

# UK Power Networks Access Statement 2020/21 Annual Report



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# CONTEXT

## Where we operate

### East

Eastern Power Networks (EPN)

We deliver power to North London and East Anglia, encompassing a diverse range of urban and rural areas as well as a huge coastline.

### London

London Power Networks (LPN)

We look after the electricity network for Inner London, with responsibility for delivering power to iconic buildings and businesses as well as high-profile international events throughout the year.

### South East

South Eastern Power Networks (SPN)

We serve South London, Kent, East Sussex and parts of Surrey and West Sussex, covering a rich variety of customers and locations.



The area we serve covers more than 29,250 Km<sup>2</sup> from Dover to Peterborough and Norwich to Brighton. We have over 8.4m customers.

Our network has a total cable length of 189,503 Km

143,925Km of underground cables

45,579Km of overhead cables



# PURPOSE



This is the sixth Access Statement we have produced in response to the 2015 UK Regulators’ Network (UKRN) project on cross-sector infrastructure interactions. Its purpose is to raise the profile of how our organisation supports infrastructure investment across the UK, and how parties can seek information when working near our assets. This statement is intended for four key audiences:

- **Network operators** – providing the opportunity to review and improve business performance through comparison and structured dialogue with customers
- **Customers** – providing comparative information across different network operators and sectors, and enabling customers to feedback experiences and suggestions for improvement
- **Regulators and government** – providing further evidence to allow judgement on whether we have successfully led on a self-regulatory and proportionate response to UKRN’s 2015 review
- **Investors and funders of infrastructure** – providing the opportunity to assist with the assessment of risk for existing or new projects which may come into contact with our assets

We are determined to make access to our expertise as easy and simple as possible, whether it be for a new connection, diversion of supply or safety related queries, and thus we provide a wealth of information on our website. If you require access or information regarding any of our assets, the relevant UK Power Networks representatives can be found [here](#).

# GOOD PRACTICE PRINCIPLES FOR MANAGING INFRASTRUCTURE INTERACTIONS

## Principle 1: Visibility of Long-term Planning

“Infrastructure network operators recognise the stewardship role they play in developing, owning and operating our national infrastructure, and that effective planning and delivery of new infrastructure, across all sectors, benefits everyone.<sup>1</sup>

Clear visibility of our plans and proposals for our infrastructure helps to deliver efficient completion of works whilst minimising disruption to those affected. Stakeholders and interested parties can access our [long term](#) and [regional development](#) plans easily from our website across all three of our licence areas, allowing clear visibility of our projects, future plans and how they might impact on stakeholder activities.

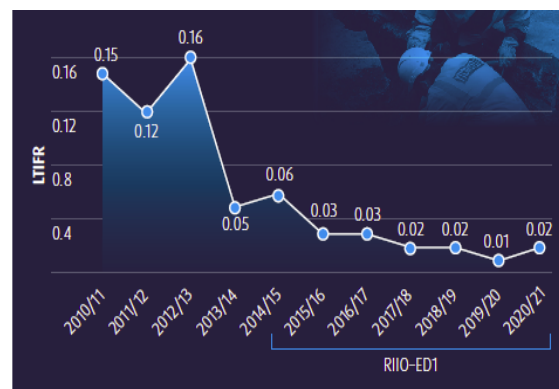
## Principle 2: Efficiency, Economy and Safety

“Without prejudicing the needs of customers or funders, or its statutory duties including safety, network operators of in situ assets should act with efficiency and economy when interacting with clients.<sup>2</sup>

We do everything we can to ensure that no one comes to harm as a result of our actions, inaction, equipment or ways of working. The twin goals of providing a safe work environment for our employees and delivering a service to our customers that presents no danger to the public combine to form what is simply the most important objective of all: to achieve an exemplary safety record and be the safest Distribution Network Operator.

The chart shows the number of Lost Time Injury Rate each year (incidents after which employees or contractors needed to take at least a day off work). In 2020/21 there were five such incidents. This number, whilst historically low, is up slightly on recent years and we are responding to this increase with the utmost gravity. We are refreshing our safety messages

for all employees, working to eradicate complacency and reminding everyone who works at UK Power Networks that alongside dealing with the challenges of COVID-19, operational safety must be at the forefront of their minds



<sup>1</sup> <https://www.ukrn.org.uk/wp-content/uploads/2018/06/2015DecCSI-AnnualReportingGuidance.pdf>

<sup>2</sup> <https://www.ukrn.org.uk/wp-content/uploads/2018/06/2015DecCSI-AnnualReportingGuidance.pdf>

In 2020/21 London Power Networks continued to be the best performing GB network for both the number of unplanned power cuts (customer interruptions or CIs) and for the total length of time customers were without power (customer minutes lost or CMLs). There were only 13.0 unplanned CIs per 100 customers and 11.4 unplanned CMLs. This is an improvement of 46% and 65% respectively since 2012/13.

