

nationalgrid

# RIIO-ED1 Business Plan Commitments Report 2015-2023

Year Eight – 2022/23



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## The purpose of this report

In June 2013, Western Power Distribution (WPD) published a Business Plan for the eight year period from April 2015 to the end of March 2023. National Grid Electricity Distribution (NGED) is the new name for WPD following the purchase by National Grid in 2021, and hence this Business Plan commitment report for NGED continues with the commitments agreed for RIIO-ED1.

Each year we publish a report for our stakeholders, with details of the progress against our eight-year business plan for the RIIO-ED1 price control period.

In our plan we made 76 commitments in the following six categories.

- **Safety**  
Reducing risk to our staff and the general public.
- **Reliability**  
Improving the performance of our network.
- **Environment**  
Reducing our effect on the environment and supporting the Government's plans for a low carbon energy future.
- **Connections**  
Providing an efficient service for our customers connecting to the network.
- **Customer Satisfaction**  
Maintaining excellent customer service.
- **Social Obligations**  
Supporting customers in vulnerable situations.

Within this report you will find information which demonstrates the commitments we made in our Business Plan and our performance against these during 2022/23, the eighth and final year of RIIO-ED1.

# Introduction



## Welcome from our President



National Grid Electricity Distribution (NGED) has continued to deliver excellent service for our 8 million customers, whilst addressing the challenges of decarbonisation and energy affordability.

National Grid Electricity Distribution (NGED) is part of the largest electricity transmission and distribution business in the UK, putting National Grid at the heart of a clean, fair and affordable energy future..

This report marks the end of the eight-year RIIO-ED1 price control and therefore contains information about performance against annual 2022/23 targets and the price control period as a whole.

Looking back at RIIO-ED1, we have demonstrated a track record of providing excellent customer service and reliable network performance. NGED has continued to beat regulatory targets for customer satisfaction, customer interruptions and customer minutes lost.

We always seek to respond to the needs of our customer base and 2022/23 has provided new challenges, with customers hit hard by the rising cost of living. I am proud of the support that we provide via our established fuel poverty partnerships and this year alone we have supported over 24,000 fuel poor customers to save £15.2m.

The commitments made as part of our RIIO-ED1 business plan were determined in 2013 and over the subsequent years of the price control period the industry has seen unprecedented levels of change with a shift in the roles undertaken by distribution network operators.

We have aimed to deliver our original commitments, outperforming expectations where possible, whilst also responding to change, evolving how we operate the network to create a flexible energy system.

As a business we are focussed on matching the pace of change within the industry, recognising a transformation in the way that people will use electricity and the significant changes in demand placed on our network. The final settlement of our RIIO-ED2 contract leads the business into an exciting but challenging new phase, developing our operational efficiency whilst delivering the same great service to our customers.

The work undertaken during RIIO-ED1 has established a strong base for the delivery of our new RIIO-ED2 regulatory contract. I am excited for the future and look forward to reporting on future progress.

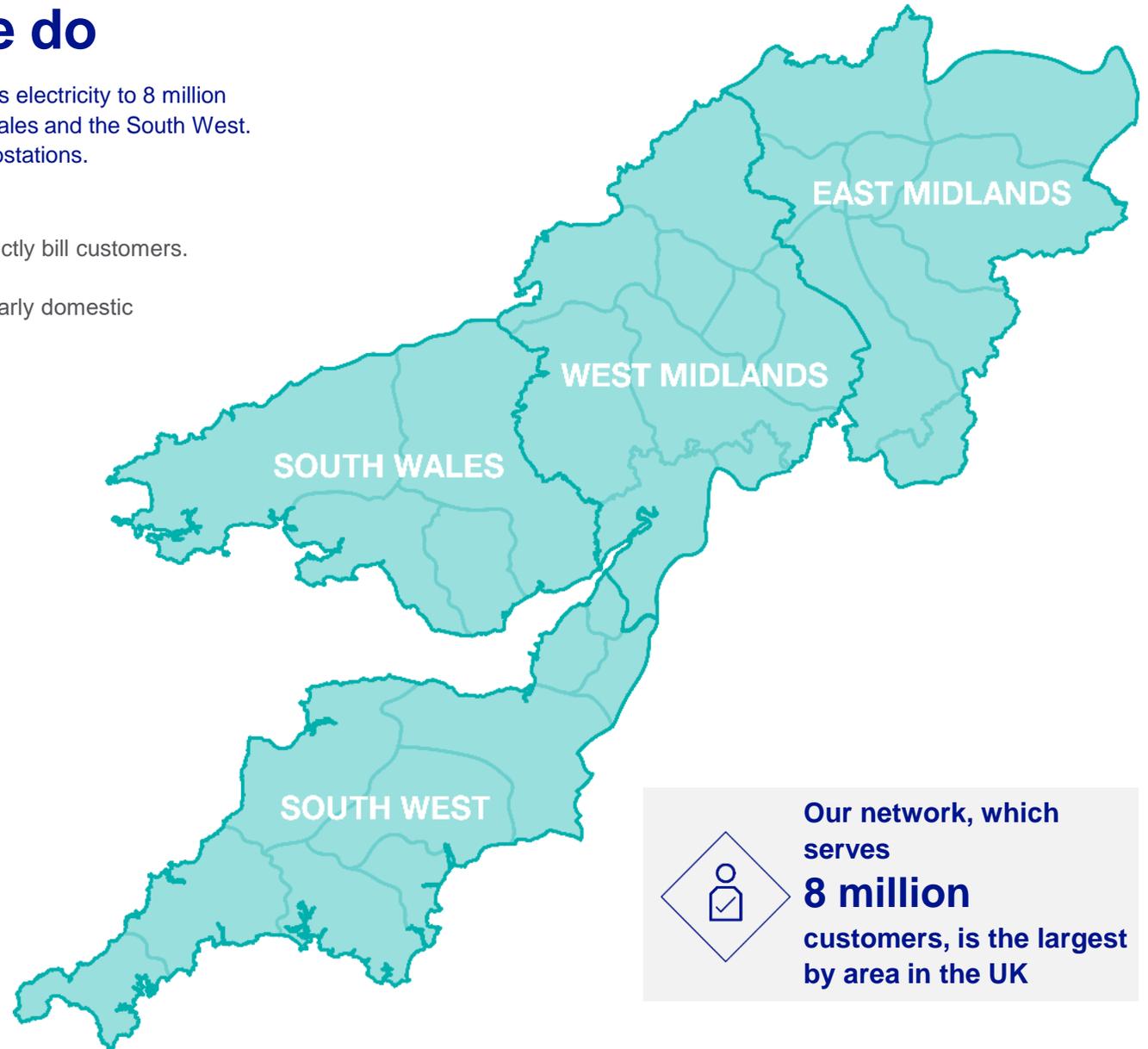
**Cordi O'Hara**  
**President, NGED**

# Who we are and what we do

NGED is a Distribution Network Operator (DNO) and distributes electricity to 8 million customers across the West Midlands, East Midlands, South Wales and the South West. We look after a network of wires, poles, pylons, cables and substations.

We are not a supplier. We do not buy and sell electricity or directly bill customers.

Our costs account for around £97 of an average customer's yearly domestic electricity bill, which they pay to their supplier.



## What we do



### Keep the lights on

by operating our network assets effectively



### Maintain equipment

so that the network remains reliable



### Fix the network

if equipment gets damaged or is faulty



### Connect customers

by upgrading existing networks or building new ones



### Operate a smart system

by managing two-way power flows and flexible services



Our network, which serves **8 million** customers, is the largest by area in the UK

# RIIO-ED1 Highlights



Accident rate improved by  
**60%**



**Over 4.8 million**  
customers provided with  
electrical safety information



Frequency of power cuts  
reduced by  
**42%**



**Over 85%**  
of customers affected by a  
HV fault had their supply  
restored within one hour



Reduced leaks from  
oil-filled cables by  
**45.4%**



**36% reduction**  
in our business carbon  
footprint relative to 2012/13  
performance



Excellent performance for  
the Connections Customer  
survey throughout ED1 with  
a score of  
**8.87 out of 10** for  
2022/23



Regular engagement with  
connection stakeholders,  
**18,800**  
consulted in 2022/23



Excellent performance for  
overall customer satisfaction  
throughout ED1 with a score  
of  
**9.01 out of 10**  
for 2022/23



Consistently maintained  
certification for the  
**Customer Service  
Excellence Standard**



Provided support for  
vulnerable customers who  
rated our services as  
**9.1 out of 10** for 2022/23



Established a network of  
support options for fuel poor  
customers, with  
**24,463** individuals saving  
**£15.2 million** in 2022/23

# Stakeholder engagement

## Updating our plans in line with feedback

We have a highly developed, extensive programme of stakeholder engagement, which we use to ensure that input from our customers shapes our plans, allowing us to deliver direct improvements to the service that we provide.

Over the course of 2022/23 we engaged with over 42,000 stakeholders. We use a range of approaches including face to face events, online events and hybrid arrangements where stakeholder can attend in person or online.

In 2022/23 we held 3 topic specific virtual workshops to discuss Connectability, Sustainability and Vulnerability and Affordability.

In addition to this we held 6 workshops across our licence areas covering a wider range of topics to gain an understanding of region specific issues for the communities we serve.

Round-table discussions at these events helped us to update our view of stakeholder priorities and refine RIIO-ED2 delivery plans in consideration of the changing energy landscape.

Furthermore, over 18,800 customers have engaged with the connections-focused element of our engagement programme, which includes specific forums and surgeries for connecting customers.

One of our priorities during 2022/23 has been to prepare for the RIIO-ED2 period. The UK's commitment to achieve net zero by 2050, alongside making improvements for vulnerable customers, are fundamental to our proposals for 2023-2028.

Our proposals for RIIO-ED2 have been co-created with expert stakeholders, informed by collaboration with our Customer Panel, and scrutiny and challenge from our RIIO-ED2 Customer Engagement Group. This has ensured our proposals are robust and fully-justified.



# The Customer Panel

## A summary of how the panel helps NGED

The Customer Panel (The Panel) is hosted by our President or a Director and brings together a group of knowledgeable stakeholders who meet quarterly to review and influence NGED’s plans.

The Panel has been in place for 15 years and currently has a pool of 29 permanent members. The group consists of subject matter experts, consumer representatives and stakeholders from key areas including businesses, utilities and vulnerable customers. The diversity of The Panel ensures that we are provided with a balanced representation of views across a range of perspectives.

