

Stakeholder Engagement Incentive 2014/15

Part 2



electricity
north west

Bringing energy to your door

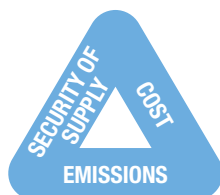
Our vision of a future DNO

The way we see stakeholder engagement is changing. Over the past three years we have embraced a robust framework for engagement – the AccountAbility Principles Standard (AA1000APS) – which has helped us determine who we engage with, what we engage on and how we respond.

We've had our description of our engagement assured in each of the past three years by one of the big four accountancy firms (12/13 and 13/14 by Deloitte, and 14/15 by PwC) and are confident that our processes are robust and making a difference to how we plan and operate our business.

But we want to do more. Over the past year we've built on our solid foundation to start taking on bigger industry-wide issues. The so-called 'energy trilemma' of:

- **Security of supply** – ensuring the country can generate the energy it needs
- **Decarbonisation** – delivering on our commitments to reduce carbon
- **Affordability** – achieving both security of supply and decarbonisation affordably



Energy Trilemma

Following three years of stakeholder engagement for our 2015-2023 business plan, our stakeholders' views mirror this trilemma, and as such, our plan is based on delivering a network that is reliable, affordable, sustainable and delivered with excellent customer service.

Networks have historically been seen as passive members of the industry chain, with the big influence and impact being wielded by generators and suppliers. In fact, it is DNOs that hold the key to helping resolve national as well as local issues. We recognise the opportunity we have to challenge the status quo. Enabling customers to change how they think about and use energy.

We have a vision of a future DNO that will be at the heart of the solution. The future DNO will have two tools in its armoury to tackle these industry issues:

1. New, direct and active relationships with customers
 - enabling increased interaction and mutual support between networks and customers, changing relationships to help balance generation and demand
2. New, innovative technology and advanced system management
 - enabling networks to make full use of new developments, such as smart meters, to actively manage the network at a more granular level

On pages 2-3 of this document we showcase:

Power Saver Challenge

PAGE 2

Smart Communities

PAGE 3

These innovative trials are funded from our own investment programme and show just what can be achieved by working with stakeholders to develop new customer relationships and combine them with new technology. It is projects like these that need to become more commonplace if we are to help solve the UK energy trilemma.

But we can only continue our programme of stakeholder engagement if we develop and invest in customer relationships and technology. And the remainder of this document sets out the engagement we've carried out over the past year to help us do that:

• **Raising awareness of who we are and what we do to improve customer understanding:**

PAGES 4-5

• **Building trust with customers through social responsibility and supporting the most vulnerable:**

PAGES 6-7

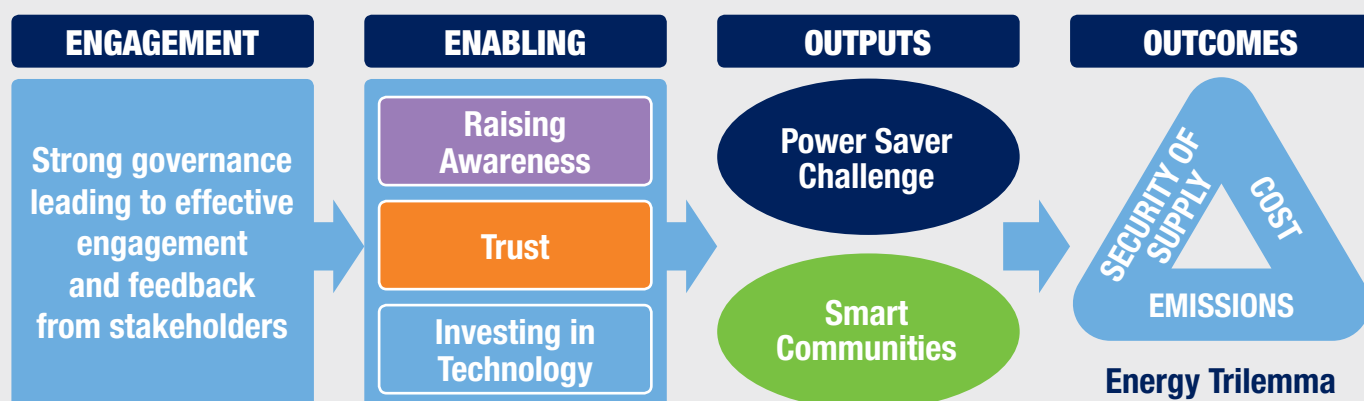
• **Investing in technology to underpin and facilitate our future engagements:**

PAGES 8-9

Each of these solutions leads to stronger tools to help us tackle the energy trilemma, as shown in the diagram below.

