

Electricity North West Limited

Cross infrastructure report 2017



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Introduction

In 2015, the UK Regulators' Network (UKRN), a group of twelve sectoral regulatory bodies that considers common issues and policy projects with relevance across utility, financial and transport sectors, published a consultation on cross-sector infrastructure interactions. The aim of this report was to help to improve the co-operation and communication between the various utilities which are responsible for delivering the UK infrastructure network.

The report produced a number of recommendations including the development of an access statement and publication of an annual report detailing the activities completed in the calendar year. Electricity North West has published these documents to highlight the steps taken to adopt best practice in dealing with our infrastructure partners and communities in the delivery of our obligations.

This is our second report and provides a summary of our activities during 2016/17.

Steve Cox

Engineering and Technical Director

About Electricity North West

Electricity North West Limited ('Electricity North West' or 'the Company') is the electricity distributor for the North West of England. We own, invest in, operate and maintain the network of poles, wires, transformers and cables which carry electricity from the national grid to 2.4 million premises and five million customers. Our job is to keep electricity flowing safely to our customers' homes and businesses, keeping the lights on 24 hours a day, seven days a week. The prices that we charge our customers for distributing electricity are regulated by the Gas and Electricity Markets Authority which operates through Ofgem but ultimately it is our customers that fund the business. Approximately 17p from every pound of a standard domestic electricity bill comes to Electricity North West to provide our services, equivalent to £80 per home per year.

Our aim is to put customers at the heart of everything we do and, in the normal course of business, we work with various infrastructure providers to ensure that our collective customers are provided with an efficient service. A number of examples of our recent interactions are included in our "cases and major projects" section of this report. The majority of this work is either diversions of our existing assets or new connections. These activities are charged separately and are closely regulated by Ofgem.

Regulatory Duties

Our main duties and obligations are set out in the Electricity Act 1989. These set out the general duties of the electricity industry participants and include the obligations to:

- develop and maintain an efficient, co-ordinated and economical system of electricity distribution; and
- facilitate competition in the supply and generation of electricity.

Other key obligations include:

- duty to connect on request;
- provide a procedure for requiring a connection; and
- maintain overall standards of performance for electricity distributors.

We are also required to operate under specific conditions as set out by our Electricity Licence which specifically sets out:

- we must at all times manage and operate the Distribution Business in a way that is calculated to ensure that it does not restrict, prevent, or distort competition in the supply of electricity or gas, the shipping of gas, the generation of electricity, or participation in the operation of an Interconnector. (Licence Condition 4. No abuse of the licensee's special position);
- we must, on receiving a request from any person ("the requester") asking it to do so, offer to enter into an agreement for Use of System (Condition 12. Requirement to offer terms for Use of System and connection);

- we must at all times have in force a Use of System Charging Methodology and a Connection Charging Methodology (Condition 13 - Charging Methodologies for Use of System and connection); and
- The licensee must not discriminate between any person or class or classes of persons:
 - (a) in providing Use of System;
 - (b) in carrying out works for the purposes of connection to the licensee's Distribution System; or
 - (c) in providing for a modification to or the retention of an existing connection to that system. (Condition 19 - Prohibition of discrimination under Chapters 4 and 5).

As a business, we are therefore required to operate in a fair and transparent manner with no preferential treatment or behaviours to any party.