During 2022/23, topic specific surgeries took place to focus on social obligations, connections, Community Energy and network investment.

The Panel also further developed the buddy system where members of The Panel work collaboratively with specific NGED employees, providing an alternative and fresh perspectives for tackling challenges within the business.

One area of focus for 2022/23 was the support that NGED provides disadvantaged communities, including discretionary funding.

## Some examples of the panel’s engagement from 2022/23 are shown below:

Engagement Type	Outcomes
<b>Surgeries</b>	
Focussed topic specific surgeries with smaller groups of expert panel members.	Discussions this year included: <ul style="list-style-type: none"> <li>Community Energy – an overview of our work which includes the provision of energy saving/efficiency advice, fuel poverty action, community net zero action, local resilience and community owned renewables.</li> <li>Connections and Local Network Investment – involvement by members in creating self-serve online tools and online information to help the new connections process.</li> <li>Social Obligations – A full review of NGED provisions, case studies, discussions around the complexities of providing help to an increasing number of vulnerable customers, with the panel endorsing the expansion of funding schemes.</li> </ul>
<b>User Acceptance Testing</b>	
The Panel was asked for opinion, advice and action on the potential for a new Priority Services Register internet landing page for England and Wales.	Once the website development was in its final stages, a review of the text and testing of the functionality was needed. Some members volunteered for User Acceptance Testing and a number of recommendations were made for changes to the web address, text and better accessibility. The developers implemented the suggested changes before the system went live.
<b>Buddying</b>	
Panel member with relevant experience supporting NGED employees on a one-to-one ‘buddy’ basis.	Particular support was provided for: <ul style="list-style-type: none"> <li>The development and delivery of Social Contract actions</li> <li>PSR data sharing and changes to NGED’s lawful basis for sharing customer data</li> <li>Benchmarking and analysis of NGED’s Winter Preparedness Campaign</li> </ul>

## The Customer Panel Spotlight Report

More detail on the way in which NGED works with the Customer Panel can be found in a detailed report for 2022/23. The full report can be found using this link:

[yourpowerfuture.nationalgrid.co.uk/our-engagement-groups/customer-panel](https://yourpowerfuture.nationalgrid.co.uk/our-engagement-groups/customer-panel)



# Our performance – a summary of 2022/23

# Output performance overview 2022/23

## Safety

1	Meet health and safety law.	✓
2	Make sure we have safe clearance distances between overhead lines and structures or the ground.	✓
3	Complete inspection and maintenance programmes.	✓
4	Reduce the number of accidents.	✓
5	Contribute to safety initiatives put in place by the Energy Networks Association.	✓
6	Work with trade union representatives to promote safe practices.	✓
7	Investigate the causes of all accidents.	✓
8	Improve security at substations.	✓
9	Run electrical-safety sessions for members of the public.	✓
10	Distribute electrical-safety literature.	✓

## Reliability

11	Improve network performance to reduce power cuts.	✓
12	Reduce the time it takes us to restore electricity after a power cut.	✓
13	Reduce the number of times power cuts last more than 12 hours.	✓
14	Deliver Guaranteed Standards of Performance.	✓
15	Improve standards for customers who experience frequent power cuts.	✓
16	Install flood protection at substations.	✓
17	Speed up our programme for clearing trees that could cause a fault if they fell during a storm.	✓
18	Improve battery life at substations to last 72 hours if there is major, network-wide power loss.	✓

## Environment

19	Improve the time we take to respond to customers connecting low carbon technology to our network.	✓
20	Identify areas where more low carbon technology is likely to be connected.	✓
21	Increase the size of assets in areas where more low carbon technology is likely to be connected.	✓

## Key

✓	Achieved
✓	Progress made, but not fully delivered
✗	Not met



## Environment

22	Explore new options to improve the way that we manage the network.	✓
23	Improve our management of the network by implementing 'smart' solutions.	✓
24	Use larger transformers in areas where we expect use of the network to increase.	✓
25	Use larger cables in areas where we expect use of the network to increase.	✓
26	Make sure that replacement vehicles have lower CO <sub>2</sub> emissions than those they replace.	✓
27	Improve the energy efficiency of our buildings.	✓
28	Reduce the amount of waste that we send to landfill.	✓
29	Reduce our carbon footprint by 5%.	✓
30	Reduce the amount of oil that leaks from oil-filled cables.	✓
31	Reduce the amount of SF <sub>6</sub> (a greenhouse gas) that is lost from switchgear.	✓
32	Install containment 'bunds' around equipment which contains large amounts of oil.	✓
33	Replace 55km of overhead lines in AONBs with underground cables.	✓

## Connections

34	Meet Ofgem's targets for the time taken to deliver a new connection.	✓
35	Provide excellent customer service so that customers rank us as the top-performing DNO.	✓
36	Carry out customer satisfaction surveys with distributed generation customers.	✓
37	Develop our processes for customers applying for a connection online.	✓
38	Provide helpful information for connection customers online.	✓
39	Host 'surgeries' every three months to help connection customers to understand our processes.	✓
40	Work with major customers to identify where our processes can be improved.	✓
41	Aim to achieve no failures of the connection Guaranteed Standards of Performance.	✓
42	Improve customer awareness of other connection providers.	✓
43	Work with other connection providers to extend the types of work that they can carry out.	✓

# Output performance overview 2022/23

## Customer satisfaction

44	Continue to be the top-performing DNO for the Broad Measure of Customer Satisfaction.	✓
45	Maintain our certification to show that we meet the Customer Service Excellence standard.	✓
46	Answer phone calls within two seconds.	✓
47	Limit the number of customer calls that are abandoned before we can answer them.	✓
48	Always provide customers with the option to talk to a member of staff when they call our contact centre.	✓
49	Provide a restoration time for every power cut.	✓
50	Contact all customers who have been in contact about a fault.	✓
51	Contact customers within two days of receiving an enquiry which was not about a fault	✓
52	Provide information through 'on-demand' messaging such as text messages and social media.	✓
53	Develop options for customers to find information online.	✓
54	Host a customer panel with our CEO four times a year.	✓
55	Continue to hold at least six stakeholder workshops each year.	✓
56	Provide a stakeholder report every year providing an update on our actions.	✓
57	Resolve at least 70% of complaints in one day.	✓
58	Aim to achieve no complaints where the Ombudsman has to get involved.	✓
59	Send the 'Power for Life' publication to all customers and make sure it promotes GSOPs.	✓

## Social obligations

60	Work with others to improve our understanding of the needs of customers in vulnerable situations.	✓
61	Train staff to recognise the signs of customer vulnerability.	✓
62	Contact customers in vulnerable situations at least once every two years to check their details.	✓
63	Improve the quality of the data that we hold on our Priority Services Register.	✓
64	Co-ordinate meetings with suppliers to agree criteria for vulnerability.	✓
65	Raise awareness of our Priority Services Register.	✓
66	Make 10,000 'crisis packs' available to customers who need extra support during power cuts.	✓
67	Contact customers who rely on electricity for medical reasons every three hours during power cuts.	✓
68	Provide practical support during power cuts through organisations such as the British Red Cross.	✓
69	Ask for feedback from customers in vulnerable situations to check they are happy with our service.	✓
70	Develop ways of sharing information with local resilience forums.	✓
71	Build a database of regional agencies we can refer customers to for help with fuel poverty.	✓
72	Work with our partners to develop links to and from our website so information is easy to find.	✓
73	Develop joint information with the partners we work with to help customers who are facing fuel poverty.	✓
74	Provide fuel poverty training to our staff who have contact with members of the public.	✓
75	Use data analysis to help identify areas with a high concentration of vulnerable households.	✓
76	Develop local outreach services to help customers who are facing fuel poverty.	✓

### Key

- ✓ Achieved
- ✓ Progress made but not fully delivered
- ✗ Not met



# Safety - Performance Summary 2022/23

## Meeting health and safety law

<p><b>1</b> No improvement notices, prohibition notices and prosecutions from the Health and Safety Executive.*</p>	<p>No improvement notices were issued or prosecutions made relating to the current price control during 2022/23. We have appealed two HSE prohibition notices, issued in previous regulatory years, and will provide details of the outcome at the end of the appeals process.</p>
<p><b>2</b> Complete work programmes to meet the Electricity, Safety, Quality and Continuity Regulations (ESQCR) 2002. ESQCR requires that overhead lines are a safe distance from either structures or the ground.</p>	<p>We have completed the programme for clearance distances to structures for all regions. We have completed 100% of the work scheduled in 2022/23 relating to the required ground clearance distances.</p>
<p><b>3</b> Complete inspection and maintenance programmes every year.</p>	<p>We completed all of the work scheduled for the year except for a very small number of tasks. We put in place appropriate plans to manage these safely until the work was completed.</p>

## Reducing accidents

<p><b>4</b> Reduce our overall rate for the frequency of accidents by 10%.*</p>	<p>Our accident rate in 2022/23 is better than the 10% improvement target set for the whole of RIIO-ED1.</p>
<p><b>5</b> Continue to play an active part in the ENA's 'Powering Improvement' initiative, which aims to lead to improved safety performance.</p>	<p>We took an active role in the Powering Improvement steering group to help develop materials to support the theme of promoting a positive health and safety culture.</p>
<p><b>6</b> Work with our trade unions to improve safety performance, including the use of more 'behavioural safety' initiatives.</p>	<p>During RIIO-ED1 NGED has delivered a wide variety of behavioural safety training to its staff. Using this training as a foundation, during 2022/23 we have continued to reinforce key behavioural safety principles.</p>
<p><b>7</b> Investigate all accidents involving members of the public, contractors or our own staff to make sure that learning points are quickly understood and communicated.**</p>	<p>We investigated all 71 incidents that happened during the year (48 staff accidents, 14 contractor accidents and 9 significant incidents involving the public).</p>

## Substation security

<p><b>8</b> Improve security measures at 50 substation sites to reduce the number of repeat break-ins.*</p>	<p>The number of repeat break-ins has been lower than predicted. In RIIO-ED1, we have upgraded security measures at 21 sites that have had repeat break-ins.</p>
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## Educating the public

<p><b>9</b> Organise and run over 1,000 educational sessions to provide safety information to over 400,000 schoolchildren.*</p>	<p>We have exceeded our target and have delivered a total of 23,371 educational sessions to 546,350 schoolchildren</p>
<p><b>10</b> Continue to publish literature on maintaining safety around electrical apparatus and send more than 500,000 copies of this literature to targeted landowners, businesses or leisure operators.*</p>	<p>Over the course of RIIO-ED1, we have issued over 4,821,587 instances of safety leaflets and made these available to targeted groups through social media.</p>

\* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

\*\* Target to be achieved each year of RIIO-ED1



# Safety

## Accident frequency rates

Safety is at the heart of everything we do. We continually monitor accident rates and aim to improve our performance each year by involving our staff to tackle underlying causes of accidents.