We are using stakeholder engagement to work towards our vision of the future DNO. A DNO that helps address key industry issues, and a DNO that recognises its responsibility for taking the UK energy industry forward.

Steve Johnson,
Chief Executive Officer.



FUTURE DNO VISION: Tackling the ‘energy trilemma’ by changing and improving our relationship with customers while investing in new technology to help balance generation and demand, improving security of supply, reducing carbon emissions and doing it affordably.

Flagship project No. 1

Project: Power Saver Challenge

Electricity North West investment: £600,000

Stakeholders: National Energy Action, domestic customers, customers in fuel poverty, employees, Stockport Council and Stockport Homes

Aim: Helping people out of fuel poverty while reducing their bills and our network costs

Replicability: ✓✓✓



POTENTIAL SAVINGS IN NETWORK INVESTMENT

As people use more electricity by adopting low carbon technologies and switching to electricity for things like heating and transport, we need to build bigger electricity networks to get that electricity to them. Growing populations and increasing reliance on electricity mean that this could cost £12 billion by 2050 in the North West alone. Ultimately, these costs would be passed on to customers through their electricity bills.

Traditional ‘network reinforcement’ techniques are the standard engineering solution. Basically, build bigger networks with more capacity to meet customers’ increased demand. However this is costly and disruptive.

But what if we turn the problem on its head? What if, instead of just building bigger networks to meet growing demand, we engage with a community to reduce demand? After all, prevention is better than cure. And not only would a drop in demand negate the need for a bigger network, but consumers would also directly save money on bills by using less energy.

Power Saver Challenge is a community project to encourage customers to reduce their household energy consumption by 10%, by making small, everyday changes around the home. It is a social, community-engagement solution, rather than a network one.

And it works.



£59
AVERAGE SAVING TO CUSTOMERS



By the beginning of February 2015, 60% of participating teams had saved the target 10% or more electricity, measured against the same period last year (with cold-weather weightings applied). This is a great result – and ahead of our KPI of a 50% completion rate. A 10% saving equates to £59 on the average annual electricity bill – a significant amount, especially for low income households who are vulnerable to fuel poverty,

Power Saver Challenge: Timeline

November 13-March 14: Baseline measurement of consumers’ load profiles during the winter peak

April 14: Community engagement begins

November 14: Challenge begins

November 14-March 15: Measurement of equivalent usage and prizes for biggest reduction

November 15-March 16: Continued monitoring to see if behavioural change has been embedded



as was the case for some households in the trial area.

Long term behavioural change: 81% of participants said they would continue to reduce their energy use in the future, thanks to the positive experience the project had given them.

Getting more from our assets: The power savings achieved would be enough to avert spending £1 million on network reinforcement in future projects.

Lifting families out of fuel poverty: A sizeable proportion of the local community in the trial area was either in fuel poverty, or risked falling into fuel poverty. Through our joint workshops with Stockport Council and our home energy saving audits delivered by National Energy Action, we helped to identify several families at risk of fuel poverty, and direct them to the most appropriate support. We also offered prizes to individuals of a AAA-rated kitchen appliance. The cost of replacing a broken white good can often prove a tipping point for those on the brink of fuel poverty.

Power Saver Challenge is an holistic, engaging and cost-effective model that is repeatable and sustainable. It saves money for DNOs and customers and also helps reduce fuel poverty. We are now looking at new areas for a second trial helping us refine our learning before rolling the programme out more widely.

We have also held a number of dissemination events on the challenge, including to other DNOs.



Flagship project No. 2

Project: Smart Communities

Electricity North West investment: £250,000

Stakeholders: UK Government, Japanese Government, Greater Manchester Combined Authority, three local Registered Social Landlords, social housing tenants, manufacturers: Hitachi, and Daikin

Aim: Testing impact of large number of heat pumps on network and customers to assess potential for future demand-side response

Replicability: ✓

We’re working with the Japanese government’s New Energy Development Organization (NEDO) in one of the most significant heat pump trials in the UK.

Our CEO, Steve Johnson, became chair of Greater Manchester’s Energy Group in 2015, and following the UK Government’s agreement for closer working with Japan on low carbon and sustainable development we have worked very closely with the Greater Manchester Combined Authority to attract a trial that will test new low carbon heat pump technology, its impact on networks and the benefits to customers.



The three-year £20m Smart Communities Project began in April 2014 following a six-month feasibility study with NEDO, Electricity North West, registered social landlords and local authorities in our region. 600 properties owned by three Registered Social Landlords (Wigan and Leigh, Northwards and Sixtowns) will take part in the trial.

