facing staff should be trained to recognise vulnerability and empowered to provide the right level of support.

Question 5: Do you agree that energy companies should be required to maintain a wider register of consumers that they have identified as being in a vulnerable situation?

We recognise the need to increase our PSR numbers and have committed to doubling the register as part of our RIIO-ED1 business plan. To increase numbers across the energy sector, it is imperative that we operate to a common definition of vulnerability as defined by Ofgem.

While collecting the data is important, consideration needs to be given to the quality of data. At a recent DNO meeting to discuss the PSR it was identified that around a fifth of records received from suppliers categorised customers under the 'other' vulnerability code, with a quarter of those incorrectly coded (as there was an existing direct category for the customer's need). For the PSR to be meaningful, the data held must be accurate and up to date. We suggest this would be achieved through a combination of a simplified list of vulnerability codes and training for staff. In addition, to maintain the data accuracy there will need to be a robust data cleansing regime.

Question 6: Do you agree that suppliers, DNOs and GDNs should share information about customers' needs with: a) each other? b) other utilities?

We agree with the suggestion that vulnerable customer data should be shared not only with each other, but with other utilities. The issue of data sharing goes beyond just the utility sector, however. We would also like to see a joined up approach to sharing data with local authorities under the Civil Contingencies Act, to help create a more complete PSR. In addition we would propose investigating ways to share data with the NHS, who would be ideally placed to identify transient vulnerable customers (for example, customers with new born babies and patients who have been discharged from hospital following major surgery).

Sharing such information is likely to require changes to the current Master Registration Agreement (MRA) products if it is to be completed fully. Any such changes would need to be made in conjunction with the relevant MRA boards and committees.

We already support the ENA's Vulnerable Customer Forum to help create a joined up approach to caring for PSR customers.

Question 7: Should energy companies be required to share information about customers' needs with other fuel providers such as LPG, heating oil distributors. How could the transfer of this information work? What are the benefits and risks of sharing the information?

While we see the logic of such a proposal, the number of independent companies within this field could make this proposal impractical. There could also be issues with regard to the Data Protection Act (DPA). Currently the Civil Contingencies Act (CCA) permits the exchange of vulnerable customer data between category 1 or 2 responders. As these independent fuel providers are not categorised as responders, the DPA would prevent us from sharing this data.

As these customers are likely to have electricity, the data would most likely be captured through their supplier. If, however, a cross utility vulnerability register were to be created, consideration should be given to which organisations should be given access.

Question 8: Do you agree that we should stipulate the minimum details that we expect energy companies to share, for example that names and phone numbers must be shared where they are available? Is there any other information that should be shared and for what purposes?

This is a topic that was discussed at a recent DNO best practice forum, although the proposal takes the suggestion further to share data outside the electricity sector. If as an industry we are to share data, it would make sense that the specific information captured is uniform across all participants. This would tie into the need for standard needs codes. As a minimum, we suggest the data should include the following:

- Name
- Address
- Primary contact number
- Secondary contact number
- Email address
- Preferred contact
 - This should include the customer's channel of choice taking account of all available channels including social media
 - There should also be scope to make contact through authorised third parties such as carers, relatives or support groups
- Vulnerability code

Question 9: Do you agree that energy companies should agree common minimum 'needs codes' to facilitate the sharing of information? Should we require energy companies to agree these codes? How might this work and what mechanisms are already in place to facilitate this? What role would Ofgem need to have in this process?

For the successful exchange of data to work it would require all participants to use a common list of needs codes. This would be an ideal opportunity to simplify what at present is an overly complex process (currently we use 21 different vulnerability codes, many that appear to overlap). In developing this common set of 'needs codes' other sources of data, including local authorities and the NHS, should be consulted. There will also be a need to update existing PSR data to reflect the revised set of codes.

The starting point would be to facilitate a workshop, open to all partners, with the aim of agreeing a standard list of needs codes. This workshop would also be a suitable forum to agree appropriate standard time frames for transient vulnerable statuses (for example, customers with new born babies).

Question 10: Should information about a customer's needs be shared with their new supplier when they switch? What is the best way to facilitate the sharing of this information?

On the assumption that the customer's needs have not changed just because they have switched supplier, we believe that suppliers sharing this information is critical to the accuracy of PSR data and therefore to ensuring that customers are offered appropriate services. This could be achieved by the inclusion of the customer's vulnerability status as part of the critical customer data that suppliers share as part of the switching process.

Question 11: Do you agree that a single cross-industry brand will raise awareness of priority services?

We believe that a single brand would bring many benefits. Publicity through national publications such as charity newsletters would raise awareness through trusted brands without the complex need to regionalise the message. Using this source would also avoid any issues of mistrust associated with the energy sector. A single brand would also lend itself well to the idea of a central PSR database that all partners can access.

Question 12: Do you agree that a guidance document would help advise providers and raise awareness? Who should produce this document?

We support the use of guidance documents to promote the PSR. In the interest of promoting a consistent message, we would suggest that these guidance documents are designed collectively, perhaps through a forum facilitated by the ENA but including other representative bodies such as Energy UK.

Question 13: What more can be done to raise awareness of priority services?

There are initiatives that can be adopted at a national level to promote the PSR including:

- Suppliers writing to their customers annually to promote the PSR
- DNOs, GDNs, suppliers, Ofgem, charities etc publishing information on the PSR and the services available on their websites
- Targeting health service stakeholders, such as GP surgeries, pharmacies and dental surgeries, with campaign material
- Distributing leaflets at community events, via key partners such as the BRC and local councils, field staff vehicles, and published online
- Use of timely awareness campaigns immediately after severe weather events using community centres, shopping centres/town centres etc
- Use of trusted partner organisations to publicise the PSR, relying on customer trust in a wide range of third parties to help promote the PSR
- Checking all inbound emergency calls to assess vulnerability. Where appropriate, the PSR should be promoted with the customer data added to the register in real time

- Possibly providing articles to NHS staff magazines to promote the PSR service to medical professionals

The use of a common brand would allow for national advertising. The specifics of this would need to be agreed and could take the form of advertisements in charity newsletters, national press or even television. The costs could be shared between all participating companies, although there would need to be a central entry point for applications which would then be shared between all member organisations.

Question 14: Do you agree that supplier independent audits are the best way of monitoring companies' compliance with our proposed obligations? Do you have views on the approach the audit should take and what it should cover?

Mindful of the importance of the services provided to PSR customers on our networks, we support the need to conduct a review of the implementation with the new obligations once they are fully operational.

However, in order to improve the service that PSR customers receive, we believe that these reviews should not be audits but best practice evaluations. As such, companies will then be more inclined to work with the reviewer to identify and implement best practice rather than be defensive and fearful of any enforcement resulting from audit findings. This is particularly important if the wording of the obligation on DNOs is not carefully considered (for example, to avoid an absolute obligation to identify and register every PSR customer in their footprint).