The number of accidents that have taken place remain low. We have beaten our target for the price control period, but will strive to reduce the accident rate further. Our accident frequency rate for NGED as a whole during 2022/23 was 0.72 accidents per 100 staff.

## Fair Culture

In response to staff feedback we are shifting our approach to safety learning and communication from a perceived 'blame culture' to a 'Fair Culture' for risk reporting, incident prevention, investigation and communication of lessons learnt. This includes the introduction of our 'Safe to say' initiative where staff can report any concerns anonymously.

## Switched on to Health

Our employee well-being initiative Switched on to Health continued through 2022/23 with a particular focus on positive management of mental ill health.

Staff safety briefings focused on identifying the common signs that someone might be struggling with their mental health and signposted the support available from the company including the Employee Assistance Programme and local Mental Health First Aiders.

## Reasons for Staying Safe

A safety campaign for all staff focussed on personal reasons to stay safe at work. A series of 4 sessions was designed and delivered by team leaders and managers.

Managers led discussions on the causes of incidents, and ways to avoid incidents. Individuals were asked to consider and share the impact any incident might have on their quality of life and their loved ones. The sessions included a discussion of risk assessment practices and lessons learnt from real life incidents.

Overall Accident Rate/100 Staff NGED Company Total



## Sessions on Reasons to Stay Safe focussed on



Learning points from investigations



Reminders on policy



Personal reasons to stay safe, such as quality of life and impact on loved ones

# Safety

## Educating the public about electrical safety

Children and other members of the public may not always be aware of the possible dangers of the electricity distribution network. During RIIO-ED1 we committed to providing 1,000 education sessions to 400,000 schoolchildren. We have significantly exceeded this target and developed a varied range of mechanisms for delivering highly-rated educational sessions both in schools and at events such as county shows.



During RIIO-ED1 **546,350** schoolchildren have attended **23,371** educational sessions

As well as safety sessions, we also committed to distributing 500,000 safety leaflets over the course of RIIO-ED1. We've used a variety of methods to significantly exceed our targets and reach over 4 million people. By harnessing social media we have reached larger numbers than we anticipated and been able to target groups who may be more at risk of coming into contact with electricity as a result of their leisure activities.

## Public safety

We continue to look for new ways to raise public awareness of safe practices and behaviours. For example, in 2022 we partnered with a theatre group to put on street performances on a high street in South Wales during the school holidays. These events focussed on electrical safety and we distributed educational leaflets to the people that were attracted to the performance.

## Using different methods to reach more children

Whilst we carry out educational sessions in schools and at a range of events throughout the year we also use alternative methods to reach a wider audience. With school visits restricted during the pandemic our School Safety team developed dynamic virtual learning for children to access at home. Our 'Shock Tactics' shows use actors and puppets to teach children about electrical safety and can be delivered via Zoom, Skype or Microsoft Teams. Whilst we have been able to return to in-person learning opportunities we have continued to use these resources during 2022/23, using the flexible nature of these sessions to access even more learners.

We also continue to provide online resources such as the interactive, curriculum-linked website Power Discovery Zone which gives access to videos and games such as Pylon Town.



# Reliability - Performance Summary 2022/23

## Network performance

<b>11</b>	Improve network performance by the end of RIIO-ED1 so that, on average, customers will have 16% fewer power cuts and have their electricity supplies restored 23% quicker.*	Customer interruptions have reduced by 42% and customer minutes lost have reduced by 49% from the underlying performance benchmark.
<b>12</b>	Make sure that at least 85% of customers have their power restored within an hour of a high voltage fault happening.**	85.35 % of customers had their power restored within one hour of a high voltage fault.

## Guaranteed Standards of Performance (GSOPs)

<b>13</b>	Reduce by 20% the number of customers experiencing a power cut which lasts for 12 hours or more.*	The number of customers without electricity for more than 12 hours (where the GSOP applied) was 1,257, an improvement of over 88% on our 2012/13 benchmark performance. Customers received a set payment where we failed to achieve the GSOP.
<b>14</b>	Achieve no failures on all other GSOPs.**	There were only 70 failures across all other categories.

## Worst served customers

<b>15</b>	Reduce by 20% the number of customers classified as worst served.*	During the course of RIIO-ED1 projects to reduce the number of worst served customers have been put in place for 15,461 customers. We have beaten our target for the whole of RIIO-ED1 which was 6,812 customers.
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## Making our network more resilient

<b>16</b>	Apply flood defences to 75 substations, reducing the risk of both damage to equipment and power cuts due to flooding.*	We have achieved our RIIO-ED1 targets. Across the whole of RIIO-ED1 we installed flood defences at 86 substations.
<b>17</b>	Speed up the programme of tree clearance (specifically related to storm resilience) by 40%, with the aim of clearing 700km of overhead lines per year (delivering the programme five years earlier than suggested by Government guidelines).*	We have met the RIIO-ED1 target and completed the programme of tree clearance for resilience that we committed to for the whole of RIIO-ED1.
<b>18</b>	Improve substation battery life to last for 72 hours if there is a major, network-wide power loss.*	We have completed our programmes for resilience of protection batteries, SCADA batteries and telecommunications site supplies.

\* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

\*\* Target to be achieved each year of RIIO-ED1

# Reliability

## Continuing to improve our network reliability

Network reliability remains a top priority. We regularly inspect, maintain, and if necessary replace our equipment to ensure our network performs effectively.

As we move towards a low carbon future, the way stakeholders use and generate electricity is changing and so it is important that our network can allow the connection of electric vehicles and heat pumps, and provide the means to distribute locally produced generation. We reinforce our network where required to ensure it has the capacity to cope with the demands placed on it.

To ensure that the impact of faults on customers is minimised, we reduce the time that power cuts last by using automation on the network to redirect supplies and prioritise restoring customers' electricity supplies quickly.

All of these actions mean that our network performance has improved and is better than our targets.

## Customer Interruptions (CIs)

Customer interruptions measure the average number of power cuts per 100 customers.

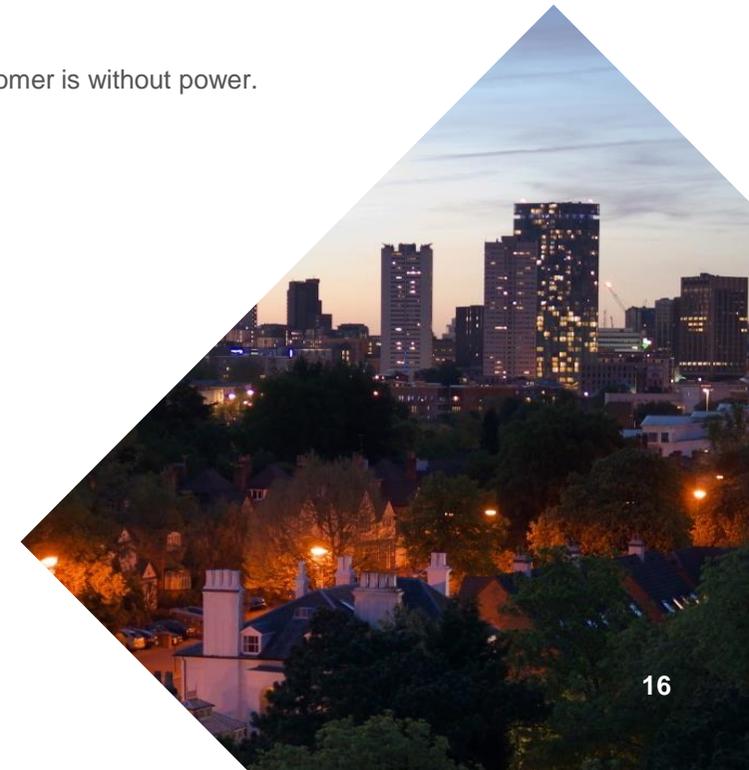
NGED total CIs



## Customer Minutes Lost (CMLs)

Customer minutes lost measure the average length of time that each customer is without power.

NGED total CMLs



# Reliability

## Beating our restoration targets

We have an internal target ('Target 60') which aims to make sure that over 85% of customers have their electricity supply restored within one hour when there is a high voltage fault.

When there is a fault, engineers in our control centres are automatically notified and restore most electricity supplies immediately using remotely controlled switches to redirect the route of electricity. We also send staff to site to carry out local switching where this is needed.

Our priority is to get our teams to the source of the problem and restore the customers' electricity supplies as quickly as possible.

Our performance has exceeded the 85% target for the whole of RIIO-ED1.

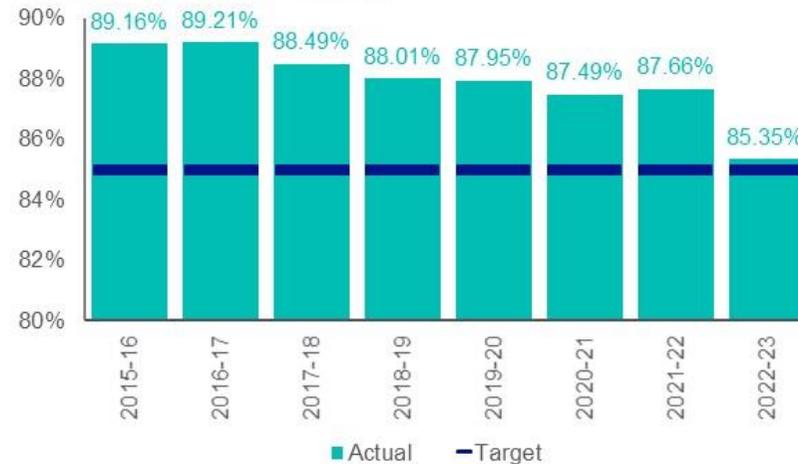
## Worst served customers

In RIIO-ED1, Ofgem has defined 'worst served customers' as those that experience 12 or more higher voltage interruptions over a three year period (with a minimum of three interruptions experienced in each year).

NGED engaged with stakeholders to determine the level of improvement required, resulting in a decision to target a 20% improvement.

