WESTERN POWER DISTRIBUTION

Serving the Midlands, South West and Wales

Reporting on WPD's Business Plan
&
WPD's strategic priorities

January 2015

Agenda

- A quick overview of WPD

- Three morning sessions following a similar format:
  - WPD presentation
  - Round-table discussion
  - Electronic voting

  Session 1: *Short-medium term -* **WPD's Business Plan & reporting**

  Session 2: *Long term -* **Strategic priorities impacting the future of electricity networks**
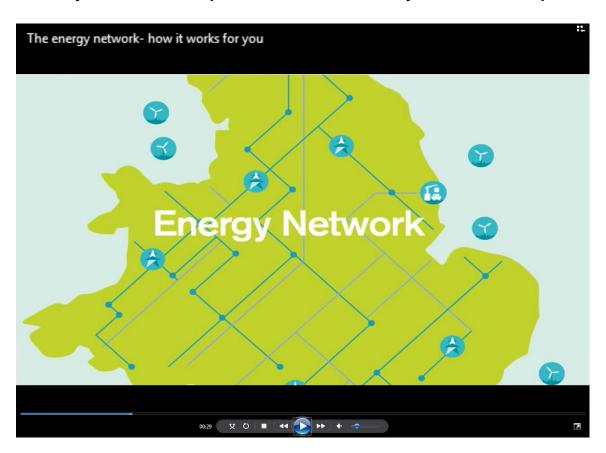
  Session 3: *Long term -* **Starting to address these priorities**

- Choice of 4 afternoon surgeries

WESTERN POWER DISTRIBUTION
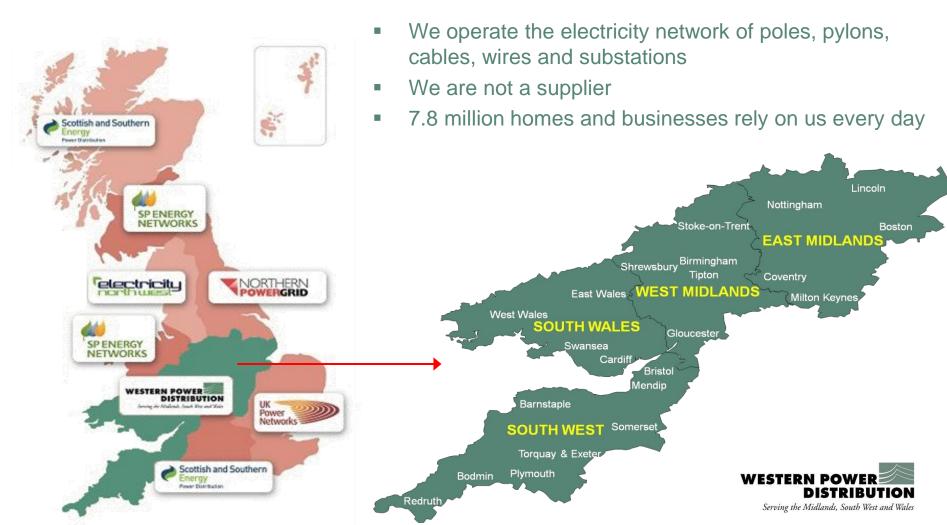*Serving the Midlands, South West and Wales*

Electricity Networks

- A short introductory video to explain how electricity networks operate

UK electricity distribution areas

- 14 Distribution Network Operators ("DNOs") in the U.K - **WPD owns four of them**

- We operate the electricity network of poles, pylons, cables, wires and substations
- We are not a supplier
- 7.8 million homes and businesses rely on us every day

What we do comprises 4 key tasks

1. Keep the lights on
by operating our network assets effectively

2. Maintain equipment
so it is in a condition to remain reliable

3. Repair equipment
if it gets damaged or if it is faulty

4. Upgrade the network & connect new customers
to provide additional electricity supplies or capacity to our customers

Continual focus on achieving the highest standards of safety

The Business Plan process

- We are a regulated monopoly

- Ofgem issues licences setting out our obligations and responsibilities

- Periodically, Ofgem scrutinises the Business Plans of DNOs in a process called a 'Distribution Price Control Review'

- The current process is called 'RIIO-ED1' and covers the period 2015-2023

WPD's engagement process

- Since 2011 we have been working with stakeholders to build and refine our Business Plan

- Over 4,500 stakeholders have had their say

- We want to maintain and build on these relationships now the plan is agreed

Our focus going forward will be two-fold. We will engage on:

1 **Delivery of our plans and improvements to our services**

2 **Key, long-term priorities that will change the way we operate in the future**

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ELECTRONIC VOTING
- A QUICK INTRODUCTION

QA: What did you want to be when you were 10 years old?

