Stakeholder Engagement - ‘Critical Friends’ Stakeholder Panel

Panel 7, Session 2 – Eastern Power Networks

Ipswich
07 February 2014
**Contents**

1. Introduction ........................................................................................................ 3
2. What are ‘Critical Friends’ stakeholder engagement panels? 6
3. Session 2 of Panel 6: Event location and attendees .......... 6
4. Format of engagement ......................................................................................... 7
5. Objectives and key questions ........................................................................... 8
6. Speakers and topics .......................................................................................... 8
7. Key feedback and actions .................................................................................. 10
8. Your feedback .................................................................................................... 17
9. Next steps .......................................................................................................... 19
10. Key contacts ..................................................................................................... 19
1. Introduction

UK Power Networks is one of the UK’s largest electricity distribution businesses. We own, operate and manage three electricity distribution networks in the UK. Our licenced distribution networks are in the East of England, London and the South East.

It is our job to ensure the infrastructure that brings power to homes, businesses, hospitals, schools and other public services delivers reliable, safe and sustainable electricity.

Our responsibilities include:

- Maintaining the safety and reliability of the electricity networks
- Connecting new customer premises to electricity
- Extending and upgrading the electricity network to meet changing needs

Our three networks distribute electricity using more than 160,000km of underground cables and overhead lines, and more than 135,600 substations. Laid out, our networks would stretch several times around the circumference of the Earth.
From underground cables to overhead power lines, small rural substations to complex delivery networks in the capital, we are working on the electricity network 24 hours a day, 365 days a year, making sure the lights don't go out. Safety and customer service are our top priorities; these are at the heart of everything we do.

| Number of connected customers | 8 million |
| Kilometres of overhead electricity lines | 65,300 |
| Kilometres of underground electricity cables | 98,000 |
| Revenue from the regulated business (2010) | £1.1 billion |
| Revenue from the unregulated business (2010) | £0.2 billion |
| Number of employees | 5,000 |
| Number of new connections per year | 100,000 |

Our vision is to become an organisation which is respected as one of the best performing companies in the sector.
We work to a vision defined by our core values. This vision drives us to ensure that we bring all of our 8 million customers a reliable service that delivers value, safety and innovation.

We have an important part to play in supporting the Government’s move to a low carbon economy. The energy industry is facing challenges to meet increasing demand and provide innovative technologies such as electric vehicles and heat pumps.

Our vision emphasises the aspiration for us to be a leading company in the electricity distribution sector. It recognises that this can only be achieved if our company objectives are aligned with the interests of all relevant stakeholders, including shareholders, staff, customers and regulators.

Stakeholder engagement is therefore a fundamental and crucial part of our business. It is very important that we are regularly talking to our customers and asking them what they think our priorities should be for the future.
2. What are ‘Critical Friends’ stakeholder engagement panels?

To ensure stakeholder feedback is fully captured and acted upon, we have designed our ‘Critical Friends’ stakeholder engagement panels, which are thematically grouped engagement sessions. The panels run alongside other forums and workshops that we organise as part of our business as usual engagement with our stakeholders.

The ‘Critical Friends’ stakeholder engagement panels have so far focused on eleven key topics over three sessions:

- Customer satisfaction
- Social obligations
- Low carbon targets and transition
- Safety
- Low carbon technologies
- Environment
- Network reliability & availability
- Connections
- Corporate Social Responsibility (CSR)
- RIIO-ED1 Business Plan resubmission
- December 2013 storm performance

In the context of the ‘Critical Friends’ panels, we are consulting with people from a wide range of organisations and representative bodies, including (but not limited to) major energy users, small business and domestic customers, developers, local authorities and parish councils, charities, environmental groups and organisations which help vulnerable people.

3. Session 2 of Panel 7: Event location and attendees

The session was held on 07 February 2014 at the address below:

Novotel Ipswich Centre
Grey Friars Road
Ipswich
IP1 1UP.
On the day, we were joined by the following stakeholders:

<table>
<thead>
<tr>
<th>Galliard Homes</th>
<th>Electrical Contractors Association</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colchester Borough Council</td>
<td>Country Land &amp; Business Association</td>
</tr>
<tr>
<td>British Red Cross</td>
<td>Tendring District Council</td>
</tr>
<tr>
<td>East of England Co-Operative</td>
<td>Morrison Utility Services</td>
</tr>
<tr>
<td>ES Pipeline</td>
<td>Haven Power Ltd</td>
</tr>
<tr>
<td>GTC UK</td>
<td>Mervad Electrical Ltd</td>
</tr>
<tr>
<td>Chelmsford City Council</td>
<td>Ipswich Disability Advice Bureau</td>
</tr>
<tr>
<td>REG Energy Services</td>
<td>East of England Energy Group</td>
</tr>
</tbody>
</table>

4. Format of engagement

Session 2 of Panel 7 focused on Eastern Power Networks (EPN).