We have beaten the targets set for RIIO-ED1, significantly reducing the number of customers defined as 'worst served'. We anticipate that the projects delivered during RIIO-ED1 will continue to provide benefits as we plan further improvements for worst served customers in RIIO-ED2.

## NGED T60 performance



## Worst served customer numbers

	NGED Total
Reference performance in 2014/15	34,058
20% reduction	6,812
Target performance - end of RIIO-ED1	27,246
Customers classified as worst served in 2022/23	5,291

# Environmental - Performance Summary 2022/23

## Make it possible for more people to use low carbon technologies (LCTs)

<b>19</b>	Improve by 20% the time taken to provide a response to customers who want to use LCTs.*	We are continuing to see a rapid increase in the number of LCT enquiries we receive but new systems put in place during 2022/23 have enabled us to reduce our response time to 0.69 days, a 76% reduction from our benchmark performance.
<b>20</b>	Identify LCT hotspots using information from smart meters, expert organisations and local authorities, and use this information when making decisions.	The development of the “Network Investment Forecast Tool” has enabled us to add predicted LCTs to our LV network and highlight areas that will reach capacity.
<b>21</b>	Selectively replace assets using larger assets in areas where more LCTs may be connected to our network.	We carried out 87 projects using larger assets, as a result of using information about LCT hotspots. This is a 207% increase from last year’s activities.
<b>22</b>	Reduce costs for future customers by developing smart solutions to provide alternative and innovative techniques for managing our network.	We had a wide range of innovation projects in progress during the year.
<b>23</b>	Provide additional network capacity by using traditional or ‘smart’ methods.	We have continued to develop the Flexible Power brand and now have 294 substations using flexibility

## Reduce technical network losses

<b>24</b>	Install oversized transformers when replacing assets in areas where demand for power may become higher than equipment can cope with.	We installed 56 oversized transformers, a 266% increase on last year
<b>25</b>	Use larger cables when installing new network in LCT hotspots.	We installed 6.6km of larger cable in LCT hotspots.

## Reduce the carbon footprint of the business

<b>26</b>	Make sure all replacement vehicles have lower CO <sub>2</sub> emissions than those they are replacing.	NGED operational vehicle emissions have reduced by 11% compared to 2012/13. This has included reduced emissions from both NGED and contractor vehicles.
<b>27</b>	Make sure all new or substantially refurbished buildings meet, as a minimum, the ‘excellent’ standard under the Building Research Establishment Environmental Assessment Method (BREEAM).**	During 2022/23 NGED applied for BREEAM certification for a new building in Ludlow, we are waiting for the decision and we are still awaiting the results of an application from 2020/21 for refurbishment works at one site.
<b>28</b>	Reduce the amount of waste sent to landfill by 20% over the first two years of RIIO-ED1 and 5% per year after this.	We have seen a reduction of 37% in the amount of waste sent to landfill, and we have achieved our target for the whole of RIIO-ED1.
<b>29</b>	Reduce our carbon footprint by 5%.*	Our business carbon footprint has reduced by 36% compared with 2012/13.

\* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

\*\* Target to be achieved each year of RIIO-ED1

# Environmental - Performance Summary 2022/23

## Reduce the environmental risk of leaks from equipment

<p><b>30</b> Reduce by 75% the amount of oil lost through leaks from oil-filled cables.*</p>	<p>The volume of oil leaked from fluid filled cables fallen by 45%, while we have missed our ambitious target in this area we continue our efforts to repair leaks quickly and replace these assets to reduce the amount of oil leakage.</p>
<p><b>31</b> Reduce by 17% the amount of SF<sub>6</sub> gas that is lost from switchgear.*</p>	<p>The amount of SF<sub>6</sub> gas lost as a percentage of the total amount of SF<sub>6</sub> used on our network has reduced from 0.47% in 2015/16 to 0.14% in 2022/23 for the whole of our area.</p>
<p><b>32</b> Install effective oil containment ‘bunds’ around plant containing high volumes of oil.*</p>	<p>We have completed work on 237 new and refurbished bunds so far in RIIO-ED1, going further than our forecast of 104 bunds.</p>

## Improve the appearance in National Parks and Areas of Outstanding Natural Beauty (AONBs)

<p><b>33</b> Replace 55km of overhead lines in National Parks and AONBs with underground cables.*</p>	<p>In RIIO-ED1, we have replaced 39.5km of overhead lines with underground cables for visual amenity in AONBs.</p>
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\* Targets are for the full eight year RIIO-ED1 period, not for a discrete year  
 \*\* Target to be achieved each year of RIIO-ED1

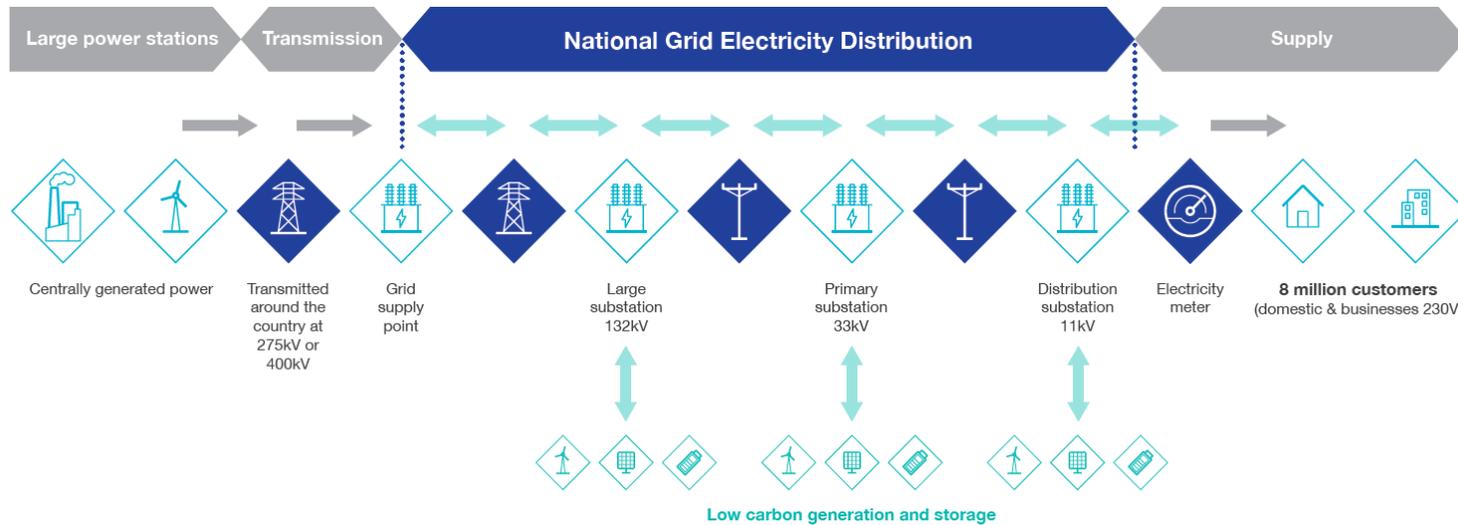


# Environmental

## Planning for the future of electricity networks

The way energy is produced and how customers use energy is changing. As a result we are changing the way we run our electricity network. We have a greater need to forecast energy generation and use, and actively manage energy flows across the network.

To do this we have introduced a Distribution System Operator (DSO) function into our business to evolve systems and processes for forecasting demand, identifying network constraints, seeking flexibility solutions for demand management and identifying reinforcement requirements.



Many large power stations are closing as they come to the end of their lives.

Intermittent renewables (e.g. wind farms) and other forms of electricity generation are now directly connected to the local distribution network.

The generation patterns of these types of technology are often much more complex to predict.

We expect rapid adaptation to new forms of electricity demand. Electric vehicles are quickly becoming mainstream and new technologies (e.g. battery storage, heat pumps and electricity heating) could further disrupt traditional energy usage.

## DSO actions taken

During 2022/23 we have continued to implement our DSO plan by:

- Procuring an additional 154.2MW of flexibility services with a total contracted flexibility now at 572MW. In the year we dispatched over 1.7GWh of flexibility services.
- Enhancing the routes to market for flexibility service providers in order to increase participation
- Continuing to support the cross industry Open Networks project to develop common processes and standardise service terms across DNOs and the ESO
- Building on the solutions identified through our Regional Development Programmes with the ESO to form more links between our control rooms and develop whole system joint thinking across transmission and distribution.

# Environmental

## Reducing the effect of our activities on the environment

Our activities can affect the environment in a variety of ways. Business Carbon Footprint (BCF) is one measure of our impact that brings together information on various activities that affect the environment. This includes the energy that we use in our buildings, the fuel we use in vehicles, and leaks of polluting gases. Each year we compare our performance against a benchmark year of 2012/13, and we have committed to reducing our BCF by 5% during RIIO-ED1.

### Business Carbon Footprint



We continuously look for ways to improve the scope and accuracy of our BCF data. This means that the data that is currently collected is different to the data used when our benchmark performance was set.

We therefore show our performance on an actual and like-for-like basis.

In 2022/23 we have achieved a 36% (like-for-like) reduction in our overall BCF compared with 2012/13.

## Environmental Competence Management System

During 2022/23 we successfully implemented a Competence Management System (CMS) for the management of environmental permits. The Competence Management System (CMS) is how we demonstrate that employees are technically competent to manage the environmental permits which we have throughout the business (30 in total). It is a legal requirement for NGED as a permit holder to be able to demonstrate to the Environmental Regulators (Environment Agency and Natural Resources Wales) via a certified CMS or other qualification, that our nominated employees are technically competent.