In 2014/15 we reinforced our network in the trial area to allow for the installations of heat pumps in 600 properties to replace electric or gas central heating systems. The trial will test a range of heat pump types including a pure electric, and a hybrid gas, with and without buffer vessels for increased storage. The properties are then monitored for their usage via a broadband connection.

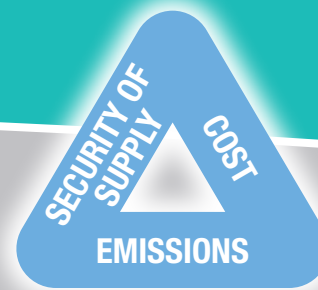
Those with hybrid technology are set up to automatically switch to the cheapest form of energy at the time they are needed. All will benefit by providing a demand response in the trial that can drive down costs for customers, without loss of comfort.

Demand response

The heat pumps in all properties can be controlled centrally via a broadband connection which means a network operator could potentially purchase a demand response reducing peak demand and enabling a reduction in costs for customers and the network. The trial will gather data on a range of heat pumps to assess the varying impacts on customers to achieve the necessary demand-response with no individual customer impact.

By understanding customers’ use of energy over the 600 homes in the trial, we will have the data to help us see the extent to which this could work to reduce energy usage and provide a real-time demand-response on the network.

And by integrating technology from our Smart Street LCN Fund project, we are able to make the most of this opportunity to really make a difference to customers and the network.



Power Saver Challenge and Smart Communities are two examples of how we can use stakeholder engagement to help solve the energy trilemma. To do more of these types of innovative projects we recognise that we need to do more stakeholder engagement to Raise Awareness (pages 4-5), Build Trust (pages 6-7), and Invest in Technology (pages 7-8)

Future developments using smart meter data will give us even more information to improve the services we offer for customers. There is also further potential for such schemes to be used to help reduce bills and tackle fuel poverty which we will investigate as the trial progresses.

As an extension to this trial, Wigan and Leigh Housing Association is trialing a new ‘telecare service’ with 20 of its tenants. The telecare services are offered using the broadband connection set up in homes as part of the Smart Communities trial and are an extra channel to provide support services to those vulnerable customers in their homes. It enhances the current pull-cord and phone options for monitoring and alarms for the warden or support managers to some of the vulnerable customers. The 20 tenants will begin the trial in September 2015 and we will monitor its success to see if there are any ways we are able to contribute to improving support for vulnerable customers, particularly during power cuts.

Customer awareness campaign

To do more innovative projects like Power Saver Challenge or Smart Communities, it's important that customers know who we are and what we do.

We carried out our first ever paid-for customer awareness campaign over winter 14/15 (November to February) to help customers understand who to contact if they have a power cut.

Customer surveys in March 14 showed that just 38% of those interviewed were aware of Electricity North West. Looking at options for raising our brand awareness through an advertising campaign we received quotes ranging from £40k to over £1m so finding the right balance between coverage versus affordability was important.

Targeting the whole region with mass advertising would have been very costly with no guarantee



of brand retention. Rather than that we chose to run a more tailored and targeted campaign aimed at regions with the highest incidents of power cuts.

We invested £140,000 in radio, print, online and social media advertising delivering a cost-effective campaign using fault data from previous years to plan our media according to areas most affected. We also weighted our traditional media (i.e. radio and press) spend towards local areas as opposed to spending larger amounts on larger regional media outlets.

Alongside this tailored approach, we also used door-to-door leaflet drops for around 75% of our area. In order to reduce the chances of accidentally distributing our literature over our

border into other DNOs' patches, we used Royal Mail delivery using specific postcode areas for leaflets near borders to avoid confusion to customers outside our area.



Power cut?

Follow these steps below before you contact us.

1. Check your trip switches in your fuse box
Turn your switches on and off and if your electricity does not come back on...
2. Check if your neighbours are without electricity
and if your street lights are still on.
3. If you still have no power...
Contact us as soon as you can, so that we can get your lights back on as quickly as possible.

For more tips visit
electricitynorthwest.co.uk

Design – based on customer feedback

Our design was based around the most fundamental question the campaign was trying to address – 'What would you do if you had a power cut?' – a simple message with bold imagery to encourage awareness and retention of the information.

For the door-drop leaflet we consulted with a group of customers who encouraged us to add more information to the front of the leaflet to show our logo to make it look more official. We also added a 'cut-out-and-keep' section with all our details on to encourage customers to retain the leaflet for future reference.

Targeted digital – making the most of our investment

We wanted to make sure we got the most from our budget and made our ads as targeted as possible. We set up our online advertising activity to automatically increase during bad weather, including our social media adverts linking people to our Facebook page and Twitter account for live updates.