1. Eleven (I wasn't thinking that far ahead)

2. Sports person

3. Astronaut

4. Doctor/nurse

5. Firefighter / Police officer

6. Musician / Actor

7. Teacher

8. Pilot

9. Vet

10. Any role in electricity distribution

Electronic voting: practice questions
QB: What type of stakeholder are you?

0. Domestic customer or consumer interest body

1. Business customer (or representative)

2. Local authority officer

3. Elected representative

4. Developer / connections representative

5. Environmental representative

6. Energy / utility company

7. Regulator / government

8. Academic / education institute

9. Housing / development

10. Other

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Session 1:
Delivering & reporting on WPD's Business Plan

Nigel Turvey

Design & Development Manager

WPD's Business Plan

- **Our Business Plan is huge**
  - We will invest £6.3bn in core distribution activities

- **We will improve service in every area**
  - And remain number one for customer service and network performance

- **We will remain the most efficient**
  - We have saved £119m per year since acquiring the Midlands in 2011, and will save a further £260m in the next 8 years

- **Our charges will reduce by 10.9% on average**
  - Around £12 per year per domestic customer

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WPD's Business Plan

▪ Most importantly for our customers the plan will deliver 76 clear outputs

Category	Safety	Reliability	Environment	Connections	Customer Satisfaction	Social Obligations
Number of outputs	10	8	15	10	16	17
For example, WPD will…	• Reduce staff accident frequency rate by 10% • Educate 400,000 children on electrical safety	• Reduce the duration of power cuts by 20%	• Reduce the amount of waste sent to landfill by 20% by 2017 (5% p.a. thereafter) • Underground 55km of line in AONB	• Improve overall time to deliver a connection by 20%	• Maintain top position for customer satisfaction and complaint handling	• Contact vulnerable customers every two years to update their details • Build referral networks to assist customers in fuel poverty

▪ A full list can be found on pages 61-66 of your hand-outs

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Ofgem's assessment - Summary

- WPD were the only DNO to have its Business Plan fast-tracked and agreed early

DNO Group	DNO	Process	Outputs	Resources – efficient costs	Resources – efficient finance	Uncertainty and risk
Western Power Distribution	WMID	🟩	🟩	🟩	🟩	🟩
	EMID	🟩	🟩	🟩	🟩	🟩
	SWALES	🟩	🟩	🟩	🟩	🟩
	SWEST	🟩	🟩	🟩	🟩	🟩
Electricity North West Ltd	ENWL	🟩	🟩	🟧	🟩	🟩
Northern Powergrid	NPgN	🟩	🟩	🟧	🟩	🟩
	NPgY	🟩	🟩	🟧	🟩	🟩
UK Power Networks	LPN	🟩	🟧	🟥	🟩	🟩
	SPN	🟩	🟧	🟥	🟩	🟩
	EPN	🟩	🟩	🟥	🟩	🟩
SSE Power Distribution	SSEH	🟩	🟥	🟧	🟩	🟥
	SSES	🟩	🟧	🟧	🟩	🟥
SP Energy Networks	SPD	🟧	🟥	🟥	🟩	🟧
	SPMW	🟧	🟥	🟥	🟩	🟧

Delivering the plan

- WPD's Plan was submitted July 2013 and recommended for fast-track in November 2013

- At our last stakeholder events we discussed the delivery schedule for our 76 commitments

- The Plan is huge and spans 8 years for a reason. Nonetheless, we committed to accelerate and deliver early 18 outputs. For example:

Accelerated to be achieved by 2019 (4 years earlier than originally planned):
- Deliver 13% fewer power cuts and 20% quicker supply restorations
- Deliver a 20% reduction in worst served customers
- Proactively contact all vulnerable customers once every 2 years

Commence delivery immediately (before 2015)
- Provide a restoration time for every outage
- Provide messaging via text and social media
- Identify Low Carbon Technology hotspots and use to inform decisions
- Develop mechanisms to share vulnerable customer data with local resilience forums

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Reporting on our progress

- There will be 2 key focuses. To report:

    - **WPD's expenditure and how this impacts the customer bill**
    - **WPD's delivery of the Business Plan commitments**

- There is an Ofgem requirement to report on progress against our outputs, but the format(s) in which we do it and level of detail is not specified

- There is potentially a great deal to report on: 6 categories; 76 headline commitments; and numerous (100+) contributing deliverables

- Reporting will be annual (regulatory year ending March) and likely to be published September

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Reporting on:
WPD's expenditure and how this impacts the customer bill

- WPD's distribution charges account for 16% of an average domestic electricity bill

  [you may hear: networks (transmission, gas & electricity) account for 20% of a bill (dual fuel)]

