

Project Avatar: The Future of Customer Service

Customer Engagement and Data Privacy Statement

25 August 2017



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VERSION HISTORY

Version	Date	Author	Status	Comments
1	31 July 2017	Impact Research	Draft	
2	22 August 2017	T Kennelly/	First issue	Amendments following revision of draft

APPROVAL

Name	Role	Date
Steve Cox	Engineering & Technical Director	25 August 2017
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GLOSSARY

Abbreviation	Term
CCC	Customer contact centre
CEDPS	Customer engagement and data privacy statement
DNO	Distribution network operator
DPA	Data Protection Act
ECP	Engaged customer panel
ELT	Executive leadership team
FNSG	Future networks steering group
ENA	Energy Networks Association
ICO	Information Commissioner's Office
KPI	Key performance indicator
MPAN	Meter Point Administration Number
NIA	Network Innovation Allowance
Ofgem	Office of Gas and Electricity Markets
PSR	Priority services register
RIIO-ED1	Electricity distribution price control 2015 to 2023
RIIO-ED2	Electricity distribution price control 2023 to 2031

FOREWORD

The customer service landscape is changing. A wide range of political, economic, social, demographic and technological factors are accelerating a shift in customers' needs and expectations, with some sectors adopting radical customer service solutions to match to their customer bases. Customers today are better informed and more empowered than in the past.

Distribution network operators (DNOs) need to understand and predict customers' current and future needs to ensure that they improve upon, or at least maintain, the level of customer service they provide. Continuous investment is required to identify and implement the right technologies and approaches to best meet the needs of different customers.

Project Avatar will build on previous studies in this area to deliver a more granular level of understanding that will facilitate greater efficiency in future investment decisions driven by customer need. An understanding of functional and emotional service needs, by specific customer group, will be key to informing DNO policies and investment plans for the second electricity distribution price control (RIIO-ED2) review and beyond.

Electricity North West and its project partner Impact Research will conduct extensive customer and stakeholder engagement to provide a comprehensive assessment of future customer servicing needs and expectations. Further collaboration with project partners Schneider Electric and DXC Technology will enable a range of innovative solutions to be developed and refined that best meet these expectations.

The project will demonstrate how innovative technological solutions can assist DNOs to better plan their investment strategy. The project will inform a blueprint that will enable DNOs to future-proof their overall customer service strategy, based on extensive customer research and specialist industry insight. This trajectory will be underpinned by investigations into the acceptability of innovative conceptual solutions across a range of customer segments, encompassing a broad demographic and key DNO touchpoints.

The project is funded by Ofgem's [Network Innovation Allowance](#) (NIA), introduced as part of the RIIO-ED1 price control, which provides an allowance for RIIO network licensees to fund projects that have the potential to improve network operation and maintenance, and to deliver financial benefits to the licensee and its customers.

The project commenced in October 2016 and will be conducted over a 38-month period. It will culminate in the formulation of a customer service blueprint for a fully integrative customer serving model, which incorporates data from network control systems and other information technology and telecommunications (IT&T) platforms. This blueprint will help to bridge current unmet needs and set a trajectory to deliver a service that meets the future expectations of customers generally, and the needs of unique customer groups specifically. The blueprint will leverage higher customer satisfaction across all of Electricity North West's customer touchpoints and will be transferable to improve the standards of service provided by other DNOs across Great Britain (GB).

This document forms part of the project's dissemination and sets out how Electricity North West will engage with customers and manage the collection, transfer, storage and usage of data during the project.

1 INTRODUCTION

1.1 Background to project

The aim of the project is to quantify customers' needs by customer segment, now and in the future. This will be achieved by answering the following research questions:

- What are customers' current attitudes, behaviours and needs, and how do these vary by customer segment and touchpoint?
- How are these attitudes, behaviours and needs expected to change in the future?
- Which bespoke customer service solutions targeted at specific customer groups can meet their unique medium- and long-term future needs?
- How can bespoke customer service solutions integrate with existing network control and IT&T systems, in addition to maximising the use of standard customer and system data, which is commonly available to all GB DNOs?

Delivering customer service in a technologically advanced manner will only benefit customers and positively impact on the costs and quality of DNOs' operations if customers respond favourably to those interactions.