After a welcome address, several speakers gave short presentations (summarised below). Participants were invited to ask questions at any time during presentations and discussions were held by the group as a whole as stakeholders probed some of the issues further.

Participants were also encouraged to raise any additional issues which were of interest to them.

The following ground rules were established:

- Avoid assigning intentions, beliefs, or motives to others (ask others questions instead of stating untested assumptions about them)
- Honour each party’s right to “pass” if he or she is not ready or willing to speak
- Allow others to express their opinions completely
- Make sure that the opportunities for input are evenly distributed
- Respect all confidentiality or anonymity requests that the group has agreed to honour
- Adopt a solutions-oriented approach
- Stay focused on the issue that is the subject of the agreement

Feedback forms were provided to the stakeholders inviting them to answer a number of questions about the event, UK Power Networks’ performance during the December storms and the RIIO-ED1 Business Plan resubmission. The results are summarised in Section 7.
5. Objectives and key questions

The panel focused on the following topics:

- Reconnecting customers after the Christmas storm
- Proposed changes to the Business Plan 2015-23

The primary objective of the event was to discuss with stakeholders UK Power Networks’ performance in reconnecting customer supplies over the Christmas period and the changes that UK Power Networks is considering to the original RIIO-ED1 Business Plan in the resubmission to Ofgem in March 2014. Stakeholders were invited to provide feedback on the issues raised during the event and the below sections provide a summary of this feedback.

6. Speakers and topics

Below we briefly summarise the opening statements by each speaker.

**Welcome from the Chairman**

*Simon Gray, East of England Energy Group*

Simon Gray, the independent chairman for the EPN panels, opened the session by welcoming the stakeholders in attendance and thanking them for their support of UK Power Networks’ stakeholder engagement activities.

Simon stressed the importance of the East of England to the UK’s energy resources and also highlighted the diverse sources of energy that can be found in the region, including nuclear, biomass, solar farms and gas. He then introduced Pat Brooks who gave the first presentation of the day.

**Reconnecting Customers After The Christmas Storm: The Storm – Preparation and Impact**

*Pat Brooks, Head Network Operations East of England*

Pat Brooks presented information about how the Christmas storm affected our networks, what preparations UK Power Networks put in place and what it did to reconnect customer supplies. The preparations prior to the storm included securing additional engineering, technical and call centre staff to reconnect supplies as quickly as possible and to keep customers updated on the progress of works. Pat discussed what went well but he also focused on the challenges that UK Power Networks faced in reconnecting customer supplies. He emphasised the importance of introducing
new technologies and in that context, he spoke about the use of micro helicopters as a means of observing potential network damage in areas where access may be restricted.

Reconnecting Customers After The Christmas Storm: The Storm – Customer Services
Matt Rudling, Director of Customer Services

Matt Rudling gave an overview of the Customer Services’ response to the Christmas power cuts. He began by explaining the various media UK Power Networks used to communicate with its customers, including the call centre, website, and social media – data was provided for the customer communications sent and received via these media over the Christmas period. Matt acknowledged there were aspects of communication that could be improved. Matt also discussed how UK Power Networks looked after its customers’ welfare, including those vulnerable customers on our Priority Service Register. Matt also spoke about the goodwill payments UK Power Networks is making to its customers that were off supply over the Christmas period. Finally, he discussed lessons learnt from the Christmas storms for responding to future mass power outages as well as what specific service improvements have already been put in place since December.

July 2013 Business Plan
Rob Friel, Regulatory Strategy & Optimisation Manager

Rob spoke about some of the key issues included in the original Business Plan that was not fast-tracked by Ofgem. He highlighted some of the 77 commitments / outputs that formed a key part of the plan and were developed through stakeholder engagement. Rob went on to discuss some of the key differences in costs between the plan for the regulatory period 2010-15 (DPCR5) and that proposed for 2015-23 (RIIO-ED1). Rob then presented key areas of UK Power Networks’ original plan and Ofgem’s response to them. He drew parallels with the plans of Western Power Distribution (WPD) – which was fast-tracked – and Northern Powergrid (NPG) which was not. A graph of Ofgem’s cost assessment of the DNOs’ Business Plans against a benchmark calculated by Ofgem was shown and explained. The differences were then discussed between what UK Power Networks included in its original Business Plan and what it considered including in the resubmitted plan in March following feedback from and discussions with Ofgem.
7. Key feedback and actions

