



WPD Customer Panel

Zoom meeting

Thursday 16 December 2021

Instructions to join the meeting by Zoom

- **Download the Zoom app** from the app store and open the App when you're ready
- Join meeting by using the Zoom link in the invite
- Select that you would like to connect using audio or video and **select 'JOIN'**
- Pre meeting: members join meeting at 9.45 (not open to WPD, Gabby to lead discussion and collate any CP questions for the full meeting)
- 9.55am – WPD to join the meeting
- All participants other than the presenter to use 'mute' while presentations are underway, and unmute should you wish to ask questions (welcome throughout)
- We will share the slides during the meeting and circulate/post online afterwards



Customer Panel Agenda

16 December 2021 – by zoom

- 09.45 Closed member session – optional for all members
- 09.55 Welcome and introductions
- 10.00 Final submission Business Plan
Alison Sleightholm, Resources & External Affairs Director
- 10.50 Customer Panel Chair update, inc report back from ER Surgery
Gabby Mallet, Chair, WPD Customer Panel
- 11.20 COMFORT BREAK
- 11.30 Innovation – our strategy and ambition
Yiango Mavrocostanti, Innovation Manager
- 12.00 Update on CEG
Duncan McCombie, CEG Chair
- 12.30 CLOSE
(Performance slides included for info in slide pack)



Attending

Customer Panel members

William Baker	Catapult Energy Systems
Jonathan Cosson	Warm Wales
Jo Giles	Cadent
Richard Hellen	The Schumaker Institute
Ron Loveland	Welsh Assembly Government
Gabby Mallett	Customer representative - Chair
Matt Neal	National Energy Foundation
Gemma Parker	South West Water
Bob Radford	Kirklington Parish Council
Kate Robbins	Wessex Water
Alex Spreadbury	B&Q
Cathy Tibbles	Whitwick Parish Council

Western Power Distribution:

Alison Sleightholm	Resources and External Affairs Director
Richard Allcock	Stakeholder Engagement Manager
Yiango Mavrocostanti	Innovation Manager
Nicki Johnson	Stakeholder Engagement Officer

Customer Engagement Group (part)

Duncan McCombie	Chair, CEG
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Final Submission Business Plan

Alison Sleightholm,
Resources & External Affairs Director

An ambitious vision for the future

The future of energy has never been more exciting

The key deliverables we will achieve in relation four overarching strategic outcomes:

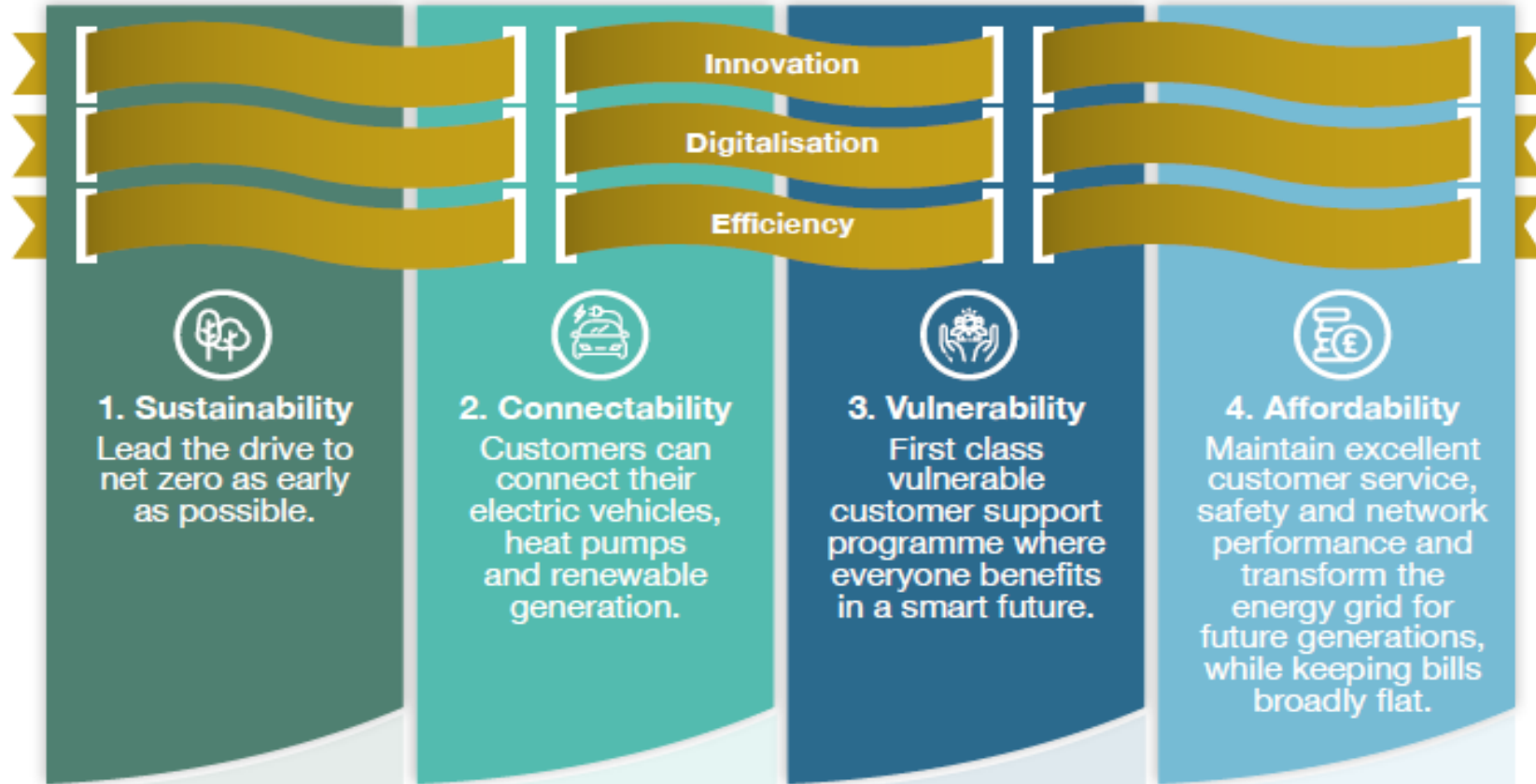
- | | |
|--|---|
|  1. Sustainability |  3. Vulnerability |
|  2. Connectability |  4. Affordability |