We also bought space on the most popular weather websites, including the Met Office, Accuweather, weather.com and wunderground.com, specifically advertising on the pages displaying weather information about the North West. To be as cost-effective as possible for customers, these ads would only display when there was a weather warning in place, giving us the biggest impact for our money at the time customers were most likely to need us.

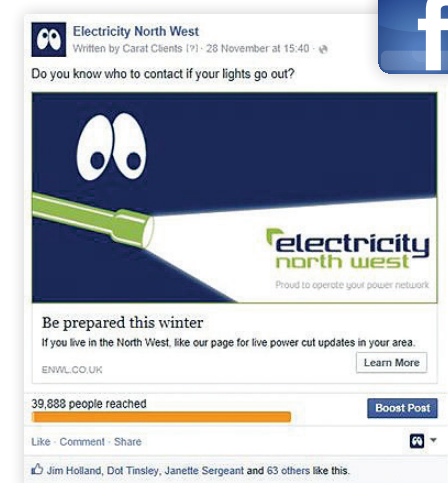


Results

Surveys following the campaign showed that awareness of Electricity North West rose six percentage points to 44%. We also measured how easy customers found it to contact us pre- and post-campaign and saw it rise 11 percentage points from 76% to 87% across the region. Customer confidence in knowing what to do in a power cut rose from 62%-76% in Cumbria and 55%-65% in Lancashire.

Press: Our press activity had a potential reach of 223,339 people, with 31% of surveyed customers post-campaign saying they had seen our press ads.

Radio: We aired around 1,000 radio ads across the campaign, with a reach of around 800,000 people. The average number of times someone was likely to hear the ad in their area was up to 15 times throughout the campaign. Around 27% of customers surveyed post-campaign recalled hearing our adverts on the radio, a great result given that they were only aired in around a third of our patch.



Leaflets: Post campaign results reveal that 20% had seen something about us via a leaflet delivered through their door.

Paid search ads: Google search has consistently been reported as the first place customers look for our contact details. Paid search ads were extremely cost-effective for us as we had very little competition bidding on 'power cut' search terms in our region. Our ads achieved 50,322 impressions (number of times our ad was seen) and 5,864 clicks on our ads during the campaign. Paid search also delivered an incremental uplift on top of organic search with total referrals to our site from search engines increasing by 25% during the campaign (66,037 referrals).

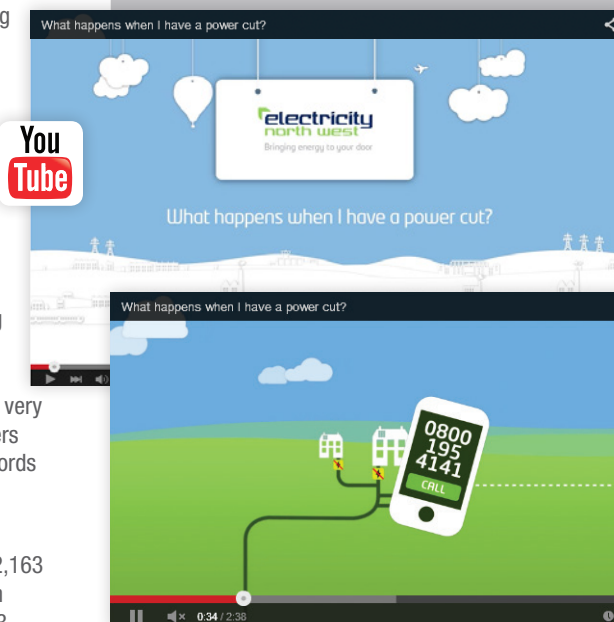
Online 'display ads': Online advertising known as 'display advertising' enabled us to target customers by their location, allowing us to use well-known national sites, while only targeting people in our area. Sites our adverts appeared on include eBay, YouTube, Telegraph and Daily Mail, as well as a number of local media sites giving us 2,347,929 impressions.

Social media: Social media advertising enabled us to promote our social media accounts to those customers who use social media sites. We were also able to very specifically target messages to customers based on geographic location and keywords such as 'power cut' used in our area.

During our social media campaigns, we achieved 1,912,081 impressions and 12,163 clicks on our ads. Across the four-month campaign we gained an additional 1,683 Twitter followers and more than doubled our number of Facebook likes with an additional 459 likes of our company page.

Customer awareness investment:

£140,000
Customer awareness campaign



Directory ads

As well as showing who we are and what we do we want to make it easier for customers to contact us. Around a third of customers who contact us every month tell us that they found our telephone number in a telephone directory. We've always advertised our emergency number in the BT Phone Book, Thomson Local and Yellow Pages.

When reviewing our adverts we noticed that one of our neighbouring networks, Scottish Power Energy Networks, was advertising in the same directory, due to the area covered crossing both network areas. This could be particularly confusing for customers with two separate adverts each telling customers to call a different number for a power cut.