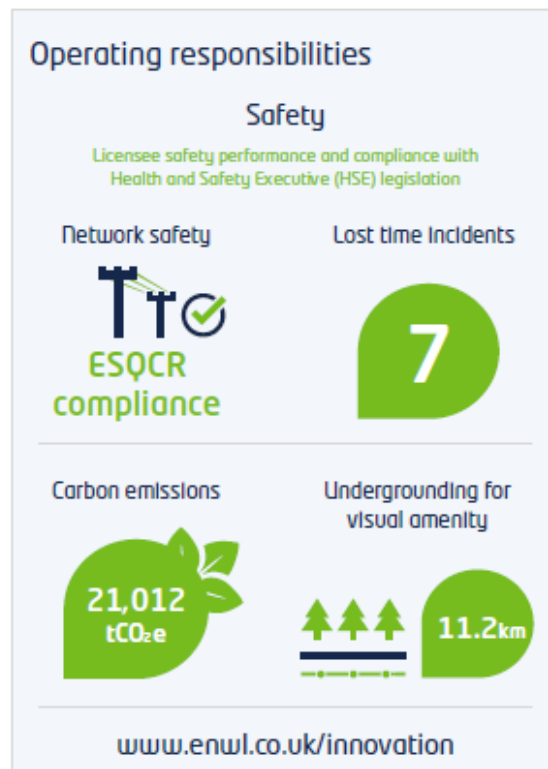
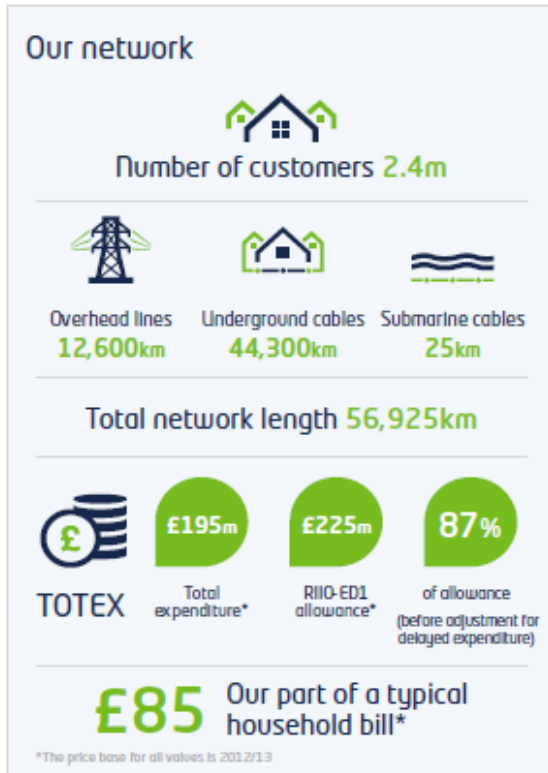
Our services

We provide a number of services which support infrastructure providers. These include:

- Diversions of our network if a project may affect our existing equipment;
- Disconnection and de-energisation of services as required to facilitate customers own internal electrical works;
- Overhead line surveys for projects which may require working near to overhead lines and where there is a risk of contact with the wires (known as GS6 Surveys);
- Supporting projects when required to dig near to underground cables (known as HS(G)47 Surveys);
- Shrouding overhead lines to protect customers and infrastructure providers staff from harm when working near overhead lines;
- Proving that cables are dead or out of commission when they are located; and
- Resolving any issues regarding asset damage in the course of business.

Further information on these services is included in the sections below.

Performance snapshot



Performance metrics

As described above, we provide a number of services to stakeholders and infrastructure providers. The following section provides a high level overview of each of the services and our normal business practices. Further information on these services can be found on our website.

Asset diversions

Diversions of our network may be required if an infrastructure project may affect our existing equipment. If equipment is likely to be affected by customer works, they will need to apply for a diversion. Our Access Statement¹ sets out full details of the diversions works. It will typically take us between 20 and 35 working days from receipt of the enquiry to provide a diversion design solution. For more complex schemes, we may need more time to complete the design, but we always keep customers informed of the progress of the scheme.

Once the diversion is accepted and paid for, we work with our customers to ensure any programme milestones and critical paths are met. We will manage streetwork permits and opening notices and manage on site variations in a professional and timely manner. As the project progresses, we will assist the on-site contractors with electrical advice and where necessary arrange to prove if cables and apparatus are still energised. On completion of the works, the client will receive a final account statement detailing the works completed and any additional costs or refunds due.

We typically deal with around 80 customer generated diversion enquiries every month which result in around 20 to 25 diversion projects per month.

Over the past couple of years, we have worked very closely with Local Authorities and other statutory utility providers on collaborative joint utility works. Electricity North West has taken the lead in the North West in providing designs and delivery innovative joint utility trench solutions which have proved very successful in reducing the impact on traffic restrictions and time taken to deliver diversion works. Examples of this work are set out on page 9.