- Western Power Distribution (WPD) is leading an energy revolution; delivering a smart, digitalised electricity grid by 2028.
- By doing so, we will drive the nation's ambition of Net Zero carbon emissions, accelerate the shift to electric vehicles and roll out flexibility services to always maximise the efficiency of the existing network before we need to build more infrastructure.
- Created by 25,000 stakeholders, the RII0-ED2 Business Plan will deliver for each of our 8 million bill-paying customers and future customers.

An ambitious vision for the future

Our Business Plan contains 42 core commitments and over 400 wider commitments that we will deliver in RII0-ED2 while keeping bills broadly flat

- We will achieve the key deliverables based on four strategic outcomes, which have three 'golden threads' running through each:



Sustainability

Leading the drive to Net Zero as quickly as possible

- We will ensure our stakeholders **meet their Net Zero aspirations**
- We will actively turbo charge the pace of change to **meet the energy needs of today and future generations**
- We will ensure **no one is left behind** in the smart energy future
- We will offer a **'flexibility first'** approach and a suite of flexibility options for customers to choose from as an alternative to conventional reinforcement.
 - Re-engineering network to be capable of connecting 31GW of renewable generation on a network designed for 14GW demand
- We will **reduce waste, enhance biodiversity, reduce leaks** from network equipment, share best practice and **work collaboratively** with other DNOs and organisations

Plus a clear focus on the business carbon footprint of our own business:



Becoming a net zero company by 2028 – 22 years ahead of the UK target



Replacing vehicles with non-carbon technology, where possible



Installing renewable local generation at all suitable offices and depots, where practical

Connectability

Customers can easily connect their EVs, heat pumps and renewable generation

- We plan to help connect up to **1.5 million electric vehicles** and **600,000 heat pumps**
- (That will be 2.1million EVs and 900,000 heat pumps connected to our network by 2028)
- We will work closely with all local authorities and local enterprise partnerships in to develop ambitious and realistic energy plans and **achieve their own Net Zero ambitions as early as 2028.**
- We will actively support the expansion of green renewable energy and help local communities decarbonise by **connecting at least 30 community energy network groups** to the network each year.
- Embedding a **whole systems approach** and considering the wider societal benefit when planning major reinforcements and when interacting with stakeholders.



Vulnerability

A first class customer support programme where everyone benefits in a smart future

- We currently support around 1.5 million vulnerable customers a year by providing proactive power cut information and advice, fuel poverty support and identifying and engaging hard-to-reach customers to join the Priority Services Register (PSR)

In RIIO-ED2, we will significantly expanded the support we provide and by working with trusted partners:

- **600,000 Smart Energy Plans** for customers in vulnerable situations every year
- **£60 million of savings** for 113,000 fuel poor customers
- **£1 million “Community Matters”** support (funded by shareholders)
- **Solar PV for 45 schools** in deprived areas (£540,000 per annum funded by shareholders)
- **1000 staff community** volunteering days per annum



Affordability

Keeping bills broadly flat whilst maintaining excellent customer service, safety and network performance and transforming the energy grid for future generations

- We will keep bills for customers low by delivering an additional **efficiency savings of £818 million**.
- We will deliver a wide range of outcomes that our customers highly value. These include:
 - **Exceptional customer service** - Achieving an overall average customer satisfaction of 93% or higher by 2028.
 - **Ensuring the safety of our customers and staff** - Divert, underground or fully insulate overhead lines crossing school playing areas.
 - **Lowest ever power cut levels** - On average, one power cut every two years lasting under 22 minutes.
 - **Unprecedented levels of efficiency, achieving exceptional value for money** – Utilise flexibility services will avoid around £94 million in conventional reinforcement.



Expenditure and customer bills

EXPENDITURE:

- **We propose to invest around £6.7 billion** in the network across the period 2023-2028 to deliver WPD's current view
- **This is an increase of around £1.4 billion** from current levels



- This will result in significant benefits to customers and deliver the priorities of our stakeholders and the outcomes they value
- It will also move us towards the achievement of Net Zero carbon emissions in the UK