- WPD's revenues are fixed for the next 8 years

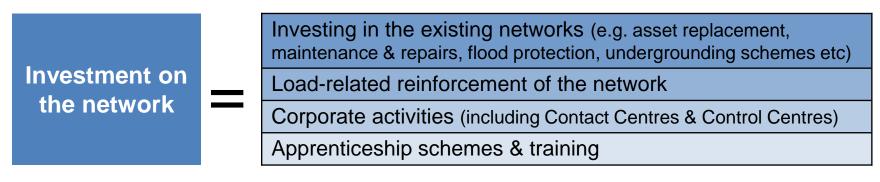**How this will impact domestic bills on average (in 2012/13 prices) – WPD total:**

	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23
% change in distribution costs	n/a	-13.4%	0.9%	-3.3%	1.0%	1.0%	1.0%	1.0%	1.0%
Total distribution charge	**£109.85**	**£95.16**	**£96.03**	**£92.89**	**£93.83**	**£94.77**	**£95.71**	**£96.66**	**£97.62**

- The investments we make will mean that what the bill contribution comprises will differ each year

- Stakeholders have said that we can do more to communicate this

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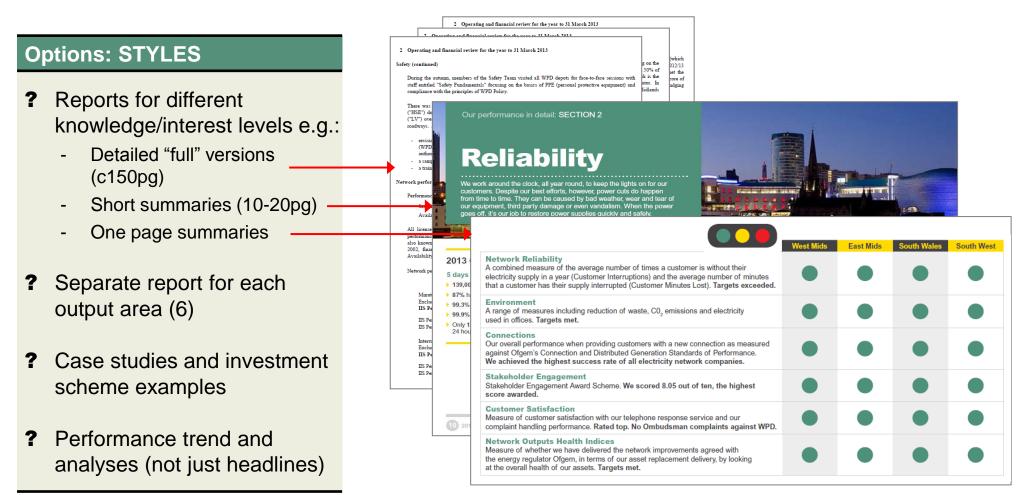
Reporting on:
WPD's expenditure and how this impacts the customer bill

- For 2015 the average bill will be £95.16

- We could break this down into the following major categories:
  - Investment on the network (the majority – c.65%)
  - Outperformance rewards (for historic performance in DPCR5, leading to tougher targets today)
  - Costs we recover for others (e.g. business rates, transmission exit charges etc)
  - Pensions
  - Tax

- We could then break it down further still e.g.

Investment on the network =	Investing in the existing networks (e.g. asset replacement, maintenance & repairs, flood protection, undergrounding schemes etc)
	Load-related reinforcement of the network
	Corporate activities (including Contact Centres & Control Centres)
	Apprenticeship schemes & training

- We could do this for WPD as a whole and/or split by licence area

Reporting on:
WPD's delivery of the Business Plan commitments

Options: STYLES

? Reports for different knowledge/interest levels e.g.:
- Detailed "full" versions (c150pg)
- Short summaries (10-20pg)
- One page summaries

? Separate report for each output area (6)

? Case studies and investment scheme examples

? Performance trend and analyses (not just headlines)

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Reporting on:
WPD's delivery of the Business Plan commitments

Options: METHODS
? Brochure/report
? Traffic light summary tables
? Interactive PDF's
? Websites pages
? Online videos

Options: CIRCULATION & PUBLICISING
? Publish online
? Send hard copies to certain stakeholders
? Circulate links to stakeholders
? Workshops / surgeries to provide supplementary explanation

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Workshop 1 – Discussion questions

1. **Which Business Plan areas interest you the most (for reporting)?**

   - Safety
   - Reliability
   - Environment
   - Connections
   - Customer satisfaction
   - Social obligations

2. **How would you like to be kept informed of the progress of the Business Plan?**

   - Level of detail
   - Frequency
   - Format
   - Method

3. **How would you like to be kept informed of the impact of the delivery of the Business Plan on customer bills?**

   - Level of detail
   - Frequency
   - Format
   - Method

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Session 2:
Strategic priorities impacting the future of networks

Alison Sleightholm

Regulatory & Government Affairs Manager

What might change the face of electricity networks ?