Overhead line surveys

Overhead line surveys are sometimes required when customers are working near to overhead lines or where there is a risk of contact with the wires (known as GS6 Surveys). If a machine, scaffold tube, ladder, or even a jet of water touches or gets too close to an overhead wire, then electricity will be conducted to earth. An overhead wire does not need to be touched to cause serious injury or death as electricity can jump, or arc, across small gaps. Businesses and employees who work near to an overhead line must manage the risks. As the overhead line owners, we have a duty to minimise the risks from our lines and, when consulted, advise others on how to control the risks.

We manage this service through our customer contact centre. When stakeholders contact us, we arrange for local engineers to visit the site and provide appropriate support depending upon the situation.

¹ <http://www.enwl.co.uk/our-services/connection-services/diversion>

HS(G)47 surveys (underground cables)

We also provide support to projects when customers are required to dig near to underground cables (known as HS(G)47 Surveys). Our Access Statement provides initial guidance to contact the BeforeUDig website² which allows customers to request copies of our electricity network plans online, from our geographic information system. Customers typically receive these via email and can access them 24 hours a day. If additional support is required after the receipt of the networks plans, customers call the customer contact centre and a local engineer will discuss the situation. This will need to be completed with sufficient time to design a solution and provide a cost estimate for diverting the equipment.

Shrouding overhead lines

In some instances, work will need to be conducted around overhead lines. We use a shrouding method to protect customers and infrastructure provider staff from harm when working near overhead lines. This service usually follows on from the GS6 (overhead line) surveys.

Cable proving

We also provide a service to prove if cables are dead or out of commission when they are located. Customers are asked to contact our customer service centre upon the discovery of an unknown cable and we will send an engineer to establish the status of the cable and provide advice on the best course of action. This service may be chargeable in some circumstances. These calls are treated as high priority, but not as emergencies.

Asset damage

In some circumstances, customers may damage the network in the course of their business. Customers are asked to get in touch with the customer contact centre if they suspect that they may have damaged an underground cable or damaged an overhead line. This will be treated as an emergency due to the risks associated with damage. This service may be chargeable in some circumstances.

² <https://www.linesearchbeforeudig.co.uk/>

Meeting the good practice principles

The UK Regulators Network published its paper “Cross-sector Infrastructure Interactions – conclusions” in September 2015. This document contained five good practice principles which they recommended that networks should follow

- **Principle 1:** The role of infrastructure network operators - 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.
- **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.
- **Principle 3:** Transparent processes 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 provision of accurate information about the operators’ network, safety or process as necessary.
- **Principle 4:** Clear, transparent and appropriate pricing - 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.
- **Principle 5:** Continuous learning and best practice - The lessons and experiences of best practice in managing interactions within the firm, based on measurable performance where possible, and outside are pro-actively gathered and applied, with a commitment to training and support of staff managing interactions.

In 2016-17, we were involved in a significant number of infrastructure projects where collaborative working significantly improved the results for North West customers. A list of the significant projects and examples of the specific collaborations are included below.

- TfGM Metrolink Trafford Park Line
 - Joint Utility Trench design & delivery
 - Joint Utility Coordination and Project Management
 - Shared Global Traffic Management with other Statutory Utilities
- Stockport MBC A6 Manchester Airport Relief Road
 - Joint Utility Trench design & delivery
 - Innovative alternatives to diversion of assets using temporary and permanent protection measures
- Network Rail Electrification
 - Shared excavation between ENWL & Client’s Principal Contractor
 - Combined outages for customer and capital investment schemes

- COOP NOMA Project Central Manchester
 - Shared excavation
- Pendle Road Clitheroe and other major housing sites
 - Collaborative working with major house developers to provide alternative solutions to wayleave and easement terminations (Taylor Wimpey, Story Homes amongst our clients)
- Completion of undergrounding projects of our lines in special landscapes
 - Closes Barn-Beatrix Dunsop Bridge (Forest of Bowland AONB)
 - Brennand Spur Dunsop Bridge (Forest of Bowland AONB)
 - Fellside-Merrybent Slaidburn (Forest of Bowland AONB)
 - Kenibus-Lamb Hill Slaidburn (Forest of Bowland AONB)
 - Bleasdale Nr Chipping (Forest of Bowland AONB)
 - Redsike-Lobbs Troutbeck (Lake District National Park Authority)
 - Matterdale-Swineside 11kV Spur (Lake District National Park Authority)
 - Rushmire PMT-Hollows ABS Matterdale (Lake District National Park Authority)
 - Goosegreen 11kV Spur Matterdale (Lake District National Park Authority)
 - RSPB Tindale Tarn, Brampton (North Pennines AONB and RSPB)
 - Alpha ABS-Lower Tren Housen (Yorkshire Dales AONB)
 - Alpha ABS-Sannat Hall (Yorkshire Dales AONB)
 - Sannat Hall Spur (Yorkshire Dales AONB)