# Connections - Performance Summary 2022/23

## Provide a faster and more efficient connections service

<p><b>34</b> Meet Ofgem’s targets for the overall ‘time to quote’ and ‘time to connect’ for single domestic connections and small commercial connections. Improve the overall time taken to provide a quote for all other customer groups by 20%.*</p>	<p>We outperformed Ofgem’s targets for ‘time to quote’ and ‘time to connect’ for single domestic connections and small commercial connections in 13 out of 16 measures, but we have missed our targets for some of the other customer groups.</p>
<p><b>35</b> Provide excellent customer service so that customers continue to rank us as the top-performing DNO group in customer satisfaction surveys.**</p>	<p>We are one of the top performing DNOs for the Connections Customer Survey in Ofgem’s Broad Measure of Customer Satisfaction, scoring an average of 8.87 out of 10 for our DNO group.</p>
<p><b>36</b> Carry out surveys with distributed generation customers to find out if they are satisfied with our service and identify where we could improve.</p>	<p>We achieved a score of 8.59 out of 10 for distributed generation customer satisfaction surveys. We have specified a range of improvements within our work plan for the Incentive on Connections Engagement (ICE).</p>

## Improve communication with customers

<p><b>37</b> Develop and improve the way we process online connection applications and make it easier for customers to track the progress of their application online.</p>	<p>We developed our “Enquiry Tracker” website to allow ICP/IDNO users to track enquiries from application to connection. Details have been published in our ICE work plan.</p>
<p><b>38</b> Make sure that the information we provide in documents and online is effective.</p>	<p>We have improved the information we provide in documents and online in line with stakeholder feedback.</p>

## Enhance engagement with major customers

<p><b>39</b> Host ‘surgeries’ every three months to help connection customers to understand our processes.</p>	<p>In 2022/23 we held 31 Community Energy Surgeries with 152 participants, 40 Community Energy dissemination events for 728 stakeholders and 4 community energy events for 80 stakeholders.</p>
<p><b>40</b> Work with major customers to identify where our processes can be improved and quickly put in place any changes.</p>	<p>We engaged with over 18,800 stakeholders through events and customer satisfaction surveys. The actions in our ICE work plan are based on suggestions we received from these events and surveys.</p>

## Guaranteed Standards of Performance

<p><b>41</b> Aim to achieve no failures of the connection GSOPs.**</p>	<p>There were 30 failures against the connection Guaranteed Standards of Performance during 2022/23. We had a further 4 failures against Competition in Connection standards, which relate to services we provide that cannot be carried out by competitors.</p>
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## Further developing a competitive market

<p><b>42</b> Improve customer awareness of other connection providers and regularly check that customers understand the options available to them.</p>	<p>We provide clear information for customers explaining that they can use other connection providers. We carry out a yearly survey to measure customer awareness. The 2022-23 survey showed that 84% of customers who had a new connection were aware of other providers.</p>
<p><b>43</b> Work with other connection providers to extend the type of work they can carry out, including high voltage and reinforcement work.</p>	<p>In agreement with stakeholders, CIC stakeholder engagement is now incorporated into our Customer Connections Steering Group (CCSG). Three sessions took place during 2022/23 and we used feedback to improve our processes.</p>

\* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

\*\* Target to be achieved each year of RIIO-ED1

# Connections

## Acting on customer feedback

During 2022/23 we continued to run our expansive connection customer engagement programme. Our proven approach to engagement meant we were able to effectively engage with a wide range of stakeholders.

Some of the actions taken in 2022/23 to address stakeholder priorities were:

- The introduction of a customer portal for connection services where customers can access their account information, make updates, and track their applications through to delivery and connection.
- To automate the process of applying for domestic electric vehicle charge point connections so customers can now apply online and receive an instant response.
- To publish an updated consumer guide to Low Carbon Heating to allow for quicker and more efficient heat pump connections.
- To provide virtual inspections and audits for Independent Connection Providers (ICPs) and initiate a trial for Competition in Connections (CiC) inspections

## Ofgem's Incentive on Connections Engagement

**Under the Incentive on Connections Engagement (ICE), DNOs must engage with customers, develop improvement plans and put changes in place.**

Every year, we submit reports to Ofgem explaining the actions we have taken and our plans for the future.

To find out more about the work we do to improve our connections service, and to see our reports, please visit our website:



[yourpowerfuture.nationalgrid.co.uk/our-engagement-groups/connection-customer-engagement/incentive-for-connections-engagement](https://yourpowerfuture.nationalgrid.co.uk/our-engagement-groups/connection-customer-engagement/incentive-for-connections-engagement)



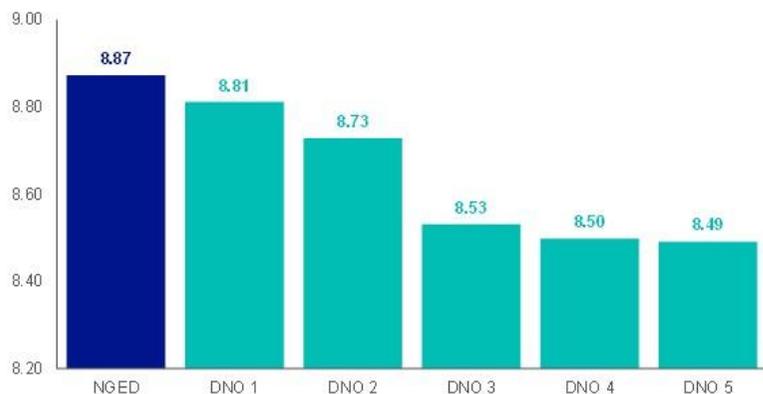
# Connections

## Customer satisfaction for connections customers

Providing excellent customer service to connection customers is a priority. We assess the satisfaction of connections customers using Ofgem’s Broad Measure of Customer Satisfaction (BMCS).

Part of the BMCS includes a customer satisfaction survey for customers who need a minor connection. Considering the results across the whole of RIIO-ED1, customers have rated NGED as the top-performing DNO group. All scores are out of 10.

RIIO-ED1 average connections BMCS score by DNO group



We also carry out two further surveys to test the opinions of customers who need major connections and distributed generation customers. For 2022/23, we continued to score highly for all three customer groups.

**8.87**  
Minor  
Connections

**8.4**  
Major  
Connections

**8.5**  
Distributed  
Generation

## Providing a fast and efficient connection service

Ofgem sets targets for the time to quote and time to connect minor connections. These include single domestic connections (referred to as LVSSA), and projects which require two to four domestic connections or a small commercial connection which doesn’t need reinforcement work (referred to as LVSSB). We have beaten the targets in 13 out of 16 measures.

Licence Area	Time to Quote (average number of days)		Time to Connect (average number of days)	
	LVSSA	LVSSB	LVSSA	LVSSB
West Midlands	1.81	3.55	30.34	35.95
East Midlands	1.82	4.21	30.15	36.41
South Wales	2.03	4.48	33.88	48.24
South West	3.42	4.64	45.69	53.05
<b>Ofgem target</b>	<b>4.84</b>	<b>7.84</b>	<b>39.28</b>	<b>47.94</b>

NGED’s performance is achieved through a strong culture of customer service embedded throughout the organisation, supported by a variety of management performance indicators which ensure customer service is treated as a priority.

# Customer Satisfaction - Performance Summary 2022/23

## Customer service

44	Continue to be the top-performing DNO group across all elements of the Broad Measure of Customer Satisfaction.**	Across RIIO-ED1, NGED is a top-performing DNO group for overall customer satisfaction. The rating combines results of the three surveys for supply interruptions, connections and general enquiries.
45	Maintain certification to show that we meet the Customer Service Excellence standard.**	We were awarded 'Compliance Plus' status for 47 of the 57 standards. We were the highest-scoring UK organisation out of all those accredited.

## Telephone response

46	Respond to phone calls quickly, answering them within two seconds.**	Our average response time for customer calls was 3.51 seconds for fault and emergency calls
47	Limit the number of calls that are abandoned before we can answer them to less than 1%.**	0.56% of calls were abandoned, significantly better than our target
48	Always provide customers with the option to talk to a member of staff when they call our contact centre.	Our systems allow us to make sure that customers are always provided with the option to talk to a member of staff.

## Communication with customers

49	Provide a restoration time for every power cut.**	All power cuts have an estimated restoration time which is updated as further information is provided by field teams.
50	Contact all customers who have been in contact about a fault.**	We contacted 99.55% of customers who contacted us about a fault.
51	Contact customers within two days of receiving an enquiry which was not about a fault.**	We contacted 87.15% of customers who contacted us with an enquiry which was not about a fault within two days.
52	Provide 'on-demand' messaging through text and social media for customers who want to be kept informed in other ways, rather than a phone call.	We provided on-demand messaging through text and social media and we proactively send text messages during high voltage power cuts.
53	Develop 'self-service' options for customers to find information online.	We hosted 23,076 webchat conversations, 46,984 Priority Services Register applications were made online and we had 2,125,453 hits on our online map showing details of individual power cuts.

## Involving stakeholders

54	Continue to host a customer collaboration panel where our CEO will meet with our expert stakeholders four times a year.	The Customer Panel met four times during the year.
55	Continue to host at least six stakeholder workshops each year.	We hosted three virtual workshops, four in person workshops and an additional two hybrid workshops where stakeholders could attend either online or in-person.
56	Continue to produce a stakeholder report every year providing an update on the actions we have taken as a result of stakeholder involvement.	A yearly Business Plan Commitments summary report and the separate detailed report replace the stakeholder report.

\* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

\*\* Target to be achieved each year of RIIO-ED1

# Customer Satisfaction

## Performance Summary 2021/22

### Complaints

<b>57</b>	Resolve at least 70% of complaints within one day.**	We resolved 86.98% of complaints within one day.
<b>58</b>	Continue to have a target of no complaints where the Ombudsman has to get involved.**	There were 4 complaints referred to the Ombudsman. The ombudsman did not rule against NGED in any of these cases.

### Guaranteed Standards of Performance awareness

<b>59</b>	Continue to send the 'Power for Life' publication to all 7.9 million customers and make sure it promotes the GSOPs.**	We last issued 'Power for Life' to all customers in April 2021. It included information on GSOPs.
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\* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

\*\* Target to be achieved each year of RIIO-ED1

# Customer Satisfaction

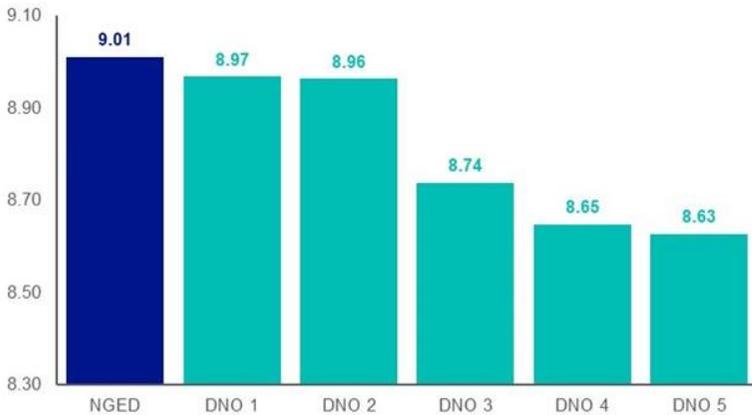
## Customer satisfaction survey results

We are committed to providing excellent service to our 8 million customers. Ofgem’s Broad Measure of Customer Satisfaction (BMCS) provides one way of measuring our success in this area.