<table>
<thead>
<tr>
<th>Reconnecting Customers After The Christmas Storm</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Matt Rudling asked the panel what its general view was of how the DNOs responded to the storms. A stakeholder said that considering the time of year, UK Power Networks did well, but the media focused overwhelmingly on certain aspects of the response rather than the overall effort. Another stakeholder agreed with that assessment and went on to say that the experience of the majority of people who experienced power cuts over that period was that UK Power Networks' response was good but the small percentage of people that were not on power on Christmas Day will always get the headlines. Another panellist supported this and expressed the view that UK Power Networks was in a no win situation.</td>
</tr>
<tr>
<td>- A stakeholder stated that getting information from UK Power Networks before the storms really helped. They added that recent emails sent from UK Power Networks' Stakeholder Engagement team on possible severe weather and the preparations being put in place allowed them to pass this information on to relevant colleagues. As a result, their organisation was better prepared when the storm hit.</td>
</tr>
<tr>
<td>- A panellist made the point that the main concern of the public was getting information on the estimated restoration time of supply, stating ‘everyone just wanted to know what was going on’. The panellist enquired if there was an opportunity to use the media better to disseminate more information. The chair said that UK Power Networks used social media very well. However, he added that the problem with social media was that the elderly and vulnerable people were harder to reach via this means. A stakeholder commented that social media is good on day one, but by day two the batteries of mobile phones could be flat. They added that they ‘love Twitter in a storm, but if you cannot charge your phone you’ve had it’.</td>
</tr>
</tbody>
</table>
- A stakeholder said that every time they saw the news over Christmas, UK Power Networks got a lot of coverage, even in the regions which it does not cover.

- Another stakeholder commented that getting information of the scale of the damage to the public would have helped the perception of what UK Power Networks was grappling with and the challenges it faced.

Matt Rudling agreed and said that there is a general issue of how well the electricity distribution industry promotes itself. A suggestion was made that perhaps the company name had led many to assume that UK Power Networks covered the country as a whole.

- A panellist who previously worked in the distribution industry recalled a similar severe weather event at Christmas and shared with the audience the difficulties they had securing additional staff at the time.

There was a general consensus that the key was to ensure DNOs worked with their staff to ensure they had enough people available for similar scenarios in the future.

- A stakeholder explained they had seen a Youtube clip of UK Power Networks' staff fixing power lines from a boat. They were disappointed that while this video was available online, it was not shown by the mainstream media. Another stakeholder made the point that perceptions mattered greatly and that, if a customer was off supply then they would only be concerned with their own situation.

- A panellist stated the importance of getting messages to vulnerable people and that a method of cascading information would be beneficial. They were of the view that people in villages would help their vulnerable neighbours. Matt agreed and explained that earlier this week UK Power Networks had sent SMS updates to all customers that had called since the St Jude storm in October regarding the storms predicted in the week of 3 February. Matt added that this action was met with some really good feedback from customers and is just one way UK Power Networks contacts its customers before severe weather.

Matt also explained that one of UK Power Networks’ learning points from St Jude was that UK Power Networks needed to contact parish councils directly rather than rely on County
Councils to pass on the information. UK Power Networks now has a dedicated distribution list with the details of all Parish Council contacts in its footprint.

A stakeholder added that District Councils are an important group of stakeholders to have contact with. They added that all District Councillors would be likely to be able to access emails through a severe weather and would assist in getting the information out in to the community.

- The chair asked whether UK Power Networks generally found it difficult to identify and add vulnerable customers to its Register. Matt explained that it was difficult and that the Data Protection Act meant that information could not be easily shared. He explained that UK Power Networks was discussing the matter with DECC and there was an opportunity to unlock the ability to share customer data in an emergency.

A stakeholder said that UK Power Networks should communicate with suppliers about the issue of customer data, but warned there could be some problems when customers change from one supplier to another, citing the possibility of duplicate data as an issue. Matt explained that there are existing data flows between suppliers and DNOs for vulnerable customer data and that there are methods implemented to prevent duplication.

- A panellist asked how someone would sign up to the SMS updates from UK Power Networks. Matt explained that a customer would need to send an SMS to us and that the details are on the UK Power Networks website. He went into some detail explaining the software we use to send SMS updates.

