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Dear Nayar

Please find attached Electricity North West's responses to the Panel's four supplementary questions (SQs):

1. Please explain how you use Social Return on Investment ("SROI") analysis in decision-making, particularly where it conflicts with other research findings and/or business priorities. In particular, how does this feature with the 'Power in the Hour' initiative?
2. Page 10 of your Part 3 submission notes that the North West area has the highest rate of fuel poverty at 13.1% as compared with a 10.9% average. It further reports that ENWL has increased the support to fuel poor households by 380% this year with 4,309 households 'supported'. Please explain:
 - a. Why the level of support is not greater and how you are working with stakeholders to address the barriers to supporting more households.
3. The COVID-19 pandemic has changed both the ways of working and how stakeholder engagement is conducted. Please provide responses to the following:
 - a. How have stakeholders helped you put in place new ways of working for the COVID-19 pandemic?
 - b. What new methods of stakeholder engagement have you found useful and why?
 - c. What learnings from the pandemic are enabling you to deliver more for customers and stakeholders?



4. Many companies are using technologies such as Artificial Intelligence to improve stakeholder engagement.

- a. Please explain what steps have been taken to use technologies such as Artificial Intelligence, Big Data and others to improve stakeholder engagement, deliver benefits to stakeholders and improve services to vulnerable customers.
- b. What data sets have you made available to other stakeholders?
- c. What help, if any, are you giving these stakeholders with using the data?

As per your email of 22 June, the prescribed format for the written responses has been strictly followed. Responses to each SQ have been limited to 1 page of A4 using size 10 verdana; 1.5 line spacing and standard 2.54cm margins.

I also enclose an additional copy of our response with information we consider to be confidential highlighted for redaction purposes upon publication.

We look forward to hearing the Independent Panel's feedback in due course.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michael Brainch', with a horizontal line drawn underneath it.

Michael Brainch

SECV Submission Manager

Electricity North West

Response to SECV 2019/20 Supplementary Question 1

Social Return on Investment (SROI) informs how our initiatives evolve; whether to scale up, change course, or even stop altogether. We use our SROI tool throughout the year to provide an important triangulation point in effective decision-making. It enables our team to track progress, plan new activities, compare investment scenarios and target resources in the right areas to achieve desired outcomes. We are actively embedding SROI as a forward-looking tool, therefore, an even greater volume of decision-making reported in 2020/21 will be influenced by SROI data.

SROI is one component of triangulation, a process we use in our annual business planning and continual learning and review processes to review the different dimensions of a decision 'in the round'. Drawing on operational data and the strategies, priorities and intelligence shared by our stakeholders. Where a conflict exists between these inputs, triangulation is used to determine which input(s) to prioritise. This enables us to make an informed decision about whether an activity should continue in some form, even with a relatively poor SROI, as other considerations are deemed more important.

This year we identified the cost of providing back-up generation to customers during a power cut exceeds the social benefit (multiplier of x0.5) gained. This SROI evidence conflicts with stakeholder support for its provision. We reviewed our policy and resolved to reduce the overall usage and cost of generation in 2020/21, as part of our commitment to deliver value for money to customers. SROI is now guiding a more targeted application of our generator policy towards customers in the most vulnerable circumstances, which our customers have told us they wholeheartedly support. This trade-off is indicative of the importance of triangulating a wide range of feedback loops to resolve conflict and determine the optimal strategy for delivering a reliable network.

Whilst SROI was not a key driver for its implementation, our 'Power in the Hour' initiative reflects feedback from our Chief Executive Advisory Panel that we should reduce the impact of transient (intermittent) network faults on our customers and insight from customers show that they expect us to take all reasonable steps to reduce the average duration of unplanned power cuts.

Whilst beneficial, Power in the Hour does not resolve the risk of multiple interruptions, a significant driver of customer complaints, until the underlying fault is permanently fixed. Triangulation data has informed a longer-term outlook of investing in innovative smart fuses, which locate transient faults. Wherever possible customer disruption is minimised when permanently repairing affected cables using generation, or alternatively arranging a planned interruption, enabling customers to prepare. 92% of customers impacted by transient faults, when surveyed, are satisfied with this process.

Response to SECV 2019/20 Supplementary Question 2

Although we observe stronger endorsement from our stakeholders for supporting customers in vulnerable circumstances than fuel poor customers (FPC) specifically, we believe that we have a responsibility to identify the barriers to FPC accessing support and act where we are well placed to address them. As we do so, we are cognisant of our customers priority of minimising their bills, so our strategy is to focus on building our capability, and that of our stakeholder community, to deliver interventions to FPC that have a long term sustainable impact, thereby delivering value for money. Over the last three years our programme has expanded by 716%, achieved £1.6m social benefit and we have been able to support more FPC than ever before, partly by reducing the cost to deliver by 50%. But we know we cannot stop there. To guide us, our Consumer Vulnerability Advisory Panel have created two sub-panels; a strategy group which are advising us on our strategic role in alleviating fuel poverty and a delivery group which are co-creating solutions to collaboratively address barriers.

The barriers to increasing support are multi-faceted. FPC are unlikely to proactively reveal their financial vulnerability to us and are not identified during registration to the PSR. To reach FPC, our Consumer Vulnerability Panel (see Part one, page five) gave us clear direction that we should be data-led and targeted in our approach. In response, we continuously use and refresh social data mapping to prioritise our investment (and that of our stakeholders, such as Local Authorities), in areas identified to have the greatest prevalence of FPC.