- Our focus in recent years has largely been on delivery

- Delivering the Business Plan is very important – but no plan today will be exactly correct in 8 years

- We must therefore consider the uncertainties and longer-term priorities that may change the way we operate in the future

- Understanding what matters to you and the people you represent is very important

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WPD's current long-term priorities (7)

In no particular order:

Customer awareness of WPD

Network intelligence

Government legislation / policy

Affordability and Vulnerability

Keeping the lights on

Workforce renewal, skills and training

Customer information and data

In this workshop you will have the opportunity to:

- Understand <u>why</u> we consider them to be priorities
- Tell us if you agree and what is missing (if anything)
- Rank these issues in order of importance

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1. Customer awareness of WPD

- Awareness of WPD is currently 47%*

<table>
<tr>
<td>

Why is it a priority?

</td>
<td>

- **Customer access to information / services**
  - "Not knowing who to contact" is consistently stated in satisfaction surveys (emergencies & applying for a connection)
  - Crucial to emergency resilience planning (key issue raised in 2013 Xmas storms)

- **Changing relationships with customers**
  - E.g. Fuel poverty prevention; demand side response; low carbon technologies; smart meters / networks

- **Increased visibility of WPD**
  - Business Plan delivery will involve planned work programmes across our regions, potentially increasing WPD's visibility

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</table>

*Post WPD awareness campaign research conducted in 2014 with 2,000 people

2. Network intelligence

Why is it a priority?

- **The network is inherently "dumb", especially at Low Voltage (LV)**
  - Limited visibility of real time status. Reliance on customer calls to notify about incidents

- **Changing use of the network by customers**
  - More efficiently operate the network and accurately forecast / plan
  - Possible avoidance of expensive reinforcement

Additional factors to consider

2.1 Smart meters

- UK roll-out programme delayed (go-live July 2016 at earliest)
- Real-time visibility of demand and notification of interruptions

2.2 Smart networks / network telemetry

- Low carbon networks projects. E.g. Network Templates (South Wales):
  - Installed 800 substation monitors & 3,600 voltage monitors
  - Identified 10 new network operating templates
  - Analysis of connected PV (solar) revealed 20% extra existing capacity
  - Revealed potential to alter LV voltage tolerances (+/-10%) therefore deferring the need for reinforcement

2.3 Data on Low Carbon Technology hotspots

3. Government legislation / policy

Why is it a priority?

- **Directly (e.g. design standards) and indirectly (e.g. low carbon targets) impacts the way we operate and design networks**
    - E.g. carbon reduction targets → low carbon technologies → Feed-in-tariffs →Connections to network → increased demand and 2-way power flows

Additional factors to consider

3.1 **Carbon reduction targets**. Leading to:
- Low carbon networks
- Distributed Generation connections
- Reducing network losses

3.2 **EU legislation**
- EU Network Codes
- Equipment specifications
- EU energy efficiency directive

3.3 **UK Government policy**
- Subsidies / incentives (e.g. FIT, Renewable Heat Incentive, Electric Vehicles incentive etc)
- Connections policy / investment ahead of need policy – who pays?

4. Affordability & vulnerability

Why is it a priority?

- **It's the right thing to do – times of austerity / recession**
- **Unprecedented public scrutiny of energy and costs**
- **WPD are 16% of a typical electricity bill but do not sell to customers**
- **Potential increasing dependency on electricity in a "smarter" future**

Additional factors to consider

4.1 Fuel poverty
- 10% of all households are fuel poor
- We are uniquely placed to help – neutral (we do not bill) and 1.3m calls a year
- Current WPD projects demonstrate there is a need and a role for DNOs

4.2 Vulnerable customers (to supply failure)
- Medically-dependent, disabled, sick, elderly
- Temporarily vulnerable (recent hospital discharge, new born in household etc)

4.3 Access to energy
- Off-gas grid customers
- Connections
- Changing customer service expectations / innovations

5. Keeping the lights on

<table>
<tr>
<td>Why is it a priority?</td>
<td>▪ Maintaining current performance levels is the number one priority according to our stakeholders</td>
</tr>
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Additional factors to consider

5.1 **UK level** – **Supply / demand challenges & rota disconnection**
- UK generation fleet needs renewal with sites due to be decommissioned
- National Grid (NG) issued a capacity warning this winter
- Demand reduction – much publicised, incredibly rare. Formal process and plans regularly reviewed and practiced

5.2 **WPD level** – **Overall network reliability**
- In an increasingly electricity-dependent society

5.3 **WPD level** – **Resilience to emergencies**
- Increased storms and weather extremes (climate change)

5.4 **WPD level** – **Innovation and Distributed Generation connections**
- At a reasonable cost and as spare network capacity reduces
- Innovative / "alternative" connection offers as standard

6. Workforce renewal, skills and training

Why is it a priority?