- A stakeholder commented that because of the severe weather, several of his connections projects had been cancelled by UK Power Networks. They explained that they had no problem with this and it was understandable. However, they were not happy that the customers that had their projects cancelled were then put to the bottom of list of forthcoming work. Mark Adolphus, Director of Connections, and Matt Rudling both stated that this was not UK Power Networks’ policy and that this matter would be raised internally.
- Another stakeholder enquired about providing technical engineering information to call centre agents on the phone. Matt stated that call centre agents were able to log all information and, in principle, the more UK Power Networks received the better. However, he added that the level of knowledge call centre agents have varies in emergencies because staff from across the directorates are drafted to answer customer calls. Their level of technical knowledge would be different to the regular call centre staff.

There was an opportunity for submitting all technical information via the website but the caveat here was that UK Power Networks may not be able to utilise it until after the emergency.

- A panellist said that they had recently come across a dangerous fault and tried to send a photo of it to UK Power Networks. Matt said that UK Power Networks is currently building an application that will allow customers to upload photos.

- The chair said that he assumed the isolated communities would be off supply for longer. He wished to know if UK Power Networks therefore have a leaflet to encourage vulnerable people in these communities to sign up to the Priority Services Register. Matt commented that we do, but the problem was often finding places such as GP surgeries which would be willing to distribute them.

- A panellist queried if asking the elderly to register themselves was a good idea. They went on to explain that elderly people like to think of themselves as independent and they would not register themselves. Matt agreed and commented that most of the complaints UK Power Networks receives do not come from vulnerable customers; by contrast, most compliments do.

- A stakeholder from the British Red Cross informed the panel that they were going to peoples’ houses during power cuts where the people didn’t have torches or candles. The stakeholder asked if UK Power Networks could try to educate its customers that power cuts may happen and that they need torches or candles.

Matt said there are number of ways in which UK Power Networks is already spreading awareness. He described some of the initiatives one of which is having a dedicated page on
how to prepare for emergencies published in the Norfolk Carers' Handbook which has annual circulation of about 90,000.

Following a discussion and suggestions from the audience, it was suggested that UK Power Networks should write to all parish councils with an offer to submit an article to their newsletter or e-bulletin that would provide information on how to prepare for electrical emergencies and what services UK Power Networks offers for the vulnerable. The chair agreed with the stakeholders' suggestion.

- Another stakeholder was of the view that UK Power Networks could reach vulnerable customers through social housing tenants. Matt said that UK Power Networks is already exploring this idea and there is a dedicated project set up within the company working in partnership with a supplier.

- A stakeholder was of the opinion that there is an issue with Local Authority staffing over Christmas. They explained that over this last Christmas period they tried to contact a highways department at a Local Authority and got an answer phone message stating they would not be back in the office until 2 January. Their view was that there should be more integration between organisations. MR agreed and stated that we all need to be working together.

- A panellist asked if UK Power Networks could make its micro-helicopters available to other services. Matt said that he did not see why we could not but added that because they are new technology for us, the agreements were not yet in place. The chair added that micro helicopters were not allowed in the USA as they are classed as drones but that they had been successfully used in the UK in the oil industry. He supported the idea of other services working with UK Power Networks on using micro-helicopters.

<table>
<thead>
<tr>
<th>Proposed changes to the Business Plan 2015-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>- One stakeholder asked about the Customer Services' commitment in the Business Plan to answer phone calls in a maximum of five seconds. The stakeholder was particularly interested to know whether this would be achieved through customers speaking to a person or an automated service. Matt Rudling replied that the commitment was for customers to</td>
</tr>
</tbody>
</table>
speak to a person within five seconds. Currently calls to the power cut line are answered in an average of eight seconds.

- One stakeholder asked whether this commitment applies to all services. Matt replied that this commitment applied to all published lines, but not offices or private numbers.

The stakeholder said that he, as many of his colleagues, used direct dial telephone numbers to call UK Power Networks’ staff. Mark Adolphus (Director of Connections) replied that in the Connections team the direct dial response time was measured and that soon there would be a new technology platform to monitor the time to answer all calls received by any UK Power Networks’ telephone line.

- Simon Gray asked what percentage of household energy bills relates to UK Power Networks’ charges. Matt replied that UK Power Networks’ charges were approximately £75-£80 of the annual household energy bill.

- Simon Gray asked what length of overhead lines were planned to be undergrounded in the next regulatory period. It was replied that a commitment had been made in the Business Plan to underground 176km of overhead lines in Areas of Outstanding Natural Beauty. Outside of these areas, investments will be made to underground overhead lines if there are specific benefits to doing so, such as safety issues.