We contacted Scottish Power and suggested we work together to develop a joint advert to help customers understand exactly who they needed to contact.

Together, we're running the ad from this summer, and have already spoken to other DNOs about the possibility of rolling this idea out more widely across the UK.

POWERCUT OR EMERGENCY?

Contact your local network operator.
Depending on which side of the border you live, you need to contact either:

<p>SP ENERGY NETWORKS</p> <p>Landline: 0800 001 5400 Mobile: 0330 1010 400 For other power line or cable enquiries: 0330 1010 444</p> <p>www.spenergynetworks.co.uk @spenergynetwork /SPEnergyNetworks</p>	<p>electricity north west Bringing energy to your door</p> <p>Landline: 0800 195 4141 If you have hearing difficulties: 0800 458 9767</p> <p>For live online updates 24/7, visit: www.electricitynorthwest.co.uk @ElectricityNW /ElectricityNorthWest</p>
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Vulnerable customers

During 2013/14 we appointed a Vulnerable Customer Manager to help us drive changes to improve our services and develop our vulnerable customer strategy. The strategy aim is 'To prepare, be there for and delight our customers who need extra support during their time of need and to work with communities and agencies so that our services are accessible to everyone.'

The strategy has five areas of focus:

- British Standard of vulnerability
- Raising awareness
- Services
- Data
- Future development.

Our strategy for 2014/15 has been focusing on understanding where we need to start

and building a strong foundation agreed by stakeholders and seen as best practice within the industry. We have worked with local authorities to understand areas of high vulnerability and focused on working with their communities.

The foundations we have built within the business are:

1. Defining, documenting and embedding processes for additional support for vulnerable customers as defined in the BSI.
2. Continuing to build up community relationships, and raising awareness of the additional, tailored services we offer vulnerable customers.
3. Developing an IT system that enables us to manage customer data more efficiently and effectively, helping us improve support for vulnerable customers.



Additional services offered to improve customer confidence during a power cut

Phone priority for vulnerable customers

We noted some other DNOs use of separate emergency phone numbers for customers on their Priority Services Register, and liked the idea of a prioritised line for vulnerable customers. But we also were aware of potential confusion over promoting more than one number. After consulting stakeholders we agreed that the best way of making it easier for vulnerable customers to contact us was to make it as seamless as possible. As of February 2015, any customer who calls our emergency line from a number registered on our Priority Services Register will bypass our automated system and be put straight through to a customer service representative, or prioritised in a queue.

Trip switch call out

Through call and data analysis we identified that many vulnerable customers contact us regarding a loss of power where the fault is likely to be on the customer's side, rather than our network. In these circumstances our standard approach is to advise customers to check their trip switches. A number of vulnerable customers go on to tell us that their meter is above the front door, or in another inaccessible place, and they have no one to help them check.

In September 2014 Electricity North West implemented a trial to go out to customers in this position to check their trip switches for them. In the seven months to April 2015 we carried out 42 visits where the issue was on the customer's side. We reset trip switches and also provided vulnerable customer packs as well as contact details of support agencies to help the customer. This trial has now become business as usual.

Proactive weather warnings

Electricity North West commenced a trial of proactive weather warnings during February 2014; this was followed up with a customer telephone survey to understand whether this was a service that our customers felt beneficial. The results of the survey showed 75% of customers believed that Electricity North West should continue with this process even though only 65% actually experienced severe weather.

Following the positive feedback Electricity North West established a business process

to implement communication through SMS texting, calls and emails. During the winter of 2014/15 in total Electricity North West issued 274,381 texts, 254 emails and 258 telephone calls to Priority Service Registered Customers. For all other customers within the North West we use 24 hour social media and our website.

Iviti power cut-proof light bulb trial

Electricity North West has committed to commence a trial during the summer of 2015 using Iviti light bulbs. The light bulb has a three-hour back charge so once power has been lost property lighting can still be provided. The trial will provide 50 vulnerable customers with three light bulbs to provide lighting in the stairwell and two other rooms selected by the customer. Following the trial we will be seeking feedback to understand the success and benefit to the customers to understand whether this is an area to progress.



Vulnerable customer surveys

We have carried out 300 telephone surveys with vulnerable customers to understand what they believe is important during a power cut. The feedback from this survey will be reviewed and compared against the aims of 2015/16 plan and if required alter our path of priorities.



Raising awareness of our Priority Services Register

We have focused our efforts over the past year in Cumbria in the north of our operating area. Cumbria is the second least densely populated county in England and has an older population than the national average; 27% of residents are aged 60+ compared to just 22% nationally. The area is supplied predominately through overhead lines and is exposed to high winds, flooding and snow fall so it is right that we focus our attention and resources on this area in particular.