Project Avatar will comprise five phases of research:

Phase 1: Current trends and expert thinking

Phase 2: Exploratory research with customers

Phase 3: Developing prototypes

Phase 4: Quantifying customers' needs

Phase 5: Meeting customers' needs.

This project will have no direct or indirect impact on any customer's power quality or continuity of supply, as it does not involve any physical changes to the distribution network, customers' private installations or any other aspect of supply provision. As such, Project Avatar does not expose any customer taking part in this study to any safety risks, neither does it present a threat to the safety of DNO personnel, the project team, its partners/supporters or the general public.

The Avatar methodology statement and the accompanying literature review and peer review addenda are published on the [Project Avatar webpage](#):

1.2 Who we are engaging and why

Four customer groups will be actively engaged during the project:

1. Customers participating in engaged customer panel (ECP) focus groups
2. Customers taking part in depth interviews
3. Customers involved in evaluating prototypes
4. Customers taking part in the two quantitative surveys.

1.2.1 Customers participating in ECP focus groups

An ECP will be convened to explore research questions during Phase 2 of the project. This panel will comprise a number of focus groups each representing a different customer segment including, but not limited to:

- Domestic
- Commercial
- Urban
- Rural

- The age group commonly referred to as ‘millennials’ (under 25 years old).

The groups are each expected to meet on a number of occasions.

Research questions will primarily explore customers’ current and likely future service needs and expectations. This phase of research will also establish reactions to the bespoke customer service solution(s), presented in the form of prototypes or conceptual solutions, and will explore the potential for improvements to these.

The ECP will also be consulted during the pilot phase of the large-scale customer surveys that will be conducted during Phases 4 and 5 of the research.

1.2.2 Customers taking part in depth interviews

During Phase 2, supplementary depth interviews will be conducted with representatives of specific customer segments such as customers who find themselves in vulnerable circumstances. These one-to-one interviews are likely to be more convenient for vulnerable customers, who may be unable to travel long distances or may be too geographically dispersed to attend a focus group.

1.2.3 Customers involved in developing prototypes

Small-scale qualitative customer engagement will be utilised to gauge reactions to the bespoke customer service solution(s) measured against key performance indicators (KPIs) and action standards to identify any further refinements required.

1.2.4 Customers taking part in the two quantitative surveys

Phase 4 of the research will comprise a large-scale quantitative customer survey designed to segment Electricity North West’s customer base. The data collected will enable the feasibility of the prototype solution(s) to be analysed across a broad spectrum of customer segments.

A final quantitative survey administered in Phase 5 will involve a smaller population. It will measure proof of concept and demonstrate that the prototype solution(s) are feasible against a set of predefined action standards.

Both of these quantitative surveys will first be piloted with separate, previously unengaged populations of customers before the main survey is administered. The survey instrument will also be subject to pre-pilot testing among the ECP groups.

1.3 How will engagement be targeted?

Elements of the customer engagement in this project are exploratory in nature, and appropriate techniques will be employed to acquire an understanding of underlying perceptions and to develop ideas for the development of bespoke customer service solution(s). Other elements are scientific and require a numerically robust, statistically significant approach in order to answer research questions. The most appropriate methodology for customer engagement in this study is therefore a combination of qualitative and quantitative approaches.

1.3.1 Qualitative engagement

Customers will be recruited to participate in the ECPs by Impact Research. A number of ECPs will be convened, each representing a different customer segment and panel members will meet face-to-face on multiple occasions. All ECP meetings will be held within Electricity North West’s licensed area. Approximately ten respondents will be recruited to each ECP. This allows for a limited level of attrition between recruitment and attendance and provides reasonable assurance that between six and eight customers will take part. This sample size is in line with standard industry practice for research of this nature.

Certain customers, such as those who find themselves in vulnerable circumstances, will be more directly engaged and invited to complete a depth interview by phone or face-to-face. It is anticipated that some of these customers (particularly any medically dependent customers who agree to take part in the study) may benefit from surveys being administered in the comfort of their own homes.

1.3.2 Quantitative engagement

The quantitative customer surveys in Phases 4 and 5 require a numerically robust, statistically significant approach in order to produce a reliable segmentation (Phase 4) and confirm the prototypes developed to meet customers' needs (Phase 5). It is anticipated that these will mostly be administered through an online panel of customers who have pre-registered to take part in research studies. Provision will be made for some customer segments, such as those with vulnerabilities, to be interviewed face-to-face in their home or other appropriate location, should this be preferred. This targeted recruitment will be guided by customer data provided by Electricity North West.