- **An ageing workforce**
  - We must be able to replace staff who retire or leave

- **A potential shortage of skills**
  - Working and operating on the electricity network is highly skilled
  - New equipment or revised procedures requires new / refresher skills training

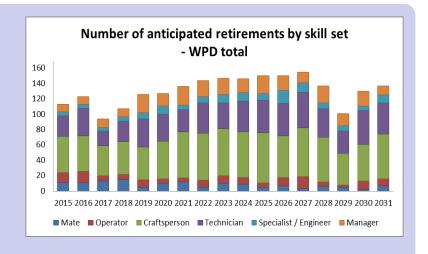- **Changing roles and DNO activities**

Additional factors to consider

6.1 Skills planning ▶

6.2 Overall resources/headcount
  - Must recruit & train 210 staff p.a. (1,680 in 8 years) to maintain current staff numbers

6.3 Workload changes
  - E.g. Impact of Low Carbon Technology uptake
  - National Skills Academy for Power concludes WPD will need an additional 120 cable jointers as a result of smart meter roll-out

Number of anticipated retirements by skill set - WPD total

Legend: Mate, Operator, Craftsperson, Technician, Specialist / Engineer, Manager

7. Customer information and data

Why is it a priority?

- **Delivery of excellent services (proactive wherever possible) and accurate future planning all relies on quality data**

Additional factors to consider

7.1 Response times to customer enquiries
- Requires up-to-date customer contact details (>80% currently)
- Mobile phone numbers (currently circa 5%)

7.2 Targeting of new / extended services
- Up-to-date vulnerable customer data (to enable more proactive services)
- Fuel poverty hotspots (to target outreach projects & resources)
- Low carbon technology hotspots

7.3 Access to data by non-WPD people. e.g.:
- Network capacity and asset mapping information
- Assessing connection opportunities
- Universities / students undertaking research

7.4 Analysis of 'big' data (to inform future planning)
- E.g. 7.8m smart meters, each producing c9,000 pieces of data per year

Workshop 2 – Discussion questions

1.   Do you agree with the priorities identified ?

2.   Is there anything missing ?

3.   Which are most important to you and why ?
   - High priority
   - Medium priority
   - Low priority

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Electronic voting
Workshop 2

Q1: How do you rate these priorities?

1 **5**

**Not a priority
at all** **Highest priority**

A. Customer awareness of WPD

B. Network intelligence

C. Government legislation/policy

D. Affordability & vulnerability

E. Keeping the lights on

F. Workforce renewal, skill & training

G. Customer information and Data

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COFFEE BREAK

Session 3:
Addressing these long-term priorities

Alex Wilkes

Stakeholder Engagement Manager

Identifying actions for long-term issues

- Not all the issues lend themselves to immediate action
    - Some are dependent on external factors (e.g. smart meters, or EU legislation)
    - For now we need a "watching brief"

- Over the next 2-3 years WPD's engagement will focus on these priorities and each one will be covered in detail

- Today we will spotlight two where possible actions are currently clearer:

    - **Customer awareness (including explaining bill make-up)**
    - **Affordability & vulnerability**

- This does not necessarily mean these are the "top" priorities

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Customer awareness of WPD - background

- We have been working to increasing customer awareness for many years

- We have been the only company to write directly to every customer since 2010 via our 'Power for Life' publication

- Annual radio, newspaper and television advertising
  - All regional daily and weekly newspapers
  - Global radio (Capital, Heart)
  - ITV, S4C, On Demand

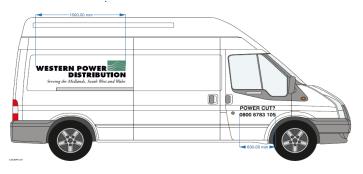- Over 4,500 stakeholders engaged on our RIIO-ED1 Business Plan in the last 3 years

Customer awareness of WPD - recent actions
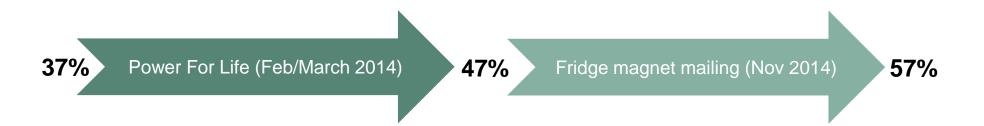
- **Single emergency contact telephone number:**
  - Fridge magnet sent to every WPD customer (7.8m)

  - Supported by radio advertising campaign

  - Now displayed on every WPD vehicle

- **Emergency Resilience:**
  - Demonstration emergency pack sent to every Parish Council (2,235 in total)

  - Emergency Planning guide sent to every Local Resilience Forum

Customer awareness of WPD – current levels

37% → Power For Life (Feb/March 2014) → **47%** → Fridge magnet mailing (Nov 2014) → **57%**

