

Bhavika Mithani Consumers and Competition Ofgem 9 Millbank London SW1P 3GE

18th February 2016

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Priority Services Register Review - Final Proposals

Dear Bhavika.

Wales & West Utilities Limited (WWU) is a licenced Gas Distribution Network (GDN) providing Gas Transportation services for all major shippers in the UK. We cover 1/6th of the UK land mass and transport gas to over 2.4 million supply points.

We welcome Ofgem's recent publication of the Final Proposals for its Review of the Priority Services Register (PSR). Safeguarding the needs of our vulnerable customers is one of our key concerns and as such we are supportive of Ofgem's aim to ensure that its non-financial provisions for vulnerable customers are better targeted and provide effective protections.

Energy Networks Association (ENA), the industry body for UK and Ireland gas and electricity transmission and distribution networks, has responded on behalf of it's Gas and Electricity Distribution members. We refer you to their response and would like to echo our support of all the points made therein. Additionally, this letter provides our individual response to the specific questions asked.

Question 1: Do you agree with our final proposals for enhancing eligibility and customer identification and the associated proposed licence conditions?

We fully support the proposal to make it the responsibility of suppliers and distribution networks to identify the appropriate customers for PSR services and to offer them appropriate services.

Recognising the fact that we are in a unique position to identify vulnerability whilst interacting with our customers in their homes, in May 2015, the GDNs began a number of trials to identify the most effective way of capturing this information and feeding it in to existing PSRs, to ensure that these customers are better protected in their future dealings with energy companies.

We, at WWU, made changes to an existing Mobile App that we use to capture customer satisfaction, to allow our engineers to capture information about customers

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who are eligible, and wish to have their details added to their gas and electricity supplier and DNO PSRs. Using this innovative approach, our engineers are able to obtain the customers informed consent in an electronic record. We carried out the trial in three separate areas of our network. Prior to commencement of the trial, our engineers were trained in the eligibility criteria for the PSR, services offered, signs of vulnerability and how to approach discussions with customers in a sensitive manner. The trials lasted three months (May to Jul 15) and in that time we successfully signed up 255 customers to their supplier and DNO PSRs.

We have continued to use the App since the end of the trial and have signed up a total of 761 customers to date.

We plan to extend the use of the App across our network from March 2016 and anticipate that we will sign up 150 customers to their supplier and DNO PSRs per week. We have IT system changes in progress to automate the process later this year.

We have discussed this with Welsh Water who are keen to receive information on customers who would like us to sign them up to their water supplier's PSR. Initially we will trial this with Welsh Water from March 2016, before contacting the other water suppliers in our area with a view to rolling it out across our network. This will require us to make a small change to the disclaimer in the app in order to gain the customers informed consent.

We feel that there is a need to simplify the process for PSR registration as much as possible for customers. Ideally customers should only need to give their information once and we believe that giving our customers the opportunity to sign up to their DNO, gas and electricity suppliers and water supplier via our app is a step closer to making this happen.

We are also currently exploring the possibility of enabling customers to sign up to existing PSRs via our website.

We agree that families with children aged 5 years and under should be added to the core eligible groups and that the core groups should be retained for services related to safety needs offered by distribution networks.

WWU already offer safety related services to anyone outside the core groups if they have a need for these services and will continue to do so.

Having reviewed the draft licence conditions we note that Supply Licence Condition 26 does not specifically state that people who live with children aged 5 years and under should be included as PSR Customers. This will need to be amended because suppliers are required by their licence conditions to share their PSR with relevant GDNs and we need this information if we are to act on it.

In addition to the prescribed services related to safety needs offered by distribution networks WWU provides carbon monoxide (CO) support for vulnerable customers at risk. We send CO alarms to all customers who have received funding for a gas connection from WWU under the Fuel Poor Network Extension Scheme (over 70, in receipt of key qualifying benefits) and target other vulnerable customers through a variety of partnerships. We have provided over 19,000 CO alarms since RIIO-GD1

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began and are committed to continuing to raise awareness and inspire the behaviour change necessary to improve safety around the risk of CO poisoning.