2 HOW THE REQUIREMENTS OF THE GOVERNANCE DOCUMENT HAVE BEEN MET

2.1 The customer engagement and data privacy statement (CEDPS)

Section 4.7 of the [Electricity Network Innovation Allowance Governance Document version 2](#) sets out certain requirements for DNOs undertaking projects funded by the NIA.

Specifically, it requires the DNO to submit a plan to Ofgem at least two months before initiating any form of customer engagement, explaining how it, or any of its project partners, will engage with 'relevant customers' for the purposes of the project.

This document sets out the approach that Electricity North West will take to engage with customers who are affected by Project Avatar, either directly or indirectly. It provides a framework for all customer engagement that will be undertaken, and sets out the activities and tools that Electricity North West and its partners will draw upon to maximise customer outcomes.

This section outlines how the requirements of the governance document have been met, and points the reader to the relevant later sections of the document, where appropriate.

2.2 Requirements for a communication strategy

The governance document requires DNOs to define a communication strategy that sets out:

a: "Any proposed interaction with a relevant customer or premises of a relevant customer or proposed interruption to the supply of any customer for the purposes of the project, and how the customer will be notified in advance."

This requirement is met as follows:

Sections 1.2.1 and 1.2.3 set out how the Project Avatar team will engage with an ECP, ie a focus group comprising a cross-section of customers. The ECP will primarily help to develop, test and refine the bespoke customer service solution(s). It will also support the evaluation and development of a survey instrument and associated communication materials to ensure that customers participating in the survey understand them and that they achieve the required outcomes.

Section 4.7 describes how survey participants will be engaged in Project Avatar. All such participants will be drawn from within the Electricity North West region.

Section 4.7.4 outlines the engagement strategy for customers not actively taking part in the research who may be interested in the process or findings.

Section 1.1 sets out the expectation that there will be no impact on customers' supply as a result of Project Avatar.

b: "Ongoing communications with the relevant customers involved in the Project."

This requirement is met as follows:

Section 1.2 sets out how the project team will engage with the ECP and with survey participants.

This engagement will draw on various tools, including a range of educational/communication materials and simple, easily understood survey instruments, which the ECP will help to develop and test. Project information, updates and key documents will be published on Electricity North West's [website](#).

c: "Arrangements for responding to queries or complaints relating to the project from relevant customers."

This requirement is met by Section 5.2, which outlines the various channels that customers can use to communicate any concerns or raise queries with the project team.

2.3 Requirements to provide information on priority services register (PSR) customers

The governance document also requires DNOs to provide:

"Information on the PSR customers who will be involved in the project and how they will be appropriately treated."

This requirement is met by Section 4.7.3, which outlines how the Avatar project team will interact with customers on Electricity North West's PSR.

2.4 Requirement to provide details of any safety information that may be relevant

The governance document requires DNOs to detail:

"Any safety information that may be relevant to the project."

As set out in Section 1.1, this research project does not involve installation works, technical or operational interventions or techniques of any kind on the network. The method does include the possibility that prototypes could be demonstrated and tested in customers' homes. Any physical prototypes will be purely customer service-related and will not form part (or be physically connected to) electricity supply equipment in the home. As such, it is not envisaged that Project Avatar will introduce any safety risks to customers.

2.5 Requirement to provide details of any customer consents

The governance document requires DNOs to provide:

"Details of how any consents that may be required as part of the project will be obtained."

Section 11 sets out how consent will be obtained from customers who agree to participate in the ECP or in customer surveys. These customers will be informed how their data will be

used and shared before they opt in. They will then be asked to sign a consent form and, by doing so, will agree to their information being used for the specified purpose. Draft consent forms are included in Appendices A and B.

Additional consent will be sought before entering a customer's premises for the purpose of a face-to-face interview, details of which are also outlined in Section 9.2.2.

As there will be no installation of equipment or any other intervention works at customer premises associated with Avatar research, there is no requirement to obtain customer consents for access to premises for any such purpose.

2.6 Communicating to other electricity customers and stakeholders

The outcome of Project Avatar has the potential to provide benefits to all electricity consumers in terms of a blueprint for providing bespoke solutions that better meet their needs. The engagement strategy for customers and interested parties not directly involved in Project Avatar research is outlined in Sections 4.7.4 and 4.8.