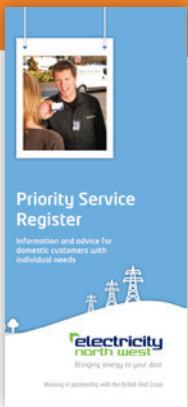
This year Electricity North West joined Cumbria Community Messaging - a new scheme where we can send alerts to parish councils, local councillors or anyone else signed up to receive the alerts. This is great local initiative to let a close community prepare for bad weather or access information during incidents to help support each other.

Throughout 2014/15 we have joined and attended a number of resilience events to raise awareness and support local groups. Our Vulnerable Customer Manager and Customer Champions have attended events alongside:

- South Lakeland District Council
- Cumbria Neighbourhood Watch
- Cumbria County Council

Electricity North West has embraced the BSI standard of vulnerability and the work through the year to focus on managing and understanding different vulnerabilities and transient vulnerability has lead to developments within the Customer Relationship Management system. The system to be implemented in 2015 will provide the ability for Electricity North West customers to start, stop and restart their periods of vulnerability as they see appropriate. This area may include examples of pregnancy, loss of work, or even just winter periods with dark nights.

The training within the contact centre supported by the British Red Cross has focused on this area for the past 18 months. 70 customer advisors have trained over the period and in-house refreshers are carried out during the winter periods in preparation for any significant events.



Vulnerable customer investment:

£18,000
PSR phone priority

£580,000
Network investment for vulnerable customers

£354,000
Generator strategy

£26,000
welfare, including food and accommodation

£978,000
TOTAL

Investing in our network for our vulnerable customers

Our stakeholder engagement has told us that our customers have many of the same needs but certain groups have a greater dependency on our services for their wellbeing than others. For example hospitals with an accident and emergency unit provide a vital service to the communities we serve and protracted loss of power can cause significant distress. Other examples include areas where there are a higher than normal proportion of PSR customers, nursing homes and sheltered housing. In response to this engagement, we included investment in our RIIO-ED1 plans to

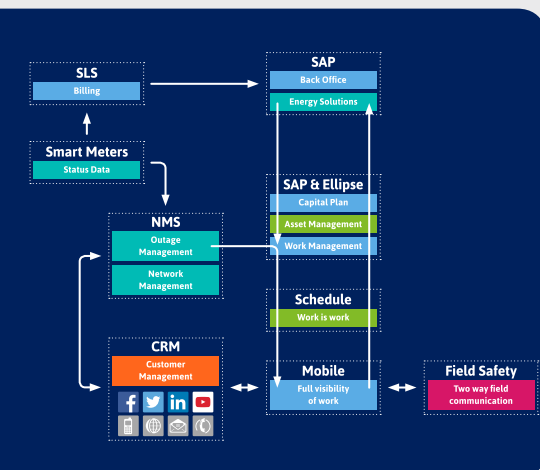
help ensure these customers receive the service they need when there is a fault on the network. We will install new technology to our network feeding 56 hospitals and the 87 substations serving high numbers of PSR customers over the RIIO-ED1 period. Recognising how important assurance of power supply is to these customers, we have made an early start investing over £580,000 in remote control and automation technology. This has already secured 31 of the hospital sites in 2014/15 and we will complete the remainder of the work as one of our highest priority investment programmes.

Generators for vulnerable customers

During the year we have developed a new strategy to connect additional generators during faults and planned supply interruptions to provide power to our most vulnerable customers. Generators are now available on a case-by-case basis using set criteria to prioritise those most in need; considering medical conditions, time without power and weather conditions. In 14/15 we provided generators to more than 500 vulnerable customers, mainly during faults. In 15/16 we aim to extend this strategy to proactively provide generators during more planned work.



ENABLING FUTURE PROJECTS: Investing in technology to underpin and facilitate our future engagements



Technology investment and our Information Systems strategy

In 2014/15 we developed our new Information Systems (IS) strategy. We recognise that technology sits behind providing solutions to stakeholders' most significant requirements of reliability, affordability, sustainability and customer service.

Technology is the foundation on which our vision of the future DNO is built. Technology enables more tailored engagement with customers, better control of our network, and better interaction between the two. By re-envisioning and rationalising our software and

infrastructure we can ensure that not only is it in itself affordable and sustainable, but that it is also focused on facilitating other improvements to our business as efficiently as possible.

Our IS Strategy is the result of engaging with people across the business to understand the needs of their stakeholders. We've taken that information and engaged with industry bodies, external experts and other network operators in the UK, Europe and US to determine what best in class looks like.