Every year a random selection of our customers are surveyed by an independent survey company to find out how they rate the service we provide.

NGED continued to score highly in 2022/23. Considering the whole of RIIO-ED1 and amalgamating results for the three surveys for connections, supply interruptions and general enquiries shows that NGED has been the top performing DNO group.

**BMCS - average RIIO-ED1 weighted score by DNO group**



## External reviews

### Customer Service Excellence (CSE) Standard

We are assessed against the CSE standard each year. The assessor reviews more than 100 items of evidence, including NGED’s stakeholder and vulnerability strategies, Social Contract, policies and improvement plans.

The 2022/23 results showed:

- 47/57 ‘Compliance Plus’ ratings
- No non or partial compliance ratings
- We are the top UK performer out of 600 companies

**Our CSE assessor said “Excellent customer satisfaction and performance levels continue. Partnership arrangements and wider community activities are outstanding. Schemes for PSR customers provide holistic support for those in fuel poverty.”**

## Maintaining customer satisfaction

Providing excellent customer service remains a high priority and we work hard to continually improve our performance by promoting a strong culture of customer service and implementing new strategies to ensure we remain a top-rated DNO for customer satisfaction.

## Resolving complaints

**We try hard to get things right first time, but sometimes things can go wrong. When we receive complaints we treat them with urgency and aim to deal with them to the customer’s full satisfaction as quickly as possible.**



We resolved 86% of complaints within one day



We resolved 98% of complaints within 31 days

# Customer Satisfaction

## Multi-channel communication

There are many ways that customers can get in contact with us. They can write, call, webchat or interact via social media and dedicated apps.

Our webchat functionality allows website users to communicate online in real time with an advisor 24 hour a day.

The NGED Power Cut app allows individuals to register a post code so that they receive an automatic alert if a power cut occurs. The app also allows customers to report power cuts, register for the Priority Services Register and self-diagnose problems such as a fuse box trip or a pre-payment meter issue.

## Fast telephone response

Allowing customers to speak to someone is an essential part of good customer service. We continue to operate regionally based in-house contact centres that are adequately staffed to provide a fast response.

We recognise that customers can be frustrated when waiting a long time for calls to be answered, so NGED focusses on answering calls quickly and has a track record of doing so. In 2022/23 our average telephone answering response time for fault and emergency calls was 3.51 seconds.



**We always provide customers with the option to talk to a member of staff when they call our contact centre**

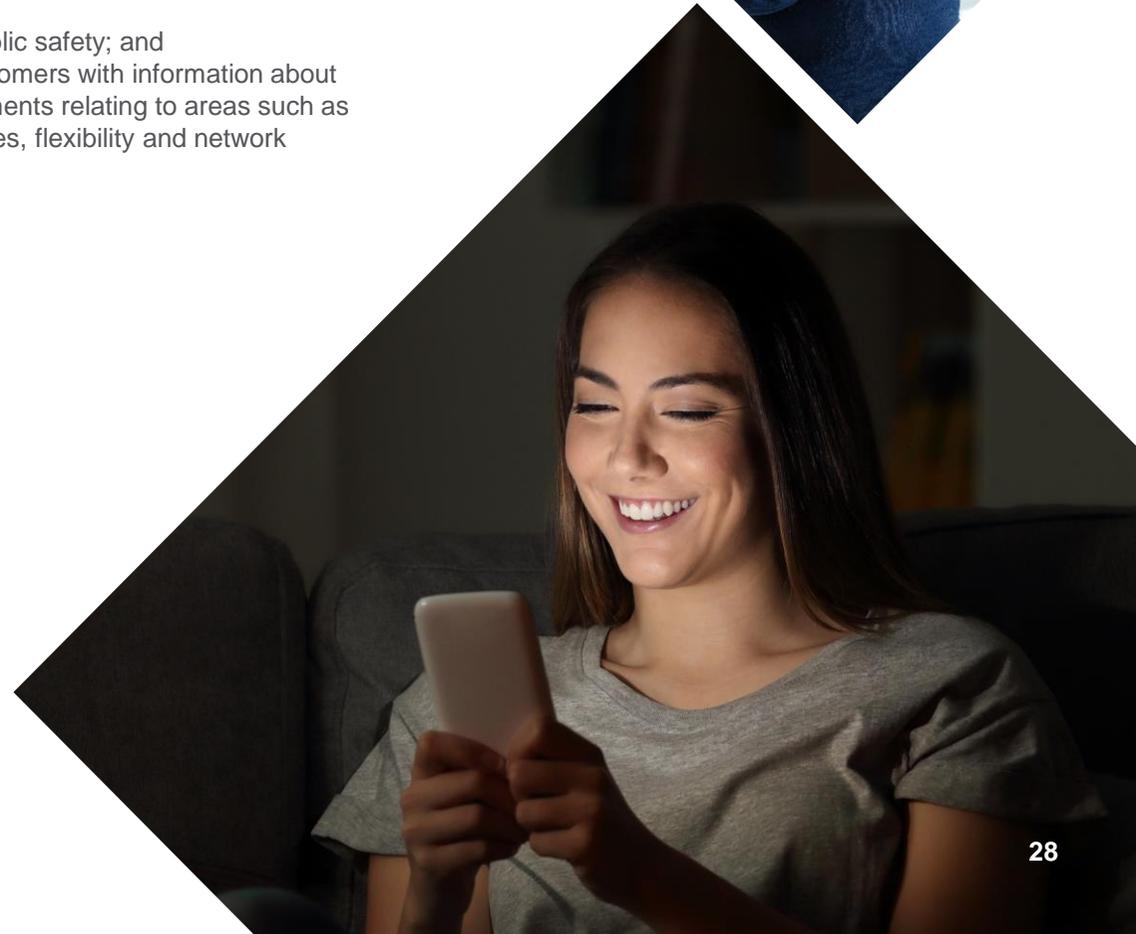
## Social media

Keeping our customers informed about all aspects of the services we provide is important.

In addition to our website, apps and phone calls we use social media to provide information to customers.

Twitter, Facebook, LinkedIn and Instagram are used to share information relating to all aspects of our business including:

- raising awareness of our services and ways to contact us;
- promoting public safety; and
- providing customers with information about new developments relating to areas such as electric vehicles, flexibility and network strategy.



# Social Obligations - Performance Summary 2022/23

## Improving understanding of vulnerability

<b>60</b>	Work with expert partners to improve our understanding of the needs of customers in vulnerable situations	We worked with a wide range of expert partners and were certified to the British Standards Institute Standard BS18477, which specifies requirements for responding to customers in vulnerable situations.
<b>61</b>	Train staff to recognise the signs of vulnerability.	We provided specialist training to the Priority Services Register (PSR) teams and contact centre staff. Field staff are trained on registering customers to the PSR.

## Improving the data held on the Priority Services Register

<b>62</b>	Contact vulnerable customers at least once every two years to check the details we hold on the Priority Services Register.	We continue to maintain and develop the Priority Services Register (PSR), proactively contacting over 2 million PSR customers during 2022/23 (931,879 through our data cleanse team 1,078,662 during power cuts)
<b>63</b>	Improve the quality of Priority Services Register data by working with other agencies and sharing information.	We increased the number of referral partners that we work with to 180 in total. We added 31 new partners in 2022/23, with the aim of achieving a better balance in the types of agencies that we work with.
<b>64</b>	Co-ordinate meetings with suppliers to agree criteria for vulnerability.	29 'common needs codes' are now in use across the industry.

## Improving the services provided for customers in vulnerable situations

<b>65</b>	Raise awareness of the Priority Services Register.	We worked with a range of organisations, including other utilities and fire and rescue services, to raise awareness of the PSR and used advertisements on Radio, in print and social media.
<b>66</b>	Make 10,000 crisis packs available.*	Over the RIIO-ED1 period we have issued 10,894 crisis packs, exceeding the target by 9%
<b>67</b>	Contact all customers who depend on a power supply for medical reasons every three hours during power cuts.**	In 2022/23 there were 53,919 customers who depend on a power supply for medical reasons that were affected by power cuts lasting longer than 3 hours. We make concerted efforts to contact such customers throughout the outages.
<b>68</b>	Continue to provide practical support through the British Red Cross and other organisations as appropriate.	British Red Cross support was not required in 2022/23. However we did use the help of the National Caterers Association during 21 prolonged power cuts, supporting 205 customers in total.
<b>69</b>	Ask for feedback from customers in vulnerable situations about our service.	We achieved customer satisfaction ratings of 9.1 out of 10 from customers on the PSR who had received a routine call to check their personal details.
<b>70</b>	Develop ways of sharing information with local resilience forums.	We work with local resilience forums across our four licence areas.

\* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

\*\* Target to be achieved each year of RIIO-ED1

# Social Obligations - Performance Summary 2022/23

## Reducing fuel poverty by supporting customers to access help

<b>71</b>	Build a database of regional agencies we can refer customers to for help.	There are fuel poverty projects in all our areas, working with a network of support agencies.
<b>72</b>	Work with partners to develop links to and from our website.	Details on our fuel poverty projects and links to partner organisations are available on our website.
<b>73</b>	Develop joint information and awareness campaigns, and co-ordinate with partners to provide customers with help.	Our Power Up programme helped 7,886 customers save over £2.9 million in 2022/23.
<b>74</b>	Provide fuel poverty training to our staff who have contact with members of the public.	We provide staff in our contact centre with customised training on fuel poverty and customers in vulnerable situations.
<b>75</b>	Use data analysis to help identify areas with a high concentration of vulnerable households.	We use data analysis to identify areas with a high concentration of vulnerable households.
<b>76</b>	Develop local outreach services.	'Affordable Warmth' schemes helped 12,243 customers to save over £12.3 million a year.

\* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

\*\* Target to be achieved each year of RIIO-ED1



# Social Obligations

## Helping vulnerable customers

In RIIO-ED1, NGED’s social obligations outputs are in four themes.

- Improve understanding of vulnerability.
- Improve the data held on the Priority Services Register.
- Improve the services provided for vulnerable customers.
- Address fuel poverty by supporting customers to access key information

We review our Consumer Vulnerability Strategy every year and we recognise that as the use of electricity and the way the network is operated changes that this may lead to new challenges for vulnerable customers. As we focus on developing a smarter, more flexible energy system, we have committed to ‘leave no customer behind in a smart future’.