3 THE PROJECT AVATAR METHOD

The research approach is fully documented in a methodology statement, which has been published on the Project Avatar webpage. This is briefly summarised below and will encompass five discrete phases of customer and stakeholder engagement, to attain the best possible insight into the likely customer servicing expectations of DNO customers in the future.

3.1 Phase 1: Current trends and expert thinking

Phase 1 will comprise the following activities:

- A review of published literature on the future of customer service. This review has been published on the project's webpage as: *Methodology statement addendum A - literature review*.
- A peer review of the proposed methodology. This has been published on the project's webpage as: *Methodology statement addendum B - peer review*.
- Engagement with a cross-section of Electricity North West personnel. Product development workshops with key personnel will elicit priority service concepts that could meet future customer needs. These ideas will lead to the development of one or more bespoke prototype or conceptual customer service solutions, which will be tested in Phase 2.

3.2 Phase 2: Exploratory research with customers

Phase 2 will comprise focus groups and depth interviews with a cross-section of customers. This may include (but should not be limited to) domestic, commercial, urban and rural customers, as well as customers fitting the age demographic commonly referred to as Millennials or Generation Y' (under 25), with a focus on the 18-24 age range. Supplementary depth interviews will be conducted with representatives of specific customer segments such as customers who find themselves in vulnerable circumstances.

This research will explore:

- Customer perceptions about the role and importance of a DNO now and in the future
- Future factors of change and the importance placed upon them
- Customer service needs, both current and future (with a focus on long term expectations, more than ten years hence)

- How needs and expectations differ by contact touchpoint (including but not limited to supply interruptions, general enquiries and new connections to the electricity network)
- Ideation of new customer service initiatives that drive improvements in the customer journey/experience and ease/reduce customer effort
- Reactions to the bespoke customer service solution(s). These may be prototypes or conceptual solutions and will be measured against predetermined KPIs and action standards
- Improvements that could be made to the bespoke customer service solution(s) to enhance its/their acceptability and appeal
- Perceptions regarding key partners, activities, resources and channels that could be called upon to deliver the solution(s)
- Hypotheses relating to the customer segments most likely to benefit from the solution(s).

3.3 Phase 3: Developing prototypes

This phase of the project will utilise a longitudinal¹ and adaptable testing methodology to evaluate the bespoke customer service solution(s). The research will determine if this/these are more appropriate to develop/present as physical prototype/s or concept/s.

There are several approaches that could be adopted at this stage to provide direct customer feedback regarding the solutions developed. These include:

- Field testing (for example, trialling the product or approach with a small group of customers)
- Reconvening the ECP for a further focus group discussion
- In-depth qualitative exploration with a previously unengaged audience
- A combination of these techniques.

The most appropriate approach is expected to be dependent on the form that the prototype/solution takes and how research participants are able to interact with the solution.

This research in Phase 3 will explore:

- Reactions to the bespoke customer service solution(s), measured against predetermined KPIs and action standards
- Further improvements that could be made to the bespoke customer service solution(s) to enhance its/their acceptability and appeal
- Hypotheses relating to the customer segments most likely to benefit from the solution(s).

The project team will continuously assess the IT requirements for any prototypes against this document to check these are valid and permissible within the confines of this statement.

3.4 Phase 4: Quantifying customers' needs (segmentation survey)

A large-scale quantitative survey will be conducted to segment Electricity North West's customer base and provide insight into the following research questions:

- Do customer service future needs and expectations vary by customer segment?
- Do customer service future needs and expectations vary by contact touchpoint?
- Which customer service needs and expectations most highly correlate with customer satisfaction

¹ A longitudinal study is an observational research method in which data is gathered for the same subjects repeatedly over a period of time.

- What expectations drive improved ease and reduced effort across the customer journey?
- How are the bespoke customer service solution(s), developed in Phase 3, rated by customers on a range of success criteria?
- Which customer segments are most likely to benefit from the solution(s)?
- Which psychographic, demographic, geographic and behavioural factors influence the acceptability of the solution(s)?
- What are the drivers and barriers to customers' acceptance of the solution(s)?
- How could the prototype solution(s) be refined to meet unmet needs?