Network Management System

In December 2014 we signed a contract with Schneider Electric to develop our new Network Management System (NMS) – the system we use to manage the whole of the electricity network in the North West.

We've improved our current bespoke systems over the past 10 years, but increasing stakeholder demands and expectations, plus the scale of development needed to meet future smart network challenges, require its full replacement.

Our new NMS will give us a world-leading smart network management capability providing a platform on which to build a smart distribution network making the most of the national smart meter roll out. Over the coming months we will complete the design phase, working closely with our partners Schneider Electric and a multi-disciplined team of experts from across the business to ensure the system meets our stakeholders' requirements.

Among other things, the new system will help us:

- operate an **active network** with increased levels of distributed generations and greater point loads to meet our changing customer needs
- plan outages and maintenance more effectively to **reduce disruption to customers**

- carry out more pre-emptive intervention, **improving reliability**
- add more automation to our network to **reduce the length of power cuts** – from hours to minutes – for hundreds of thousands of customers
- extend our use of remote control to further **improve safety** for employees and customers
- **reduce customers' bills** by allowing us to operate more efficiently
- provide **more information to customers** more quickly if their power does go off
- deliver a flexible network to **connect low carbon technologies**
- use **data from smart meters** to realise benefits
- deal with rising levels of electricity demand allowing us to **distribute power more efficiently while reducing the impact on the environment**



International engagement

Prior to contract award we engaged with expert consultants including DNV Kema and The Structure Group (US), engaged with other network operators including Scottish Power in the UK; ENEL and DONG Energy in Europe; and Oklahoma Gas & Electric, Philadelphia Gas & Electric, Baltimore Gas & Electric and Florida Light & Power in the US to help us understand the best options in the world. We then engaged with the major NMS vendors across the world to find the best fit for our requirements and the requirements for our stakeholders.



Customer Relationship Management System

During the past 12 months we have been developing a new Customer Relationship Management System (CRM) which will have a significant impact in the way we interact with our customers in a number of ways:

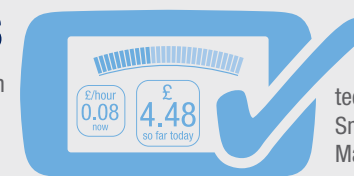
- **Improved data control and sharing:** A single view of customer interactions, including fault history, improving our speed and quality of response and supporting better analysis of fault trends
- **Improved appointment booking facility:** Building the foundation for improved two-way interaction using mobile technologies with our field workforce and contractors
- **Improved knowledge management and in-call support** for our Customer Service Representatives, enabling them to handle a broad range of enquiries more easily and across multiple channels



- **Improved customer communications** through more robust mastering of customer data, including vulnerability status and contact channels, and through the ability to manage communication campaigns, including proactive automated communication around planned supply interruption notifications and faults
- **Improved workflow** with the ability to automate escalations and alerts in relation to service level agreements, ensuring that updates are issued to customers in a timely and consistent way

Smart meters

Smart meters are the next generation of gas and electricity meters and will offer a wide range of intelligent functions to benefit customers and improve our business efficiency. The Department of Energy and Climate Change has put in place a programme to roll out smart electricity and gas meters to 26 million UK homes by 2020. Smart meters will pave the way for a transformation in the way energy is supplied and used and are also viewed as a key enabler of future smart grids.



In 2014/15 we appointed a technology-focused Smart Meter Programme Manager and an operational Smart Meter

Implementation Manager. We recognise the enormous potential of smart meters and are developing our own systems, such as our new Network Management System, to make the most of the data we'll soon have.

Our new Smart Meter Managers will help us to:

- support the national Smart Metering Implementation Programme;
- provide the integration required to enable the realisation of benefits associated with the usage of smart meter data; and
- support current and future industry data flows, meter registration, supplier liaison and billing.

Smart meter taskforce

We're upskilling meter operators and developing new authorisations to work on our equipment to facilitate the smart meter roll out. If there is an issue with the main fuse (known as a cut-out) at a property when a supplier attends to install a smart meter, the DNO must attend to address the issue. This can be time consuming and expensive. In 14/15 we worked with a meter installer to train up six of their employees to do this work on our behalf – saving customers time and money. We are now in the process of putting a contract to tender for a 'smart meter cut-out taskforce' to help make the roll-out smoother, quicker and cheaper for customers, allowing us to make the best use of our internal resources to keep the network running.

Technology investment:



Overall investment:





Ongoing stakeholder engagement tracker

Stakeholder engagement plays a significant role in how we operate at Electricity North West.