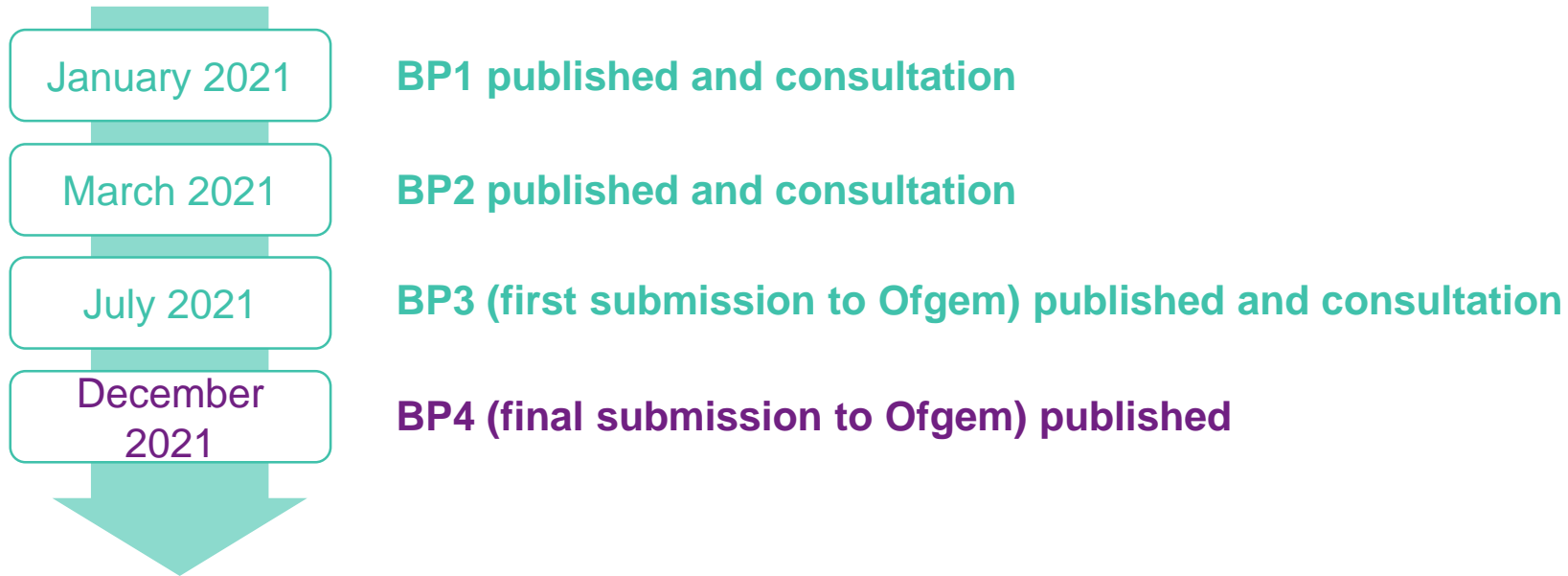
CUSTOMER BILLS:

- **Customers currently pay around £98 a year for the WPD portion of an average domestic electricity bill.**
- **We expect this to remain broadly at the same level in RIIO-ED2 despite significant increases in expenditure and stretching service improvement targets.**
- We estimate the impact of the increase would result in an approx. £3.37 increase on the average domestic bill.
- However, we intend to offset this by our efficiencies, changes to the financing parameters and other aspects of the RIIO-ED2 framework.

How our plan was built

Our final Business Plan submission to Ofgem is the fourth version of the Plan overall

- Our Business Plan has been co-created with our stakeholders from a blank piece of paper.
- This has involved input from 25,000+ stakeholders across 280 events.
- It has included significant numbers of bill paying and future customers from diverse locations and backgrounds to secure a breadth of opinion.



80-82%
end user acceptability
of the overall plan
(only 4% “unacceptable”)

87% - 97%
stakeholder acceptability
of WPD’s core
commitments

What we have published

www.westernpower.co.uk/RIO-ED2BusinessPlan

6 core documents

- RIIO-ED2 Business Plan
- RIIO-ED2 Business Plan Fact Sheet
- Business Plan Overview
- Navigating our Plan
- Board Assurance Statement
- Redaction Explanatory Statement



13 supplementary annexes

1. Governance
2. Our commitments
 - 2a. Justification
3. Smart and flexible network
4. Keeping promises
5. Engagement
- 6/6a Expenditure
7. Uncertainty
8. Competition
9. Financing
10. Glossary
11. Investment appraisal



22 key strategies

Including:

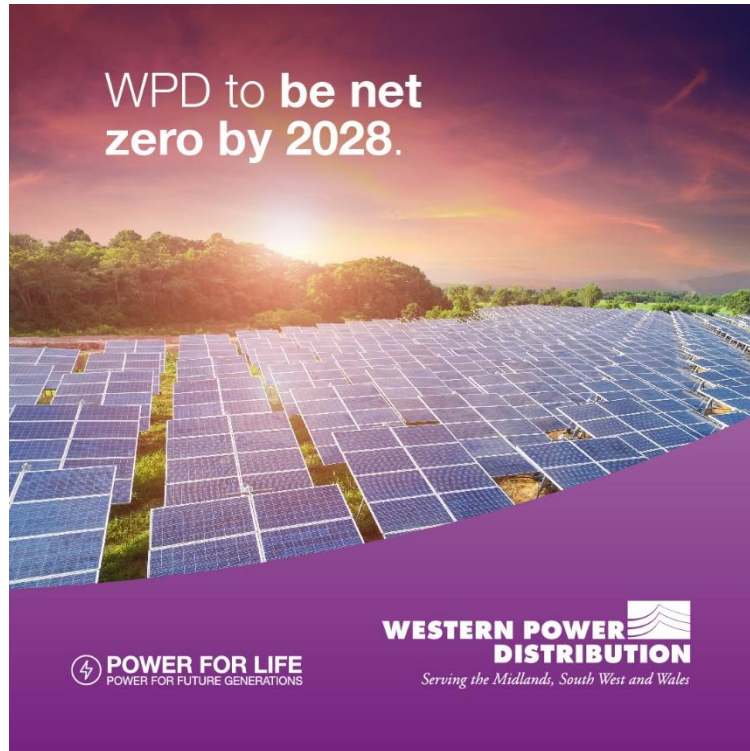
- Innovation and efficiency
- Customer vulnerability
- Digitalisation
- DSO
- Electric Vehicle
- Environment
- Environmental Action Plan
- Major connections
- Social contract
- Workforce resilience



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An ambitious vision for the future

Headlines of the Plan – How WPD will deliver for you and future generations



WPD to be net zero by 2028.