## Fuel poverty

We have a number of support programmes, working with expert agencies including Citizens Advice and the Energy Saving Trust, to provide practical support for customers living in fuel poverty, including help with switching energy tariffs and arranging funds for enduring energy efficiency measures. These aim to help fuel poor customers save money.

Programme	No. of Customers	Savings
‘Power Up’	7,886	£3m
‘Affordable Warmth’	12,243	£12.4m
Energy Affordability Fund	999	£0.7m
Other projects	3,335	£4.5m
<b>Total</b>	<b>24,463</b>	<b>£20.6m</b>

### Case Study

When NGED’s Priority Service Register team speak to customers they can identify vulnerable customers struggling to heat their homes. NGED works with partner agencies under NGED’s Power-up scheme to provide help for those customers.

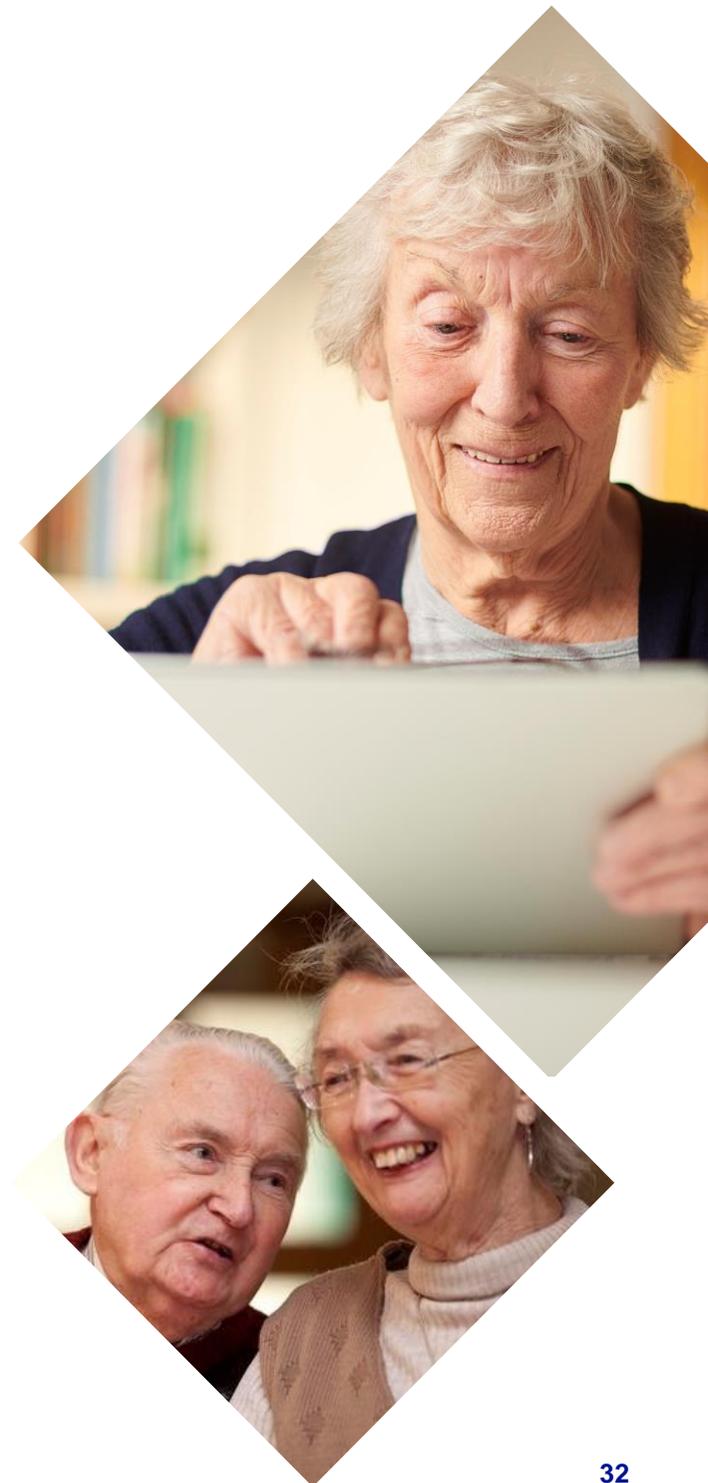
Andy in our PSR team spoke to Mr C and recognised that he was struggling to top up his prepayment meter.

He offered the support of NGED’s Power-up partner.

The lead agency for Mr C’s region called him to gather the details about his individual circumstances. Mr C was provided with appropriate advice on using his Economy 7 tariff and storage heaters and was linked into a local energy advice scheme.

Mr C was initially hesitant but a local delivery partner explained what he was entitled to and supported him through the Personal Independence Payment (PIP) application which was successful.

As a direct result of all the support provided, Mr C is £7,873 better off each year and has received £11,462 in back payments.



# Social Obligations

## Identifying and supporting customers in vulnerable situations

We carry out extensive stakeholder engagement specifically with the aim to understand customer vulnerabilities better and to understand our stakeholders priorities in supporting these customers.

We also provide training to all staff that have direct contact with customers, either through our contact centres or in the field, to recognise the signs of vulnerability and understand how to refer customers to our PSR Team.

## Priority Service Register (PSR)

We have a PSR which records the details of vulnerable customers who may need extra support during a power cut.

NGED aims to make sure that every eligible customer is given the opportunity to register. We promote the PSR through different channels to raise awareness of the help that we can provide.

We have also created a network of trusted organisations that we can refer vulnerable customers to for practical help and advice.

## Ofgem's Stakeholder Engagement and Consumer Vulnerability (SECV) incentive

The success of our stakeholder engagement and consumer vulnerability strategies is tested through Ofgem's Stakeholder Engagement and Consumer Vulnerability (SECV) incentive. The documents we have submitted to Ofgem for 2022/23 highlight some of the 384 outputs and positive outcomes that we delivered for our customers during the year and look at the actions we have taken to deliver our new priorities.



You can read more about the outputs we have delivered on our website:

[yourpowerfuture.nationalgrid.co.uk/ofgems-secv-incentive](https://yourpowerfuture.nationalgrid.co.uk/ofgems-secv-incentive)



# Social Obligations

## Using information to better support customers

Our ambition is to achieve a single PSR for energy and water. We were the first DNO to trial two-way data sharing and are collaborating to devise an industry-wide solution.

We have made more than eight million proactive contacts to PSR customers since 2015 meaning our data quality has never been better - but there is more to do.

When we register new PSR customers we also capture their informed consent to share data with other utilities.

Our data sharing is now well-established. We now share records with seven of the eight water companies in our area.

Learning from our data sharing trials has informed the PSR Data Sharing Project Steering Group, a water and energy industry collaboration developing a common PSR platform.

### In 2022/23 we have:



Made **2,010,541** Proactive contacts to PSR customers to provide support or update records



Set up **31** new PSR referral networks, taking the total to **180**



In 2022/23 we shared **293,000** PSR records with water companies across the regions we serve



# Expenditure

## Tracking our spending

**In the RIIO-ED1 Business Plan we proposed to spend £9.2 billion over the eight-year period.**

£7.0 billion of this was related to costs under our control, referred to as Totex (which includes capital spending, network operating costs and business overhead costs).

The remaining £2.2 billion covers costs such as rates, licence fees and transmission charges which are not included as Totex because they relate to costs that DNOs do not have control over.

Our spending at the start of the price control period was higher than expected, but we have now seen these costs level out. In the years towards the end of RIIO-ED1, our spending was lower than Totex allowances and we close the period 2% below these allowances.

As we move ahead into RIIO-ED2 we continue to look for more efficient ways of working while delivering the work programmes and commitments set out in our Business Plan.

**Total costs (Totex) for RIIO-ED1 (based on 2012/13 prices) £ million**

Licence area	Totex actual costs RIIO-ED1 to date (£million)	Totex allowance RIIO-ED1 to date (£million)	% of allowance spent
West Midlands	2,083.6	2,089.4	100%
East Midlands	2,082.4	2,109.1	99%
South Wales	1,047.5	1,089.5	96%
South West	1,644.6	1,708.0	96%
<b>NGED Total</b>	<b>6,858.1</b>	<b>6,996.1</b>	<b>98%</b>

## Where we spend money

**Load related capex** – costs related to providing extra capacity on the network.

**Non-load related capex** – capital investment in the network, two-thirds of which relates to replacing and refurbishing assets which are in poor condition.

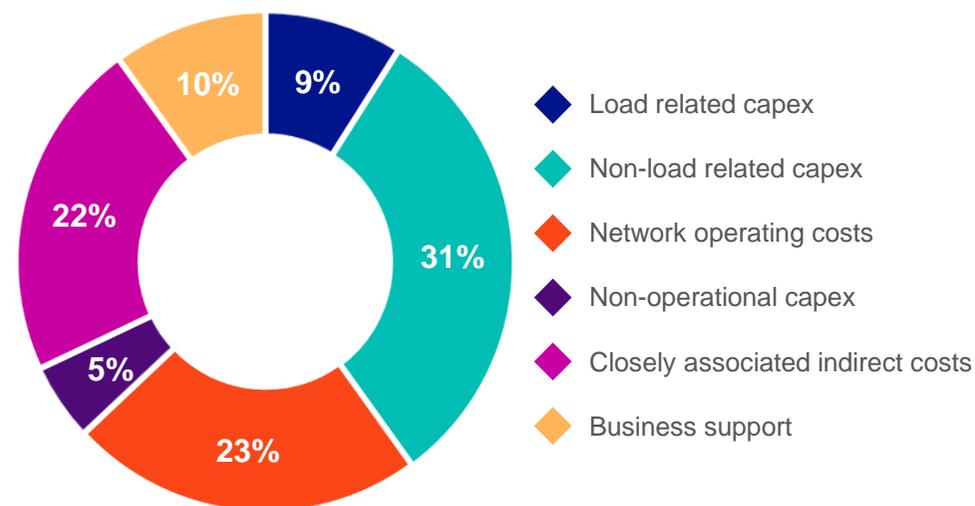
**Network operating costs** – includes inspections, repair and maintenance, faults and tree cutting.

**Non-operational capex** – includes buying new IT systems, property, vehicles and equipment.

**Closely associated indirect costs** – the costs of staff and systems that allow us to carry out work on the network, such as network design activities.

**Business support** – teams such as Human Resources and Finance.

**RIIO-ED1 to date costs – split by type**



# Social Contract

## NGED has become the first Distribution Network Operator to publish a Social Contract.

The Social Contract was created in partnership with stakeholders during a rigorous two-year process and outlines NGED's commitments in three key areas, under the headings of 'Employer of Choice', 'Empowered Communities' and 'Environmental Steward'.