- Our research shows that awareness then diminishes over the year

- 60% stated that WPD "supply / distribute power"

- 70% recalled receiving the magnet

- 75% of those who recall receiving the magnet found it useful

- 64% think it is useful to receive information from WPD

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Customer awareness of WPD – future actions

Starting point: Continue as now – low / basic awareness amongst most customers (higher for some targeted groups)

1. **Expanded website tools and leaflet information (distribution via targeted partners)**

2. **More local media advertising (radio & newspaper)**

3. **More television advertising**

4. **Expanded social media presence and smartphone applications**

5. **More direct mailings (A. to every customer; B. targeted groups only; C. free items – e.g. fridge magnets)**

6. **Expanded schools education activities – safety plus wider information**

7. **Something else…**

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Affordability & Vulnerability - background

- Practical support to improve vulnerable customer resilience

CONTEXT

- Crisis packs
- Leaflets
- GP's posters
- Local Resilience Forums
- Advice through partners & targeted services

- Improve the data held on our Priority Service Register

CONTEXT

- Dedicated team established to proactively contact registered customers (94,000 contacts in 2014)
- Improvements to industry-level data flows (between suppliers and networks)
- Data-sharing arrangements with partners
- Outreach events

Affordability & Vulnerability - background

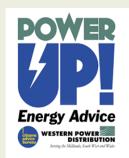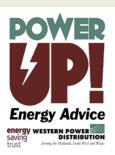- Identify fuel poverty hotspots and existing initiatives/schemes

- Hotspot areas analysis to identify neediest customers to target
- "Horizon Scan" project – existing fuel poverty schemes and opportunities to work jointly
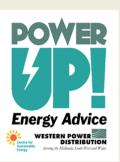
- Fuel poverty referral schemes

- 3 existing schemes – supporting customers struggling to afford their bills and/or heat their homes
- Handle direct referrals from WPD following proactive calls to vulnerable customers
- Affordable Warmth schemes – partnering existing local authority and area-based initiatives

POWER UP! Energy Advice (citizens advice bureau / WESTERN POWER DISTRIBUTION, Serving the Midlands, South West and Wales)

POWER UP! Energy Advice (energy saving trust / WESTERN POWER DISTRIBUTION, Serving the Midlands, South West and Wales)

POWER UP! Energy Advice (Centre for Sustainable Energy / WESTERN POWER DISTRIBUTION, Serving the Midlands, South West and Wales)

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Affordability & Vulnerability - background

- Establish a "hardship fund" for qualifying domestic customers

  - Small grants administered to customers in fuel poverty
  - Independently administered / awarded

- Establish an 'affordable warmth innovation scheme' – for not-for-profit agencies

  CONTEXT
  - Competitive applications to fund innovative approaches and projects to tackle fuel poverty
  - Targeting deprived communities and fuel poverty "hotspots"
  - Independently-awarded with clear criteria

- Investigate the feasibility of network solutions to tackle fuel poverty*

  CONTEXT
  - Work with partners to fund alternates to load related reinforcement e.g.:
    - Replace inefficient electrically-heated systems in tower blocks
    - Upgrade electrical heating systems
    - Help fund in-home energy efficiency measures – e.g. solid wall insulation, lighting improvements etc
  - Prioritise low income and electrically-heated domestic customers

*Subject to regulatory clarity about expenditure beyond the electricity meter (customer side)

Affordability & Vulnerability – future actions

Starting point: Extensive programme of outreach / advice projects in targeted locations

1. **Practical support to improve vulnerable customer resilience**

2. **Improve the data held on our Priority Service Register**

3. **Identify fuel poverty hotspots and existing initiatives / schemes**

4. **Fuel poverty referral schemes**

5. **Establish a "hardship fund" for qualifying domestic customers**

6. **Establish an 'affordable warmth innovation scheme' – for not-for-profit agencies**

7. **Investigate the feasibility of network solutions to tackle fuel poverty**
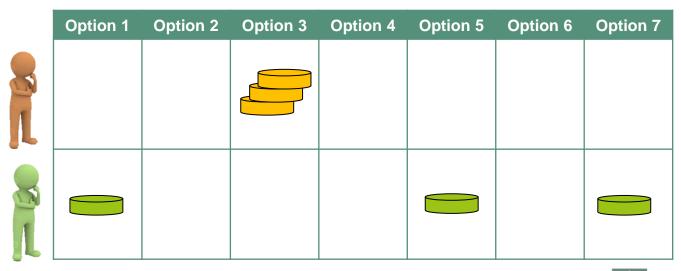
8. **Something else…**

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Workshop 3 – Discussion questions

- **Are there actions missing that we ought to be taking ?**

- **Which are the most valuable to you and why ?**

- **Exercise: How important are the actions relative to one another ?**
  - You are each given 3 votes. You can:

  - Block vote

  - Spread your votes

Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7

Electronic voting
Workshop 3

Q2. "Customer awareness of WPD" – of the actions identified which are your <u>top two</u> priorities?