In fact across the business 2020/21 was our best year ever for customer minutes of electricity lost due to power cuts, with an average duration per customer of just 25 minutes, compared to over an hour in 2010.

The table below show our performance figures for the 2020/21 regulatory year for CIs and CMLs and the improvement we have seen since 2010/11. The figures below are for UK Power Networks and the averages across all three licence areas are weighted according to the relative size of the customer population in each area. It can be seen that our combination of commitment to customers and investment in innovation and technology continues to bear fruit.

Reliability performance	UK Power Networks performance 2020/21	Percentage improvement since 2010/11
Customer Interruptions (excluding exceptional events)	<b>35.3</b>	<b>47%</b>
Customer Minutes Lost (excluding exceptional events)	<b>26.2</b>	<b>59%</b>

### Keeping Costs Down

Total expenditure in 2020/21 as a percentage of Ofgem cost allowance **94%**

Annual unrestricted domestic tariff charge (2020/21 prices, not including domestic customer rebate) **£83**

## FIXING FAULTS FASTER

In 2020/21 we accelerated deployment of low voltage (LV) reclosers. These clever devices act as automatic circuit breakers that can find a fault and repair it quickly and automatically. Customers are without power for less time and there are fewer engineers driving to fault locations, resulting in an estimated three tonnes less CO2 emitted by our vehicles.

When an engineer does have to be physically present on site to fix a problem, we can speed up service, by identifying the location of faults more quickly. This year we introduced a new way of detecting faults using Fault Passage Indicators. These devices provide visual or remote indication of a fault on the network by sensing changes in the natural magnetic field of current flows through a conductor or cable caused by network faults. They allow our engineers to find and fix faults faster, saving customers money and reducing Customer Minutes Lost.

Over the current price control we are the lowest cost DNO in Great Britain, resulting in our customers paying 7% less than the industry average.

We return funding to customers, where possible, by spending less than the full amount of our regulatory allowances. Over the 2020/21 regulatory year we outperformed our cost allowance by 6%, resulting in over £24 million (2020/21 prices) of savings for our customers.

## Principle 3: Transparent Process and Practice

“ Network operators should establish and follow a process to manage interactions that is transparent, easy to follow, appropriately resourced and commits to explicit service standards appropriate to the clients and projects concerned, supported by the provision of accurate information about the operators’ network, safety or process as necessary. <sup>3</sup>

All of our processes are clearly defined and laid out on our website, taking the customer through simple steps to guide their interaction with us.



For example, when planning to carry out work, customers will need to know the location of our equipment, such as electricity lines or cables. These may need to be avoided or moved, and hence we have made it easy for customers to obtain this information, either through the third party ‘[LineSearchBeforeUDIG](#)’ or by getting in touch with us [directly](#). This is a free service for all domestic customers and those working on behalf of domestic customers, with a £50-£80 charge for commercial users.

### Smart Connect

With the UK’s ambition to reach Net Zero carbon emissions by 2050, we are seeing record numbers of low-carbon technologies (LCTs) connect to our network, and we know this trend will increase. We are dedicated to doing everything we can to help facilitate Net Zero, and have therefore worked hard to streamline our connections processes, especially for LCTs. Our new “Smart Connect” portal makes it quicker and easier for installers to connect clean technologies to homes and businesses. In many cases the new portal will give technology companies an instant decision on whether they can connect domestic EV charge points, heat pumps, battery storage or solar PV, to the local electricity network. In the first five weeks of operation, we received 148 EV or heat pump applications, 48% of which were instantly approved.

<sup>3</sup> <https://www.ukrn.org.uk/wp-content/uploads/2018/06/2015DecCSI-AnnualReportingGuidance.pdf>

## Principle 4: Clear, Transparent and Appropriate Pricing

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“ Any fees or charges to clients should be clearly explained, reflect reasonable and appropriate cost and risk, without exploiting unfair commercial advantage and where reasonable facilitate efficient planning and delivery of infrastructure projects.<sup>1</sup>”

Access to our electronic records, such as underground/overhead cables, is generally free of charge. Where charges are applicable, this is clearly explained.

If works are required, and once a project has been designed, UK Power Networks will prepare a quotation that clearly breaks down the cost and scope of the works involved, whilst pointing out where responsibilities lie. A quotation expiry date is also provided to further clarify the time for which the offer is valid.

If the customer finds that they do not understand any part of the quotation, contact details are provided so they can discuss the process in more detail with a project designer. Additionally, we provide a cost breakdown of our quote to allow customers the option to use third parties to complete part of the works if preferred.

### CASE STUDY – UNLOCKING SMART METER TECHNOLOGY

If a single household reports a power cut, we currently ask them to test the trip switches in their home to confirm the fault is on our network, but this can be difficult and stressful for some customers, so we do not insist.