In 2019/20 our partnership with the Kashmir Youth Project underlined the importance of expert knowledge of our customers' behaviours in delivering effective interventions to FPC, such as energy efficiency. This learning has informed our place-based collaboration with partners who have local knowledge and are trusted by communities.

to understand the triggers, motivators and enablers of behaviour change that drive FPC to take-up support offers.

This coordinated approach across the region will enable us to build our capability to support greater numbers of FPC in the North West.

Direct intervention doesn't always achieve enduring social benefit, so we are supporting FPC through £18m investment in deployment of Smart Street technology on our network (Part three, page nine). The first phase of the roll out is being informed by our social data mapping and will deliver up to £60 annual energy bill savings to 64,000 customers, without any action being required. In the future we will continue our roll out of Smart Street to ensure bill savings are delivered in fuel poor areas first.

Response to SECV 2019/20 Supplementary Question 3

(A) As lockdown measures were introduced, we proactively engaged with stakeholders about their needs and expectations. They told us that their [top priority](#) remained unchanged; delivering a safe and reliable electricity network and that we should, with appropriate safety precautions, continue with planned service interruption (PSI) and delivering new connections to the network. Initially, customers helped us amend our [PSI process](#) by reducing the duration of works to a maximum of four hours. This strategy aimed to reduce the disruption caused to customers who were spending more time at home. In May, customers told us that through adapting to 'life in lockdown' they felt comfortable extending works up to six hours. This responsive and agile way of working has influenced our highest ever levels of satisfaction with PSIs (92%) and new connections (96%), among customers surveyed.

(B) As lockdown measures were introduced, our advisory panel members told us their engagement needs had changed; they wanted to engage with us more frequently, in shorter, topic-specific meetings. We adapted our programme accordingly, migrating engagement online. Improved accessibility has led to an increase in stakeholder participation and the use of interactive polling and a 'chat' function has been successful in encouraging online participants to actively contribute, rather than adopting a passive, listening role. Our success has prompted us to digitalise other impacted processes such as our industry leading carbon literacy training and 'Bright Sparks' school programme.

(C) Our success has been underpinned by 96% of our workforce being available during the pandemic. Within days, our workforce was being supported with their personal needs and working effectively, from home, our offices, or in the field with appropriate protection. Staff across different teams proactively contacted 186,000 vulnerable customers to offer support. Stakeholders have also guided where we [target support](#); to date colleagues have volunteered 600 hours to pack and deliver [care parcels](#) to over 2,000 customers weekly. Collaboration with local resilience forums has led to enhanced support for groups critical to the pandemic, such as [hospitals](#). Prior to COVID-19 we had allocated £235,000 from our Consumer Vulnerability Fund to partners. During the pandemic our partners told us that the needs of communities were changing, driven by increased concerns over the affordability of energy bills, social isolation and food poverty. We encouraged our funded partners to revise their plans to meet these changing needs and fast-tracked payments to them, which stopped critical support services being withdrawn. We then co-created and promoted a free energy efficiency '[support hub](#)' which offers advice on energy debt, topping up whilst self-isolating and provides access to an [Energy Redress COVID-19 Crisis Fund](#). We have also setup an industry-first process for issuing emergency credit vouchers or anyone using pre-payment meters at risk of self-disconnecting their energy supply.

Response to SECV 2019/20 Supplementary Question 4

(A) Stakeholders responding to our recent [digital strategy consultation](#) told us that they want to see greater openness, accessibility to data, investment and innovation to unlock the potential of new technology, deliver benefits to stakeholders and improve services to vulnerable customers. As part of this strategy we have invested in Artificial Intelligence (AI), through the development of a chatbot (Part three, page five). This channel is a convenient way for customers to obtain information and can help mitigate high call volumes, finite resources and more complex customer communication needs, which have been evident during COVID-19. We also invest to continuously improve and refresh our data. New AI 'virtual workers' (Part three, page seven) which cleanse Priority Services Register data, support this goal by releasing capacity for skilled welfare advisors to spend more time providing tailored support to customers in vulnerable circumstances during power cuts. We continue to invest in innovation and are working collaboratively with [Kelvatek](#) to explore the application of machine learning and AI, to establish how we can leverage big data being collected by monitoring equipment deployed on our network. A new [project](#), funded under the Network Innovation Allowance mechanism, is expected to identify how AI can be exploited to identify hidden trends, to inform more efficient network investment strategies and deliver enduring benefits to our customers.

(B) Our digital strategy guides us to increase openness and transparency to support market innovation, energy supply chain efficiency and economic growth. To support this goal, we share a wide range of data with our stakeholders including, but not limited to; [social data mapping](#), a live [power cut map](#), [Distribution Future Electricity Scenarios](#) (DFES), a network capacity [heatmap](#) and [interactive quoting tool](#) for new connections, [Embedded Capacity Register](#), a current and forecasted [Flexibility Service requirements map](#), a [network asset viewer](#) and access to [innovation](#) project data.

(C) This year, in response to stakeholder feedback, we became the first operator to publish the detailed data behind our DFES forecasts as an interactive workbook. We compliment 'self-serve' data approaches with explanatory webinar tutorials, advisory panels, bilateral engagement and Q&A meetings on tools such as our distributed generation network capacity heatmap. We also provide bespoke data services such as Carbon Balance Sheets (Part two, page six) which enable stakeholders access to sub-regional, granular data. This year our collaboration on '[Flexr](#)', a data provision and standardisation service will increase accessibility and the launch of our ground-breaking £25m Network Management System will enable the usage of smart meter data to; proactively support customers that are experiencing a power cut sooner, aid greater visibility of electricity demand at all times, improve reliability, reduced costs and enable the uptake of low carbon technologies such as electric vehicles.