You can vote for the same action twice, or two separate actions

1. Expanded website tools and leaflet information (distribution via targeted partners)

2. More local media advertising (radio & newspaper)

3. More television advertising

4. Expanded social media presence and smartphone applications

5. More direct mailings

6. Expanded schools education activities – safety plus wider information

Q3. "Customer awareness of WPD" – of the actions identified which is your lowest priority?

1. Expanded website tools and leaflet information (distribution via targeted partners)

2. More local media advertising (radio & newspaper)

3. More television advertising

4. Expanded social media presence and smartphone applications

5. More direct mailings

6. Expanded schools education activities – safety plus wider information

Q4. "Affordability & vulnerability" – of the actions identified which are your <u>top two</u> priorities?

You can vote for the same action twice, or two separate actions

1. Practical support to improve vulnerable customer resilience

2. Improve the data held on our Priority Service Register

3. Identify fuel poverty hotspots & existing initiatives / schemes

4. Fuel poverty referral scheme

5. Establish a "hardship fund" for qualifying domestic customers

6. Establish an 'affordable warmth innovation scheme' – for not-for-profit agencies

7. Investigate the feasibility of network solutions to tackle fuel poverty

Q5. "Affordability & vulnerability" – of the actions identified which is your lowest priority?

1. Practical support to improve vulnerable customer resilience

2. Improve the data held on our Priority Service Register

3. Identify fuel poverty hotspots & existing initiatives / schemes

4. Fuel poverty referral scheme

5. Establish a "hardship fund" for qualifying domestic customers

6. Establish an 'affordable warmth innovation scheme' – for not-for-profit agencies

7. Investigate the feasibility of network solutions to tackle fuel poverty

LUNCH

Workshop 4 – this afternoon

A choice of four sessions:

Table 1: Connections & Distributed Generation

Table 2: Social obligations (incl. vulnerability & fuel poverty)

Table 3: Environmental reporting

Table 4: Network losses strategy

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INFORMATION FOR STAKEHOLDERS

Thank you for attending

- Slides and feedback will be posted on the website www.westernpower.co.uk

- We would appreciate feedback on any of the areas discussed today. Please contact:

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REFERENCE INFORMATION

WPD RIIO-ED1 OUTPUTS **- SAFETY**

Compliance with health and safety law

- Target zero improvement notices, prohibition notices and prosecutions from the Health and Safety Executive.
- Complete work programmes to achieve compliance with ESQCR statutory clearance to structures or the ground.
- Complete inspection and maintenance programmes every year.

Reducing accidents

- Reduce our overall accident frequency rate by 10%.
- Maintain our active participation in the ENA SHE 'Powering Improvement' initiatives that lead to improved safety performance.
- Work with staff trade unions to enhance safety performance including the provision for additional 'Behavioural Safety' initiatives.
- Investigate all accidents involving members of the public, contractors or our own staff to ensure that learning points are quickly understood and communicated.

Substation security

- Enhance security measures at 50 substation sites to reduce the number of repeat break-ins.

Educating the public

- Organise and run over 1,000 educational sessions to provide safety information to over 400,000 schoolchildren.
- Continue to publish literature on maintaining safety around electricity apparatus and send more than 500,000 copies of this literature to targeted landowners, businesses or leisure operators.

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WPD RIIO-ED1 OUTPUTS **- RELIABILITY**

Network performance

- Improve network performance by the end of RIIO-ED1 so that on average customers will have 13% fewer power cuts and have their electricity supplies restored 20% quicker.
- Ensure that a minimum of 85% of customers have their power restored within an hour of an HV fault occurring.

Guaranteed Standards of Performance (GSOPs)

- Reduce by 20% the number of customers experiencing a power cut lasting 12 hours or more.
- Target zero failures on all other GSOPs.

Worst-served customers

- Reduce by 20% the number of customers classified as worst-served.

Enhancing network resilience

- Apply flood defences to 75 substations; reducing the risk of both damage to equipment and power cuts due to flooding.
- Accelerate the programme of tree clearance for resilience by 40% with the objective to deliver the programme five years earlier than suggested by Government guidelines, clearing 700km of overhead lines per annum.
- Enhance substation battery life to be resilient for 72 hours in the event of major power losses.

WPD RIIO-ED1 OUTPUTS **- ENVIRONMENT**

Facilitate increased volumes of low carbon technologies (LCTs)

- Improve the time to provide a response to customers wanting to use LCTs by 20%.
- Identify LCT hotspots using data from smart meters, expert organisations and local authorities and use this to inform decision making.
- Selectively carry out asset replacement using larger sized assets.
- Reduce costs for future customers by developing smart solutions to provide alternative and innovative techniques for network management.
- Provide additional network capacity through utilising traditional methods or smart intervention.