The survey will be statistically robust and representative of the diverse range of customer segments found within Electricity North West's distribution region. The methodology and survey results will be structured in such a way that they can be extrapolated to customers across GB.

The quantitative survey will be piloted and peer reviewed before it is rolled out more widely.

The key findings from Phase 4 will inform the final refinements of the prototype solution(s), and it is envisaged that this analysis will be utilised to make additional, tactical changes in preparation for final evaluation in Phase 5.

3.5 Phase 5: Meeting customers' needs (proof of concept survey)

Insight generated during Phases 1 to 4 will be utilised to incrementally refine and enhance the prototype solution(s) in a dynamic manner.

A final quantitative survey will be administered in Phase 5 to measure proof of concept and to demonstrate that the prototype solutions are feasible against a set of predefined KPIs and action standards.

The sample frame for this survey will depend on the number and nature of the prototype solutions. Should there be one predominant generic solution, then the survey will canvass the opinion of a representative sample of customers located within the Electricity North West region. Alternatively, if there are multiple solutions to test, a more targeted subpopulation of customers will be invited to give feedback on the specific solution tailored to their needs.

The quantitative survey will be piloted and peer reviewed before it is rolled out more widely.

Following completion of the main survey and analysis, the original ECP may be reconvened or engaged with via other means to evaluate the findings. The role of the ECP will include an evaluation of the customer engagement outcomes and their implications for Project Avatar.

4 CUSTOMER ENGAGEMENT IN PROJECT AVATAR

The key objectives of Project Avatar are to comprehensively understand customers' functional and emotional service needs now, their future expectations (by specific customer group) and the acceptability of bespoke solutions to meet these needs.

A range of customer engagement activities will be undertaken to achieve this.

Project Avatar will generate outputs and learning in a number of key areas. These will be of particular interest to Ofgem and other DNOs.

4.1 Customer engagement principles

The project partners will adhere to the following key principles:

- Codes of practice will include guidance to ensure that customer contact is appropriate. This includes making clear to customers that the contact relates to Project Avatar. As a minimum requirement, contact will involve providing customers with clear information about the objectives and applications of the research in which they are participating.
- Clear information on the aims and objectives of the contact will be provided.
- Information on data protection will be provided.
- Any project partner with access to customer data gathered for and during Project Avatar will sign an agreement to ensure that customer data is not used for any purpose other than for Project Avatar. Electricity North West's data security manager takes responsibility for all aspects of data privacy within Project Avatar.
- Where the project partners have relationships with customers participating in the Project Avatar research that are outside the scope of the project, the partners will make it clear in communications to customers whether they relate to Project Avatar or the wider relationship.
- Any customer considering participation in the Project Avatar surveys will receive clear information about what participation will involve, together with details of who to contact if they have queries or complaints, and who will have access to their data.
- Any customer agreeing to participate in Project Avatar will receive sufficient information to enable them to understand what will be expected of them and the purpose and scope of the programme.
- When collecting data, the project partners will be transparent about why it is collecting the data and how it will be used, stored and accessed. A detailed approach for managing personal data is set out in Sections 7 to 15.

4.2 Customer engagement activities

This CEDPS covers the following activities:

- Establishing which customers need to be engaged.
- Implementing engagement plans.
- Planning customer selection, and the recruitment approach for focus group and customer survey participation.
- Bringing customers into the project.
- Keeping customers engaged in the project.
- Managing customers' enquiries.
- Incorporating learning from Electricity North West's other customer survey activities.

4.3 Project partners and supporters

Electricity North West will work with Impact Research, who will support Project Avatar by leading the design and execution of customer engagement activities. This will include convening the ECP, administering customer and stakeholder interviews, designing research survey instruments and communication materials, recruiting survey participants, analysing feedback and facilitating learning and dissemination of project outcomes.

Impact Research has extensive experience in customer engagement activities in the utilities industry, particularly in the electricity sector, and specifically on Low Carbon Networks Fund projects. It will draw on this expertise to maximise positive outcomes from the various customer engagement activities. Any direct customer contact occurring during this project is expected to be limited to interactions with Impact Research.

A further project partner and a project supporter will also contribute to Avatar; however neither is expected to have direct contact with customers:

Schneider Electric (project partner) will contribute to the development of a blueprint for integrating the bespoke customer service solutions, which will be evaluated and refined as part of this project, with network control and information systems.