We therefore carry out over 700 visits a month, where we find the fault is with the customer's equipment and there is no action we can take. This takes up technician time and ultimately costs the wider electricity consumer around £1.8m every year.

To alleviate this problem we have learned from Victoria Power Networks in Australia, which developed a system for using smart meters to confirm whether a power cut is network-related or not. We are the first DNO in the UK to integrate smart meters into the digital customer journey.

In this way, we avoided over 700 unnecessary customer visits in the first four months of 2020/21 alone, and reduced power cut duration for these customers.

## Principle 5: Continuous Learning and Best Practice

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“ The lessons and experiences of best practice in managing interactions within the organisation, based on measurable performance where possible, and outside are proactively gathered and applied, with a commitment to training and support of staff managing interactions.<sup>4</sup>”

We are committed to continuous improvement, in our own work and in our interactions with customers. We receive a vast number of enquiries a year, all expecting a high level of service, and with so many customer interactions, it is important that we recognise what went well and how we can improve.

Customer satisfaction is vital to us; we are well aware of the responsibility and privilege that we have as a provider of an essential service, so we are determined to deliver the best-possible service to our customers. With people generally only becoming aware of us when something goes wrong or they want to make a change to their arrangements with us, we do our best to plan for every eventuality. This

<sup>4</sup> <https://www.ukrn.org.uk/wp-content/uploads/2018/06/2015DecCSI-AnnualReportingGuidance.pdf>

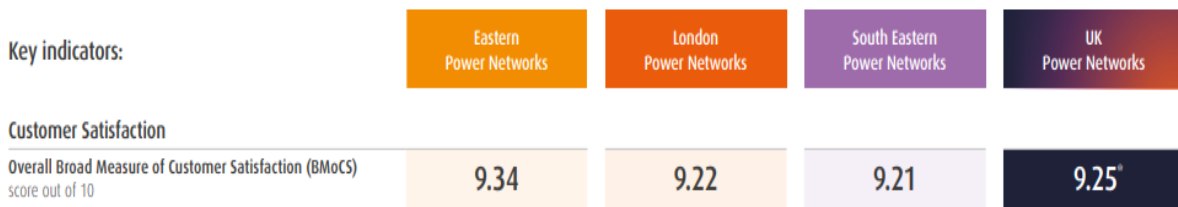


ensures that we are ready to take care of their needs and we go to particular pains to look after our vulnerable customers as they are likely to feel the effects of power cuts more acutely than others.

We pro-actively seek out customers in vulnerable circumstances and engage with them also about energy efficiency and energy bills to help them save money. This year we expanded our fuel poverty partnership programme, setting up 17 new local fuel poverty partnerships across our regions. Combined with 22 existing fuel poverty projects, we delivered customers savings of £8.35 million this year alone through a combination of energy advice, almost 14,000 one-to-one personalised consultations, and fuel poverty training for almost 1,000 frontline workers.

### Customer Satisfaction Rating

The industry regulator, Ofgem, measures customer satisfaction across all the DNOs in the country and it is one of our most important measures of performance. Since 2012, UK Power Networks’ score has been rising steadily and in 2020/21 we achieved our highest-ever score of 92.5%, up from 90.6% in the previous year and 87.8% in 2018/19.



### Broader and deeper engagement

We are aware of the varied and particular needs and demands of our customers, but because these evolve over time, we carry out ongoing, extensive engagement to determine their priorities when it comes to the service we provide. We aim to undertake the best engagement in our industry to deliver the greatest impact for our customers and other stakeholders and were delighted when this year we were judged by Ofgem’s independent panel to indeed be the best among network operators.

#### Supporting Renewable Generation

Engagement has allowed us to increase the involvement of our generation customers in our network maintenance processes. We received feedback from this customer group asking for earlier notice of planned network outages which affected them, and for the opportunity to coordinate with us to reschedule these outages to minimise the impact on their businesses.

Based on this feedback, we became the first DNO to provide a dynamic outage planning portal. This allows generators connecting to our network to be informed in advance and, if needed, request changes to the planned outage schedule to manage the operational impact on their business. They can use the same tool that our staff use to arrange outages on the network. Overall this action minimises the amount of time that low-carbon generators on our network are unable to export the clean energy they generate.

Engaging with stakeholders allows us to create new services and enhance existing ones, improve performance by learning from innovative practices, and meet the needs of hard-to-reach customer groups and those in vulnerable circumstances.

Engagement helps us to identify the many different actions that we can take, but we go further by using engagement to determine which actions will have the most beneficial impact. This is an important step in improving customers’ experience. Over the past year we have embedded our end-to-end impact measurements into our engagement process, and almost tripled the number of initiatives assessed compared to last year. This allows us to determine which actions to take based on the amount of social good each action will deliver.