WESTERN POWER DISTRIBUTION
Serving the Midlands, South West and Wales

POWER FOR LIFE
POWER FOR FUTURE GENERATIONS



Same day connections response for low carbon technologies.

WESTERN POWER DISTRIBUTION
Serving the Midlands, South West and Wales

POWER FOR LIFE
POWER FOR FUTURE GENERATIONS



The lowest ever power cut levels – with one power cut lasting less than 22 minutes every two years.

WESTERN POWER DISTRIBUTION
Serving the Midlands, South West and Wales

POWER FOR LIFE
POWER FOR FUTURE GENERATIONS



Storm Arwen – 26th-29th November 2021

- Affected all four of WPD's networks with exceptional weather including winds >92mph in South West and heavy snow falling in areas of the Midlands
- WPD responded to over 4,000 incidents and restored supplies to over 285,000 customers
- Triggering;
 - Category 2 exceptional event storms in West Midlands, South Wales and South West
 - Category 1 exceptional event storm in East Midlands
- Approximately 99% of all customers affected had their supplies restored in less than 48 hours
- 197 overhead resources loaned to ENW, SSE, SPEN and Northern Powergrid – deployment 29th and 30th November



Storm performance

westernpower.co.uk

POWER CUT?
CALL 105

WESTERN POWER DISTRIBUTION
Serving the Midlands, South West and Wales

Storm Arwen Summary

Saturday 27th, Sunday 28th & Monday 29th November 2021

285,000 Customers restored
across the whole business over Saturday, Sunday & Monday

Highest snowfall 182cm Recorded in Staffordshire Moorlands, Staffordshire.	Social media 270,600 Number of customers reached via social media.	Workload 1 months Worth of faults over the three day period.
Communication 77,644 Calls taken by our Contact Centre.	Support 50 teams Supported other field teams across our network.	Response Time 269 seconds Average speed of call response time.
Highest wind 92mph Recorded in Berry Head, Devon.	Customer care 12,968 Texts sent to Priority Services customers.	Online 537,775 Website hits, a 3,000% increase from usual levels.

Storm performance



westernpower.co.uk



Questions?

Customer Panel Chair update

Gabby Mallet – Chair, WPD Customer Panel

Feedback from ER surgery - General

- Surgery was well attended – good feedback appreciated by WPD
- 6,652 staff currently employed by WPD, approx. 5,000 are operational
- Covid-19 pushed organisations to be more digitalised and flexible
- COP 26 has reinforced the Net Zero agenda – now key for WPD
- Around 4% attrition rate of staff, including retirement
- Extended apprenticeship schemes - introducing new one to support disadvantaged people - trial of 30 apprentices
- Currently 17 STEM ambassadors - 12 male and 5 female – work with local schools and on specific projects
- WPD staff to provide up to 1,000 days of volunteering (ED2)

Highlights of ER surgery – Succession Planning

- Business planning identified around 100 additional staff needed in 2022, & 279 from the beginning of ED2 – also new skills identified and new organisational structure
 - Difficulties in some areas with people prepared to commute, or other large employers around e.g. Rolls Royce
 - Net Zero advice bought in – but also via environment team. Now included in craft training
-
- Panel offer of assistance for auditing/inspecting HV training
 - Challenge to WPD if 1,000 days of volunteering was sufficient given size of organisations – suggestion to increase to ½ day per employee

Highlights of ER surgery - IIP

- Investors in people – launched 24th November 2021
- WPD wants to be employer of choice
- All staff survey to be conducted and visits to locations to calculate baseline
- Senior managers all bought into initiative
- Hope to have baseline complete by end first half of 2022
- Plan to achieve Silver by end 2025 and Gold by end 2028. May revise depending on baseline outcome

Highlights of ER surgery – Mental health

- 300 managers trained in Mental Health Awareness
 - Employee assistance programme – also open to families
 - Poster campaign ‘check on your mates’
 - Piloting ‘breath training’
 - SharePoint system with Mental Health information
 - WPD in-depth look at statistics to see if certain roles = more issues
 - Aware more is required with remote working/pandemic
-
- Panel offer of help with to share stories across industries/organisations
 - Share ‘suicide prevention’ training

Surgery - questions

- Minutes and slides will be available on website and Trello
- Is this sufficient feedback for those who didn't attend?
- Didn't used to get feedback from afternoon surgeries, so do we need it now?