The contract includes a focus on developing the current and future workforce, fostering resilient communities and driving a fair and inclusive transition to net zero.

The impacts of climate change, the Covid-19 pandemic and the cost of living crisis have intensified the need to build a sustainable future for all. The Social Contract is our response to this challenge, providing a framework to identify where additional value can be generated in our activities.

We have been operating on these principles for many years but we have now formalised them in a single strategy. We promise to listen actively to our employees and communities and contribute positive solutions to the social and environmental challenges we all face.

Importantly, while our RIIO-ED2 Business Plan sets out what we will do over the next five-year regulatory period, the Social Contract is long-standing, underpinning everything we do as a company.

The document also reiterates NGED's ambition to be transparent in all its activities. To ensure these commitments are meaningful and impactful, the Social Contract will be reviewed and updated each year, evolving to meet the needs and expectations of staff, communities and other stakeholders.



### Our Social Contract in Action

Our Social Contract Working Group identified an opportunity to help customers through National Grid's IT refresh process. Working with social change charity, the Good Things Foundation, we piloted an initiative to deliver our recycled iPads to vulnerable customers. We donated 465 iPads to digitally excluded customers via a network of 42 trusted charity partners in our region. Every customer supported also received in-depth digital skills training and free mobile data in collaboration with Virgin Media, O2, Vodafone and Three.



You can read more about the Social Contract on our website:

[yourpowerfuture.nationalgrid.co.uk/our-social-contract](https://yourpowerfuture.nationalgrid.co.uk/our-social-contract)

# Looking ahead

## RIIO-ED2 Business Plan

The final settlement of our RIIO-ED2 Business Plan for the period of April 2023 to March 2028 leads the business into an exciting but challenging new phase.

Co-created with stakeholders the business plan sets out ambitious targets based on customer priorities.



During the five-year RIIO-ED2 period the business will invest £6.7 billion focussing on delivering four overarching outcomes for our customers as detailed below.

1. Sustainability - Lead the drive to net zero as early as possible.
2. Connectability – Customers can connect their electric vehicles, heat pumps and renewable generation.
3. Vulnerability – First class vulnerable customer support programme where everyone benefits in a smart future.
4. Affordability – Maintain excellent customer service, safety and network performance and transform the energy grid for future generations, while keeping bills broadly flat.

The four outcomes are supported by 42 core commitments.

### **Cordi O’Hara, NGED President, says:**

Tackling climate change and creating a cleaner, fairer and more sustainable energy future is one of the biggest challenges of modern times. We are playing our role in helping the UK reach its net zero carbon targets by delivering a smart digitalised electricity grid that will meet the rapidly changing needs of customers.

Transformation is already underway, but the pace will intensify over the next five years as part of the new price control period – RIIO-ED2

As well as enabling this dramatic change we will be actively leading it, unlocking the potential of our network so our customers and stakeholders can decarbonise at the pace they want.



You can read more about the RIIO-ED2 Business Plan here:

[NGED Your Power Future - Business Plan 2023-2028 \(nationalgrid.co.uk\)](https://nationalgrid.co.uk/NGED/Your-Power-Future-Business-Plan-2023-2028)

# How to contact us

## Reporting a power cut

**POWER CUT?  
CALL 105**

If you have a power cut, please call us on 105 (available on landlines and most mobile providers).

You can also call us on **0800 6783 105**.

Or, download our free power cut reporter app from the Apple App Store and Google Play onto a smart device.

You can then register for severe-weather updates.

## Making a complaint

We are committed to providing you with excellent customer service. We want to know if something goes wrong so that we can sort out any problems as quickly as possible. If you need to make a complaint you can contact us in the following ways.

Please call us free on: **0800 0556 833**

Visit our website at:

**[yourpowerfuture.nationalgrid.co.uk/contact-us/contacting-national-grid-electricity-distribution/complaints](https://yourpowerfuture.nationalgrid.co.uk/contact-us/contacting-national-grid-electricity-distribution/complaints)**

Email us at: **[nged.complaints@nationalgrid.co.uk](mailto:nged.complaints@nationalgrid.co.uk)**

Write to us at: Complaints Department,  
Information Centre,  
National Grid,  
Avonbank, Feeder Road,  
Bristol BS2 0TB

Please include your address and postcode and provide a phone number.

## Find out more

There is more information on our performance against each of our 76 commitments in our detailed Business Plan Commitments Report, which is available at:

**[yourpowerfuture.nationalgrid.co.uk/Business-Plan-Commitments-Report-2022-23](https://yourpowerfuture.nationalgrid.co.uk/Business-Plan-Commitments-Report-2022-23)**

Copies of previous reports are available at:

**[yourpowerfuture.nationalgrid.co.uk/performance-reporting-riio-ed1/previous-performance-reports](https://yourpowerfuture.nationalgrid.co.uk/performance-reporting-riio-ed1/previous-performance-reports)**



# Glossary

<b>Affordable Warmth</b>	NGED outreach scheme which offers fuel poverty support through a network of partner organisations.
<b>AONBs</b>	Areas of Outstanding Natural Beauty.
<b>Automation</b>	Remotely controlled devices which allow electricity supplies to be quickly rerouted without the need to send a person to the site.
<b>Behavioural safety</b>	An approach to safety which goes beyond setting rules and making sure people keep to them. It focuses on changing attitudes so that staff take responsibility for their own safety and that of others.
<b>Broad Measure of Customer Satisfaction BMCS</b>	An incentive scheme made up of a customer satisfaction survey, an assessment of how complaints are dealt with and a review of stakeholder engagement.
<b>Bund</b>	A containment wall built around items of plant which contain large amounts of oil, to prevent oil leaking into the environment.
<b>Business Carbon Footprint (BCF)</b>	A calculation which represents the effect our work has on the environment. We measure and report BCF using equivalent tonnes of carbon dioxide to express the effect of energy use in offices, emissions from vehicles and the release of greenhouse gases.
<b>Capacity</b>	The amount of power that can be distributed through an asset or the network.
<b>Contestable work</b>	Other organisations can carry out connections work in competition with the DNO. Work that can be carried out by a competitor is referred to as contestable.

<b>Distributed generation</b>	Electricity generation connected to the distribution network. It includes wind turbines, domestic solar panels, large-scale photo-voltaic farms, hydro-electric power and biomass generators.
<b>Distribution Network Operator (DNO)</b>	A DNO is a holder of an electricity distribution licence. There are 14 DNOs which are owned by six different ownership groups.
<b>Distribution System Operator (DSO)</b>	A development from the role of DNO, the DSO will be responsible for forecasting energy production and use, along with identifying which parts of the network require extra capacity.
<b>ENA</b>	The Energy Networks Association – the industry body for Distribution Network Operators.
<b>Engagement</b>	The process by which an organisation involves people who may be affected by the decisions it makes, or can influence the way in which actions are delivered.
<b>ESQCR</b>	Electricity, Safety, Quality and Continuity Regulations 2002. The ESQCR specify safety standards, which aim to protect the general public and customers from danger.
<b>Flexibility Services</b>	Techniques used to provide more capacity in the network or reduce demand. These are provided by third parties through contractual arrangements. They can offset the need for reinforcement work.
<b>Fuel Poverty</b>	Circumstances where customers struggle to afford electricity.
<b>Guaranteed Standards of Performance (GSOPs)</b>	Minimum service levels which DNOs must meet across a range of activities covering supply interruptions, appointments and connections.

# Glossary

<b>Health And Safety Executive (HSE)</b>	The Government organisation responsible for enforcing health and safety legislation.	<b>Protection batteries</b>	Most circuit breakers on the network rely on batteries to provide the power to monitor the network and initiate tripping and reclosing actions. These batteries are separate to SCADA batteries that provide the power for communication systems between sites and central control centres.
<b>Incentive on Connections Engagement (ICE)</b>	An incentive mechanism which drives DNOs to improve communication and interaction with major customers. Penalties can be imposed where DNOs fail to demonstrate sufficient engagement with major customers.	<b>Reinforcement</b>	Providing more network capacity by installing extra assets or installing higher rated assets.
<b>Low Carbon Technology (LCT)</b>	Devices that reduce the amount of carbon being used for heating, transport and generating power. LCT includes electric vehicles, heat pumps and solar generation.	<b>Resilience</b>	The ability of the network to withstand extreme events such as storms and flooding and have the ability to recover quickly from widespread power black outs.
<b>Power Up</b>	Our referral service which arranges for a partner organisation to provide help for customers who are struggling to pay for energy.	<b>RIIO-ED1</b>	The price control period that runs from 01 April 2015 to 31 March 2023.
<b>Powering Improvement</b>	An industry strategy which aims to achieve continuous improvement in safety and occupational health in the energy generation and network sectors.	<b>RIIO-ED2</b>	The price control period that runs from 01 April 2023 to 31 March 2028.
<b>Price control</b>	We are a regional monopoly – our customers are our customers because of where they live and work. We are regulated by Ofgem to make sure that we provide a high level of service for the money we are allowed to charge. The money we can earn is set for a specific period of time, referred to as a 'price control'. The current price control period (RIIO-ED1) runs from 1 April 2015 to 31 March 2023.	<b>SCADA batteries</b>	Batteries which provide the power for system communication between sites and central control centres.
<b>Priority Services Register (PSR)</b>	A database that records details about customers in vulnerable situations so that we can provide extra support if needed.	<b>SF<sub>6</sub></b>	Sulphur hexafluoride – a greenhouse gas which is used as insulation in some types of switchgear.
		<b>Switches/ Switchgear</b>	Devices on the network can be turned on or off and are used to alter the routing of electricity. Some can be operated remotely by central control engineers. Others need to be operated manually on site by authorised staff.
		<b>Transformer</b>	Converts electricity from one voltage to another.
		<b>Vulnerable Customers</b>	Customers who are vulnerable for various reasons, including those who depend on electricity for medical reasons, have special communication needs or who struggle to afford to pay for energy.
		<b>Worst served customers</b>	Customers who experience 12 or more higher voltage power cuts over a three-year period, with at least three in any one year.

National Grid Electricity Distribution (East Midlands) plc, No2366923

National Grid Electricity Distribution (West Midlands) plc, No3600574

National Grid Electricity Distribution (South West) plc, No2366894

National Grid Electricity Distribution (South Wales) plc, No2366985

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