Standards of service and feedback

General Standards of Performance

We are regulated by the Office of Gas and Electricity Markets (Ofgem) who prescribe specific rules around the minimum standards of performance to customers. We report on these service levels on an annual basis. These regulatory performance service levels are documented under The Electricity (Standards of Performance) Regulations 2015 and The Electricity (Connection Standards of Performance) Regulations 2015. Further information on these standards is available on our website³.

Broad Measure of Customer Satisfaction

Ofgem's Broad Measure of Customer Satisfaction (BMCS) is a mechanism which incentivises companies to improve our services to our customers. The purpose of the incentive is to drive the network companies to deliver good customer service. It aims to replicate the sorts of measures typically used by customer-facing businesses in a competitive environment.

The mechanism includes a number of different measures of performance including aspects such as:

- general enquiries calls which includes requests for the majority of services listed above;
- customers who request a connection or an asset diversion;
- customers experiencing an interruption to service;
- complaints handling, measuring the effectiveness of resolving any complaints; and

³ <https://www.enwl.co.uk/advice-and-services/guaranteed-standards-of-service/>

- stakeholder engagement and consumer vulnerability activities.

Performance against the incentive mechanism is reported by Ofgem in its annual report⁴ and in our Business Plan Commitment Report 2017⁵. We must achieve a minimum level of performance under this measure or face penalties. Performance exceeding the targets can attract rewards. Our performance in 2016/17 was 83% (2015/16 – 80%). Although customer satisfaction is short of our original target of 85%, we have made a significant improvement year-on-year using the monthly feedback cycle to understand the drivers of performance and to work with our partners to identify initiatives to improve performance. In 2017/18 we will continue to implement the required corrective actions to drive sustained long-term improvements.

Incentive on Connections Engagement

We have obligations under the distribution licence to engage with customers regarding connections to our network. We report on our activities on an annual basis. Our engagement activities can be found in specific reports on our website⁶.

We also provide a programme of stakeholder engagement events with commercial connection customers every year. These events are designed as a vehicle to collect customer and stakeholder feedback on our connection and ancillary services. Our engagement also allows us to address concerns and issues before they become complaints. Each year we collect and assess feedback, develop plans for service improvements and then deliver those.

Over the last 12 months we have delivered a programme of interactive engagement events, including workshops, focus groups, surgeries and interviews. We have also delivered a programme of works based on commitments we made last year as part of our regulatory submission.

Outputs from the commitments we make and engagement are all published, giving stakeholders full visibility of what we achieve and how their feedback has informed our decision-making. For more information on the reports we issue, and commitments we make to our stakeholders, along with regular update newsletters please see our website.

Our engagement is predominantly tailored for stakeholders interested in distributed generation, unmetered and some metered areas of connections work.

Key changes to process

In 2017, we have launched our newly developed website which has been designed to help customers to easily locate information and services. All key contact information for customers has been transferred onto the new site along with more information to help our customers and stakeholders to access the services they require. The website has been specifically designed to be easy to navigate

⁴ https://www.ofgem.gov.uk/system/files/docs/2017/12/riio-ed1_annual_report_2016-17.pdf

⁵ <https://www.enwl.co.uk/globalassets/about-us/regulatory-information/documents/business-plan-commitments-report/business-plan-commitments-report-2017>

⁶ <http://www.enwl.co.uk/our-services/connection-services/incentive-on-connections-engagement>

from PC's, tablets or smart phones to recognise that our customers use multiple devices to collect information about our business.

Feedback on this document

We are always keen to hear your feedback on our services. If you have any feedback on this report, please feel free to contact us⁷ to help us meet your needs.

⁷ <https://www.enwl.co.uk/about-us/contact-us/>