Current 12 month plan

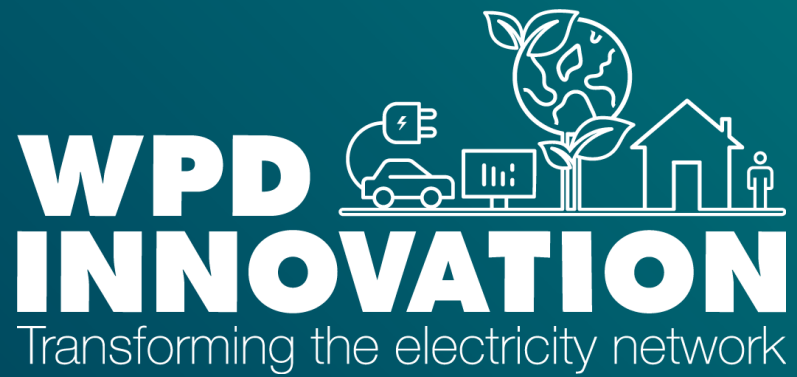
Date	Agenda items	Presenter
Panel meeting 21-Sep-21	Sale and Business Planning	Phil Swift
	12 month plan, future topics and panel structure	Gabby Mallett
	PSR current statistics	Richard Allcock
	Report on eligible numbers and plans for expansion	
	Marketing and comms	
	New vulnerability hub	Nicki Johnson
Surgery	Personal development	
Date TBC	STEM ambassadors	
	Volunteering	
	Investors in people	
Panel Meeting 16-Dec-21	Feedback from surgery	Alison Sleightholm
	Workforce – mental health/safety/succession planning	
	Innovation – (strategy update July 2022) feedback on old projects – news/ideas for the future	
Surgery	Electric vehicles (strategy update April 2022)	
Date TBC	Consumer and Fleet	
	Potential numbers for future years	
	Connections homes/business	
	Grid restraints	
Panel Meeting March	Feedback from surgery	
	Vulnerability strategy and Smart future	Richard Allcock
	Smart Energy Action Plans	
Surgery	WPD plans for Net Zero by 2028	
Date TBC	Buildings	
	Transport	
	Offsetting	
Panel meeting June	Feedback from Surgery	
	Network resilience	Andrzej Michalowski
	Cyber resilience	
Surgery	Community Energy strategy (strategy update April 2023)	
Date TBC	Feedback from community energy groups	
	What's needed to help?	
	How do business plan commitments support?	

12 month plan – February 2022 EV session

- Given the planned topic – do you have specific questions? Please email Gabby after the Panel meeting
- Those not in attendance to send questions within next two weeks
- Lead on each topic will be sent questions in advance to ensure they can be adequately covered in the presentations
- Planned surgery is about Electric Vehicles. Who wants to be involved, what topics do they want to see covered and what questions do they want to ask?
- What should go on the 12 month plan for September 2022?

24th March 2022

- Planned to be face to face – will revert to online if pandemic changes
- Will do Panel meeting and lunch
- No afternoon sessions as surgeries now agreed to be remote
- Topics - Vulnerability and Smart Energy Plans
- Specific questions now or well before panel meeting – think how panel can help, advice, challenge



Innovation

Yiango Mavrocostanti – Innovation Manager

16.12.2021



westernpower.co.uk/innovation



Our Innovation Strategy & Values

We are a team of engineers dedicated to implementing our Innovation Strategy



Decarbonisation

Excellence

Value for Money

We identify problems, find solutions and trial them through our projects

We aim to be a main contributor to decarbonisation

We are passionate about using our innovation funding the best way possible and providing value for money

We want to be working with the best people to achieve excellence together



Innovation before ED2

- All innovation work aimed at providing customer benefits.
- Focused on delivering innovation projects mostly funded through Ofgem's Funding mechanisms.
- Projects were delivered by our innovation team. At completion if successful were rolled out by main business.

Faster and cheaper network connections



Customers and community groups can access network data



Customers can earn money by providing flexibility services



Reduced customer bills



More connection options for all UK customers



Customers can find out the energy mix and carbon intensity of their local area



Customers can connect their LCTs more cost effectively



Customers and communities have increased awareness of industry changes



Our Innovation Ambition

“Our innovation work will provide us with the tools we need to drive the transformation of the industry and enable the UK to meet Net Zero affordably”



ED2 Strategic focus

In RIIO-ED2 we will dramatically increase our Innovation activities

We will be running 2 Innovation Programmes instead of 1.

- Our new Business Innovation Programme – rollout of previously proven innovation and delivery of low risk projects that can introduce cost efficiencies in our business.
- Our Core Innovation Programme – Externally funded projects.
- We will expand our innovation team by 50% with resource dedicated on delivering Business innovation and rolling out innovation.

Celebrating a culture of innovation

Our work will not be just about delivering projects. We are taking on the task of changing our business culture, so that innovation is celebrated and rewarded within the business.

- Main business teams will be driving innovation.
- Innovation performance of each main business department will be assessed through internal performance metrics.
- The link between the main business and innovation teams will be strengthened by sharing ownership of projects.
- We know that Innovation can often be perceived as difficult or something that is only delivered by innovation experts. Therefore we will run programmes to internally communicate a positive message about innovation.
- We will focus on encouraging our staff to submit their ideas and ensuring they feel listened to.