Reduce technical network losses

- Install oversize transformers when replacing assets at highly loaded locations.
- Use larger sized cables when installing new network in LCT hotspots.

Reduce the carbon footprint of the business

- Ensure all replacement vehicles have lower CO_2 emissions than those they are replacing.
- Ensure all new or substantially refurbished buildings meet, as a minimum, the 'excellent' standard under the Building Research Establishment Environmental Assessment Method (BREEAM).
- Reduce the amount of waste sent to landfill by 20% over first two years of RIIO-ED1 and 5% p.a thereafter.
- Reduce the carbon footprint of the business by 5%.

Reduce the environmental risk of leaks from equipment

- Reduce by 75% the volume of oil lost through leaks from oil filled cables.
- Reduce by 17% the volume of SF6 gas that is lost from switchgear.
- Install effective oil containment 'bunds' around plant containing high volumes of oil.

Improve visual amenity in National Parks and Areas of Outstanding Natural Beauty (AONBs)

- Underground 55km of overhead lines in National Parks and AONBs.

WPD RIIO-ED1 OUTPUTS **- CONNECTIONS**

Provide a faster and more efficient connections service

- Improve the overall time to deliver a connection by 20%.
- Provide excellent customer service so that customers continue to rank WPD as the top performing DNO group in customer satisfaction surveys.
- Conduct surveys with distributed generation customers to gauge their satisfaction and identify improvements to the service provided.

Improve communication with customers

- Develop and enhance online connections processing and progress tracking.
- Ensure information provided in documentation and online is effective.

Enhance engagement with major customers

- Host quarterly 'surgeries' for connection customers to better understand processes.
- Work with major customers to identify where processes can be improved and quickly implement changes.

Guaranteed Standards of Performance

- Target zero failures of the connection GSOPs.

Facilitation of competitive market

- Improve customer awareness of third party connection providers and carry out regular checks with customers that they understand the options available to them.
- Work with third party connection providers to extend the scope of contestable work to HV and reinforcement work.

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WPD RIIO-ED1 OUTPUTS **– CUSTOMER SATISFACTION**

Customer service
- Continue to be the number one DNO across all elements of the Broad Measure of Customer Satisfaction.
- Maintain certification to the Customer Service Excellence standard.

Telephone response
- Respond to telephone calls quickly; answering them within 2 seconds.
- Ensure abandoned calls are less than 1%.
- Always provide customers with the option to talk to a WPD call taker.

Communication with customers
- Provide a restoration time for every outage.
- Call back all customers who have been in contact about a fault.
- Contact customers within two days of receiving a non-fault enquiry.
- Provide on demand messaging via text and social media for customers who want be kept informed by means other than the telephone.
- Develop 'self-service' options for customers to find information online.

Stakeholder engagement
- Continue to host a Customer Panel where the CEO meets with WPD's expert stakeholders 4 times a year.
- Continue to host an annual round of at least 6 stakeholder workshops.
- Continue to produce a stakeholder report every year detailing actions taken as a result of engagement.

Complaints
- Resolve at least 70% of customer complaints within one day.
- Continue to have a target of zero complaints where the Ombudsman has to get involved.

Guaranteed Standards of Performance (GSOPs) awareness
- Continue to send 'Power for Life' publication to all 7.8m customers and include promotion of the GSOPs.

WPD RIIO-ED1 OUTPUTS - **SOCIAL OBLIGATIONS**

Improving understanding of vulnerability

- Work with expert partners to improve understanding of the needs of vulnerable customers.
- Train staff to recognise the signs of vulnerability.

Improve the data held on the Priority Services Register (PSR)

- Proactively contact vulnerable customers at least once every two years to check the details on the PSR.
- Improve the quality of PSR data by working with other agencies and sharing information.
- Co-ordinate meetings with suppliers to agree criteria for vulnerability.

Improve the services provided for vulnerable customers

- Raise awareness of the PSR.
- Make 10,000 crisis packs available.
- Contact all medically dependent customers every three hours during power cuts.
- Continue to provide practical support via the RVS and British Red Cross.
- Seek feedback from vulnerable customers to improve service.
- Develop mechanisms for sharing information with local resilience forums.

Address fuel poverty by supporting customers to access key information

- Build a database of regional agencies we can refer customers to for assistance.
- Work with partners to develop links to / from WPD's website.
- Develop joint information, awareness campaigns and co-ordinate assistance with partners.
- Provide bespoke training to WPD front line staff.
- Use data analysis to help identify localities with a high concentration of vulnerable households.
- Develop local outreach services.

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