Questions 2: Do you agree with our final proposals for amending the PSR services and the associated proposed licence conditions?

We agree with the proposal to outline a set of services based on delivering specific outcomes which should be offered to PSR customers free of charge to provide a minimum level of protection.

We have, and continue to develop support above and beyond our obligations in order to address the needs of our vulnerable customers.

Examples of the additional support we offer are:

- Keep Warm Packs a bag containing a blanket, a hot water bottle, a thermal cup, a thermometer, gloves, socks, hand warmers and an information booklet
- Priority supply restoration
- Prioritisation of connection and replacement work for example where we know
 of people who are being released from hospital or experiencing an oil or solid
 fuel heating system failure
- Oil filled radiators and microwaves
- Hardship fund to help those who are unable to pay for additional work or support required as a result of our work – eg gas safe registered engineer, plumber, hot food
- Lockable gas isolation valves to be fitted for customers who are no longer able to use their gas cooker safely when on their own
- Braille on ID cards
- Promotion of PSR

We would like to mirror in our GDN licence, the reference in the Electricity Distribution Licence Standard Condition 10 that we are free to 'provide services to Domestic Customers that exceed those required under this condition'.

Due to the difficulty in regulating a 'Knock and Wait' service we agree that a specific obligation on this proposal is not necessary. Our engineers have been trained to use a common sense approach when attempting to access a customer's property and to look out for signs that may mean it could take a customer a little longer to get to the door – such as hand rails and access ramps.

Question 3: Do you agree with our final proposals for recording and sharing information about customers in vulnerable situations and the associated proposed licence conditions?



In advance of the final proposals being published, we put in place a method to record and share details of our vulnerable customers who wish to be included on their supplier and DNO PSRs. More details on this can be found in our response to Question 1 above.

The process is not reliant on Xoserve as we share the information directly with the relevant DNO and gas supplier, therefore we did not need to wait until the delivery of Project Nexus in 2016 to implement this data sharing process.

To facilitate the sharing of vulnerable customer data, we feel that all companies who are required to maintain a Priority Services Register should have, in their licence conditions, a requirement to register a customer, when they have been referred from the relevant supplier or network (DNO or GDN). In the proposed amendments, this has only been included in the DNO licence condition, which might restrict the sharing of data with gas and electricity suppliers, as it is beneficial for the customer and GDNs to be able to register the customer immediately with their relevant supplier.

In 2014 a Safeguarding Customer Working Group was established, with representatives from across the Gas and Electricity industry to allow a collaborative approach on vulnerable customers, a topic that impacts all of us.

As part of this group we have been involved in aligning the needs codes between gas and electricity companies, bringing them up to date and making them more relevant for the purpose of cross industry sharing.

We support the proposal which expects suppliers to consider appropriate communication approaches with customers to help move a PSR customer from an old to a new supplier as efficiently as possible. As a GDN, we receive the PSR data from suppliers and it is important to us that the information is as accurate as possible. We often find that the information on the PSR is out of date, for example on change of tenancy, and we feel that more emphasis should be put on maintaining and updating existing Priority Service Registers.

Question 4: Do you agree with our final proposals for raising awareness of the priority services, including any specific suggestions for energy companies to improve awareness?

We support the use of consistent branding to promote the PSR and are already using the term 'Priority Services Register' in our external communications. We use different methods to promote the PSR including, every day leaflets, agricultural shows and social media.

Question 5: Do you agree with our final proposals for the approach to monitoring energy company performance in this area?

We support the continued use of the Stakeholder Engagement Incentive and Discretionary Reward Scheme to incentivise GDNs to demonstrate how we have taken steps to effectively identify vulnerable customers and record and share that data with other companies.







In addition to our response to the questions above, please see additional comments on Standard Condition 17/Standard Special Condition D13 of the Gas Transporters Licence – Working Draft in Appendix 1 (attached separately).

Should you wish to discuss any aspect of this response, please contact

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Yours sincerely

Steve Edwards

Director of Regulation and Commercial

Wales & West Utilities