Customer Engagement Group update

Duncan McCombie – Chair, CEG

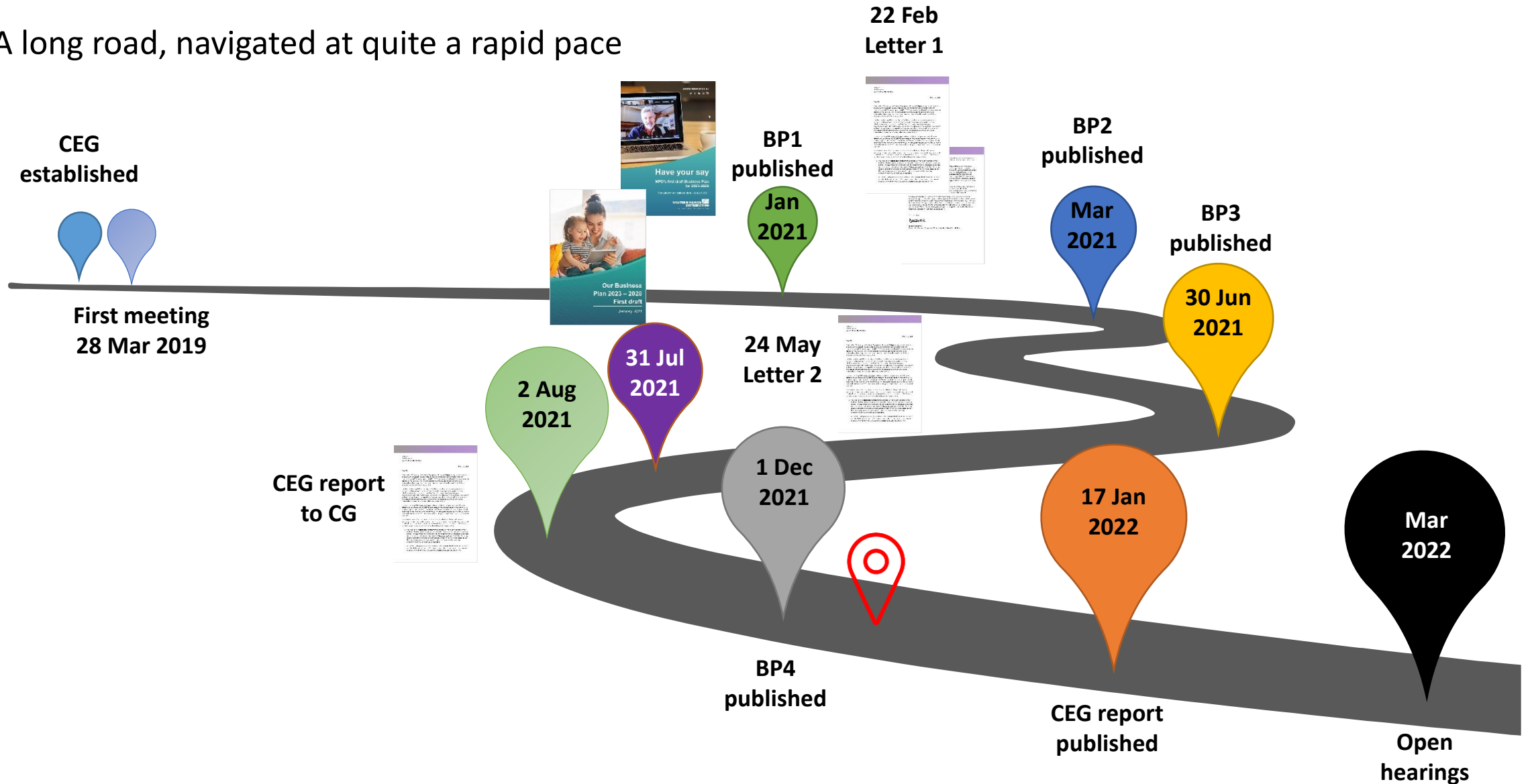


WPD Christmas gift to customers

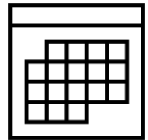
Customer Engagement Group @ Western Power Distribution

Roadmap to ED2

A long road, navigated at quite a rapid pace



Process - update



1 December 2021 – WPD
submit final BP to Ofgem

CEG will be:

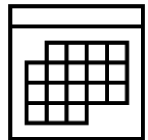
Reading

Writing

Discussing

Checking

Re-wording



17 January 2022 – CEG submit
their final report to Ofgem



Key report points



50 pages + annexes

Set chapters for all CEGs to aid Ofgem

Open questions:

Deliverability

Impact of National Grid

SoLR

Media focus on storm Arwen

Next steps



17 January 2022 – report submitted

26 January 2022 – meeting with Ofgem and CG – differences meeting

21 March 2022 – open hearings

May/June 2022 – Ofgem draft determination

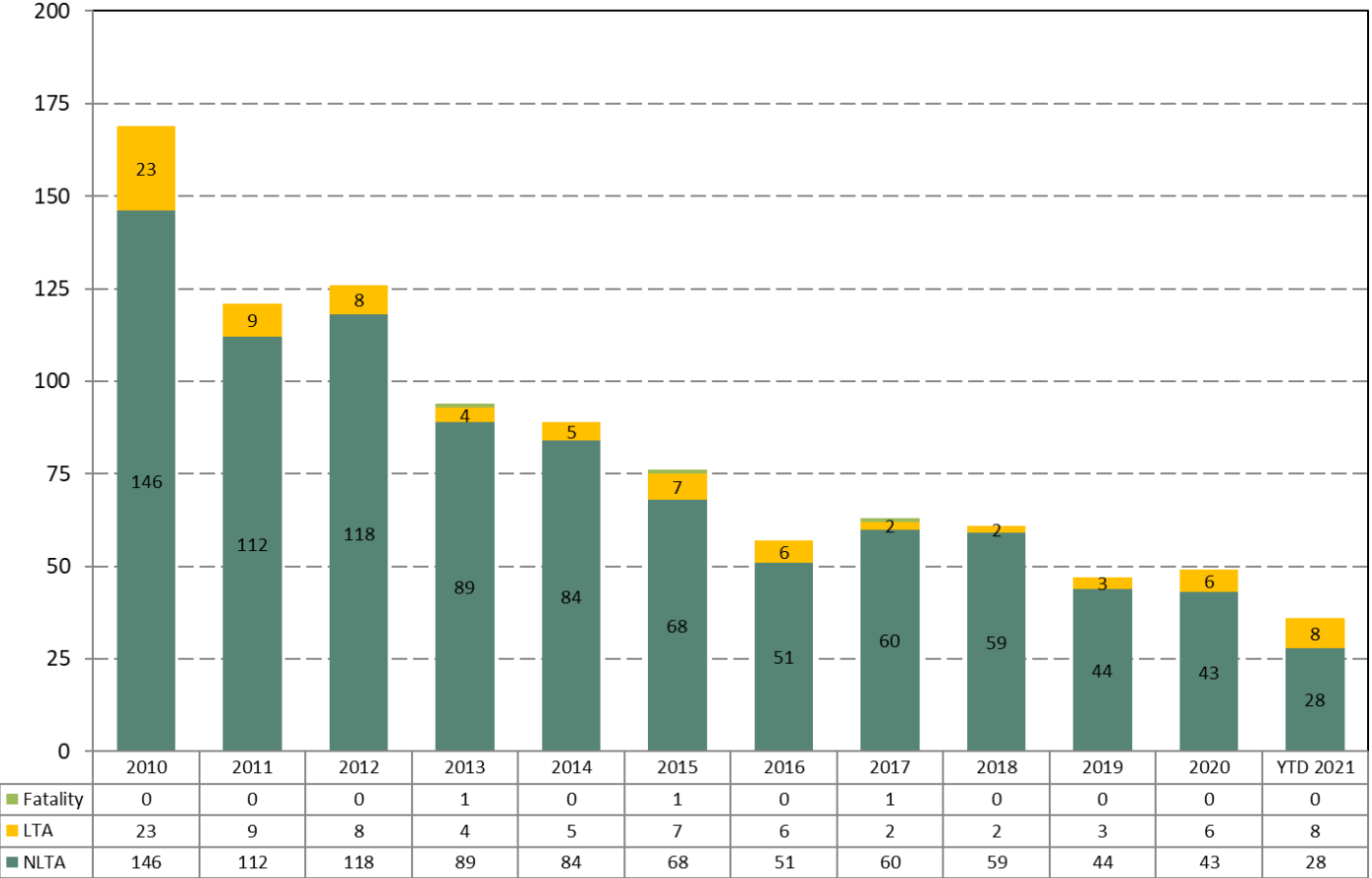
November 2022 – Ofgem final determination

1 April 2023 – RIIO-ED2 starts, bills take effect



Appendices - YTD performance

Safety Incidents



As at end of November 2021
 *Loss Time Accident / Non Loss Time Accident

IIS Outturn 2021/22

	WPD West Midlands		WPD East Midlands		WPD South Wales		WPD South West	
	CI	CML	CI	CML	CI	CML	CI	CML
Ofgem IIS Target 2021/22	79.1	51.2	50.2	35.7	51.9	32.4	57.6	42.8
IIS Outturn 2021/22	48.4	31.3	36.2	22.2	39.4	25.0	51.3	39.3
% Out Performance	38.9%	38.8%	27.9%	37.9%	24.1%	22.9%	10.9%	8.1%
*Potential reward (£m†)	21.2		19.7		5.4		3.7	