We recognise the importance of engaging with our stakeholders, listening to their feedback, and changing how we do business in order to meet stakeholders’ expectations. Whilst this submission focuses on some high profile examples of where stakeholder engagement is influencing how we

do business, engaging with stakeholders is something that occurs at every level of our organisation, shaping how we do the big - and small things. All our engagement activities are collated on a tracker document, and an example of some of these activities is outlined below. These examples illustrate the wide-ranging and diverse nature of how stakeholder engagement is truly affecting the way we do business.

What	Detail
RELIABILITY	
1 RSPB	Ongoing direct engagement, resulting in financial corporate sponsorship. In partnership with RSPB, we monitor bird flight paths in relation to the position of our overhead lines and efficiency of various diverters for different species.
2 Leyland Parish Council	Engagement following repeat overhead line faults. Changed how we track and manage overhead faults, and action targeted network investment.
CUSTOMER SERVICE	
3 Catering provision during powercuts	Provide mobile catering units where customers have experienced a lengthy supply interruption. 251 in 2014/15 (provided by KK Catering).
4 Housing Associations	Ongoing liaison with housing associations (and Local Authorities) to understand their requirements and how we can work together to replace Electricity North West Limited Rising & Lateral Mains installations in poor condition.
5 Vulnerable Customers -accommodation	Customer advisers in our contact centre have all been trained and provided with means of booking and paying for accommodation for customers that are feeling more vulnerable in their home without supply.
PRICING	
6 System Tariff improvements	Sponsored and chaired Industry Code change proposal (DCUSA- DCP179) to enable Distribution Use of System tariffs for customers with SMART meters.
NETWORK RESILIENCE	
7 Environment Agency	Ongoing work with the Environment Agency (via Energy Networks Association (ENA)) to update their flood risk maps using data from the local flood forum.
8 Centre for Protection of National Infrastructure CPNI	Security of major substations discussed with CPNI. Assistance in the securing of assets identified by DECC to determine the current threat level against our asset base.
9 Local Authorities Highways Authorities Environment Agency	Engagement on Substation Flood Protection Programme (2015-23). Engagement to broaden understanding of the manner in which local flood relief and protect schemes gain Central Government funding.
FINANCIAL PERFORMANCE	
10 Tax and Risk Review Engagement	Ongoing engagement with suppliers, investors, other utilities to discuss and share best practices in relation to tax and risk issues. Such discussions have influenced management of audit processes and strategy.
11 KPMG; PwC; Deloitte	Assurance and Risk seminars. Ongoing engagement to discuss and share best practices in relation to assurance and risk issues. Such discussions have influenced management of audit processes and strategy.
VULNERABLE CUSTOMER	
12 British Red Cross	Training – work with British Red Cross to train our front line teams on understanding vulnerable customers. Partnership – Engage with British Red Cross not only to provide a support service to vulnerable customers when needed, but also ongoing engagement to provide knowledge, support and advice that will influence our ongoing vulnerable customer strategy.
13 Age UK (South Lakeland)	Ongoing engagement with Age UK to set up a referral service to support vulnerable elderly customers.
14 Air Liquide	Support from Air Liquide to provide backup oxygen cylinders to our customers that are on oxygen concentrators. This service is available 24 hours a day.
15 Attendance at Regional Resilience Events	Programme in place for Electricity North West to attend resilience events in local communities to help customers prepare for interruptions and to raise brand awareness. Attended the first annual Building Resilience event in Cumbria.
16 Cumbria Constabulary	Ongoing relationship building with Cumbria Constabulary for a wide range of purposes. Worked closely to attend their Annual Resilience event; Cumbria Constabulary also hold a stock of our Priority Service Register PSR literature.
17 Vulnerable packs	Emergency Packs created and distributed to vulnerable customers when needed. The packs include hats, gloves, torches, blankets, flasks, thermal mugs, analogue telephones and hand warmers.
18 999 event	Event attended by over 30,000 people. The aim was to raise awareness of out PSR and also brand awareness (Trafford Centre – Manchester Fire & Rescue).
19 MET Office Proactive messaging for weather warnings	Through our close working relationship with the MET office, we are able to closely follow emerging severe weather warnings and send proactive warnings to key customers.
20 Generators	Ongoing engagement and relationship building with vulnerable customers allows us to better understand their needs e.g. backup generators can be made available to certain customers.
REDUCING NETWORK EMISSIONS	
21 Environment Agency Other DNOs and ENA	Ongoing engagement including joint working group meetings (DNOs and ENA) on oil-filled transformers / cables.
UNDERGROUNDING FOR VISUAL AMENITY	
22 National Parks; AONB; Friends of National Park	Discussions with stakeholders have led to us presenting options to Ofgem to pool undergrounding allowances in designated areas where there are multiple DNOs operating.

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Bringing energy to your door

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