- Simon Gray asked whether the Business Plan accounted for connecting sources of generation, such as solar PV farms. Rob replied that this had been included in the original Business Plan for areas where load growth was predicted and this would not change in the Business Plan that was being prepared for resubmission.

- One stakeholder asked whether flood protection measures included in the Business Plan included coastal areas as well as river flood plains. Rob replied that modelling of flood resilience had been done and appropriate actions taken. He gave the example of flexible barriers that are used as a flood defence. Robert Kemp (Head of Network Strategy & Performance) added that the risk of flooding was considered when selecting where assets needed to be placed. Equipment on sites vulnerable to flooding has been raised sufficiently above the ground level to remove the risk of it flooding.

Simon Gray concluded the session by summarising some of the key points from the discussion and thanking the audience and the speakers for their contributions. He mentioned specifically the
issues related to skills shortages for the industry and raised the possibility of discussing this in future sessions.
8. Your feedback

What were the strengths of the event? What did you find most useful or relevant and why?

- Storm report very useful. Interesting feedback on the Ofgem RIIO submissions.
- High use of letter acronyms without explaining them.
- Future response to major power outage events.
- Very good – thank you.
- All relevant.
- GSOS payment confirmations over bad weather at Christmas.
- Useful – storm section and Customer Services. Not relevant to British Red Cross – Business Plan, the slides held too much information and were too small to read.
- Info on RIIO-ED1 and changes that will be made to the Business Plan.
- Business Plan update was very useful to me.
- RIIO cost spend analysis was very interesting.
- Storm response part of the event was especially useful and interesting. Business Plan part was less useful and full of jargon and acronyms, confusing to anyone not directly involved in electricity or supply.
- A well-presented event, very informative. Taking away plenty of information regarding websites and UK Power Networks’ procedures and timescales of repair.
Stakeholder Engagement –
Critical Friends Stakeholder Panel

What are the key messages you will take from the event?
- **Investment plans and Customer service outputs.**
- **UKPN working hard to improve customer access and understanding of support mechanisms in place.**
- **UKPN are taking our views on board.**
- **Response to customer concerns etc is clearly a high priority.**
- **UKPN have learnt from past experiences over staffing at Christmas.**
- **Emergency preparation; education; Sign up for SMS.**
- **RIIO-ED1.**
- **Looking forward to the ‘new connections’ seminar. How good the UKPN network is with regard to cost/size - £75 - £80 per year.**
- **Useful contact addresses and understanding of emergency response procedures etc.**
- **New workers attending these events; Great to meet others from companies and Authorities; Plenty of info to feedback to others and Parish Councils / Local Councils, Emergency Planning teams.**
- **That UKPN are investing in the area.**

### About our December storm performance and Business Plan

<table>
<thead>
<tr>
<th></th>
<th>0%</th>
<th>20%</th>
<th>40%</th>
<th>60%</th>
<th>80%</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK Power Networks adequately prepared for the December storms</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK Power Networks performed well in reconnecting customer supplies after the December storms</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK Power Networks' Customer Services is improving its response to severe events</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The consultation on the Business Plan resubmission has been useful</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Strongly agree**
- **Agree**
- **Disagree**
- **Strongly disagree**
Which activities or issues relevant to UK Power Networks’ operations are of interest to you?

- Connections & operations (Customer Services)
- New Connections, communication with meters (last gasp), service alteration
- Storm response and engagement with stakeholders
- As chair of Dedham Vale AONB issues around undergrounding and impact on countryside of the activities; As District Councillor and Vice Chair of Colchester Borough Homes communication with customers, particularly vulnerable and elderly
- Emergency preparation and response; communications
- Contact info; RIIO-ED1; Voluntary debate (PCT2)
- Business Plan; Pricing (DUoS prices)
- Supply and service to rural businesses, landowners and farmers
- Customer Services going forward
- Vulnerable customers

9. Next steps

We will build on the feedback collected in this and the next two sessions of Panel 6 to create a consolidated report. The aim of the report will be to highlight the actions suggested by stakeholders in the three sessions, find common themes and messages, and explain how we are acting or preparing to act on the feedback collected.

We will also report back to stakeholders with progress in Critical Friends sessions in 2014.

10. Key contacts

For further information please contact us on stakeholder.engagement@ukpowernetworks.co.uk

To speak to one of our dedicated Stakeholder Engagement Executives, please contact Andy Jenner on 07875 117136.

If you would like to invite a friend or colleague to contribute views, our consultation continues online* at http://www.ukpowernetworks.co.uk/internet/en/have-your-say/

*Registration is required.