As at October 2021

*Subject to Ofgem audit

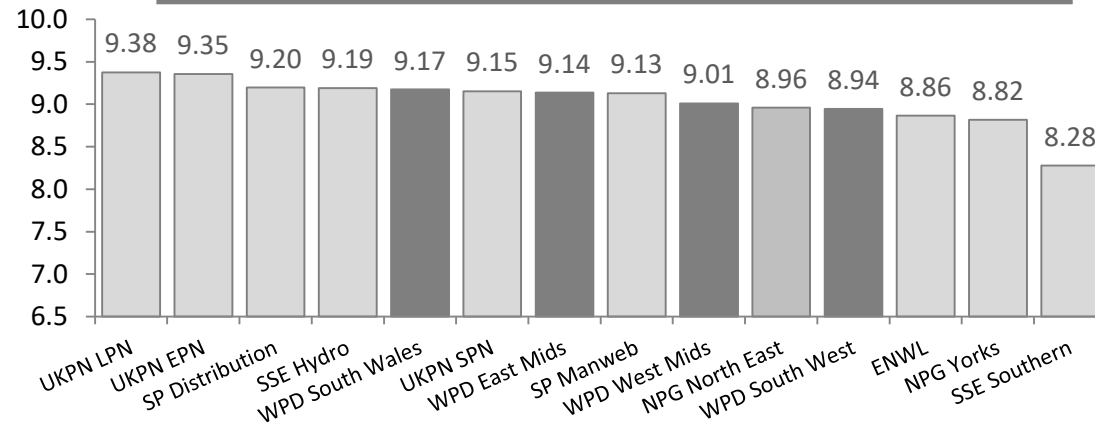
†At 2021/22 prices



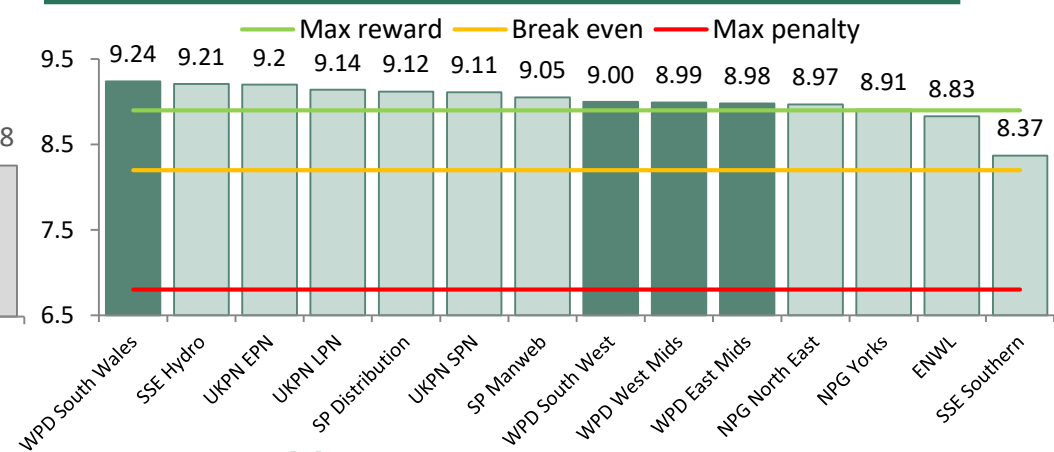
Broad Measure Survey

2021/22 regulatory year (to October 2021)

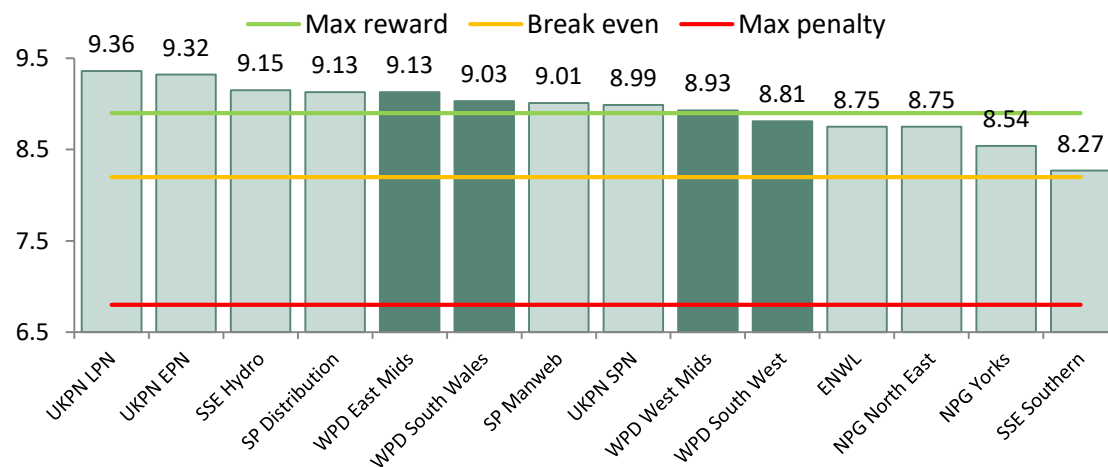
Overall Combined



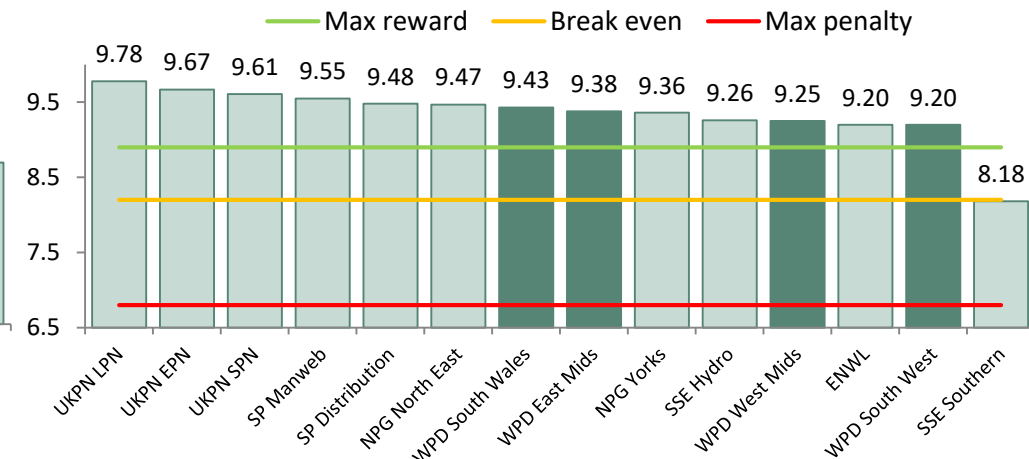
Interruptions



Connections



General Enquiries



Note: Ofgem's incentive only considers individual performance in the 3 categories. An overall score is generated for summary purposes, using Ofgem's weightings of : 30% Interruptions; 50% Connections; 20% General Enquiries

Contact Centre Performance

2021/22 regulatory year (to October 2021)

Inbound

Service	Total calls	Average speed of response – Calls 5.06 seconds
General enquiries	114,371	Average speed of response - Twitter 3 mins 27 secs
No supply	444,192	Average speed of response - Webchat 44 seconds
Calls to 105 (included above)		49.9 (%)

Outbound – Proactive

	Total call backs	Total to vulnerable customers
During fault	409,537	401,614
When ETR changes (Estimated Time of Restoration)	69,229	25,696
Post fault	165,548	59,280
Total	644,314	486,590
Total proactive text messages sent		741,733

Priority Services Register data cleanse

	Total contacts
Customers attempted to contact	1,132,758
Success rate	8.9%
Onward referrals made (e.g. for fuel poverty support)	9660(including 1813 referrals to fire service)