DXC Technology (project supporter) will support the project team by deploying proven methods in data discovery, digital transformation and innovation to develop a set of bespoke prototypes, offering potential customer service solutions, which will be subject to customer evaluation.

4.4 Quality assurance

Project Avatar is supported internally by Electricity North West's executive leadership team (ELT) and the future networks steering group (FNSG), which comprises members of the ELT and oversees the company's future grid activities. The FNSG will have ultimate oversight of the project's strategic direction and will receive regular updates on its progress.

The project will be undertaken in accordance with Electricity North West's governance and project management approach. This will ensure:

- Continued quality assurance of customer engagement outcomes across the life of the project
- The deliverables are of the highest quality and that any deviation is quickly rectified.

4.5 Feedback and review

In accordance with Sections 4.6 to 4.10 of the Electricity Network Innovation Allowance Governance Document version 2, this CEDPS will be submitted to Ofgem to comply with customer protection requirements. This document specifies how Electricity North West and its project partners/supporters will interact with or affect relevant customers where any form of engagement is undertaken as part of the project.

This CEDPS is the starting point for communication with customers throughout Project Avatar (between October 2016 and December 2020). The following sections briefly summarise the communication strategies that are proposed throughout the project. The project partners/supporters will adhere to this CEDPS and its basic principles. However, there may be a need to review the plan as the project progresses to reflect feedback and lessons learned.

4.6 Customer interaction

Project Avatar will develop survey instruments and associated educational materials to provide information and context to customers actively engaged in this research. This information will be published on Electricity North West's website and will be made available to customers. Customer will be engaged as follows:

Project Avatar will elicit both classification data (including demographic, socioeconomic, geographic, psychographic and behavioural data). It will seek opinions on customers' current functional and emotional servicing needs, unmet needs and future expectation along with perception about the acceptability and appeal of the developed bespoke solutions.

Customers will be able to use a range of methods, as specified in Section 5.2, to contact the project team. The project team may use the results of such feedback to amend processes.

Vulnerable (priority service register) customers

Electricity North West already maintains a PSR of customers who have special requirements or who may be vulnerable during a power outage. This register enables the company to provide extra services to vulnerable customers along with assistance and support if required.

Vulnerable customers will be able to contact the project team using the methods outlined in Section 5.2.

4.7 Customer groups

Customers involved Project Avatar will fall into two distinct groups:

- ECP / dept interview participants
- Survey respondents.

Customers who agree to participate in either an ECP, depth interviews or surveys will be fully informed about how their data will be used and shared before taking part, irrespective of the initial contact method. They will also be advised that their personal data will not be included or shown in any customer survey analysis. Participants will be asked to sign a consent form, and by doing so will agree to their information being used for the stated purpose. This process is defined in further detail in Section 11.

4.7.1 ECP and customer depth interviews

An ECP will be convened during Phase 2 of the project to explore customers' perceptions and understanding of Avatar-related issues, their needs and expectations and their views about the initial prototype solution(s).

It will comprise a number of separate focus groups, each one representing a key customer segment, such as domestic, commercial, urban, rural and Millennials. This approach has been used successfully in previous engagement activity with Electricity North West customers to explore complex concepts and encourage informed discussions.

Supplementary depth interviews will be conducted during Phase 2 to elicit feedback from hard-to-reach customer such as vulnerable customers.

How the project will engage and recruit customers for the ECP and depth interviews

Impact Research will recruit customers for the ECP and depth interviews:

- By telephone, using data provided by Electricity North West's from its customer database
- Via face-to-face, on-street or doorstep recruitment in specific locations using professional interviewers
- Through publically available sources such as internet research, communities and blogs.

Participants are likely to be geographically clustered as part of a stratified sampling technique to enable easy access to a range of meeting venues that represent both urban and rural areas. Meetings will be led by a professional, independent moderator.

Eligibility criteria to take part in the ECP and depth interviews

Customers will need to meet specific eligibility criteria to be accepted into the ECPs, which will include the following:

- Domestic customers must be resident in Electricity North West's operational area. Commercial customers must be based at premises located in the licensed region and be customers of Electricity North West.
- They must be the person wholly or jointly responsible for paying the electricity bill for a domestic property or in a management position at an organisation occupying commercial premises. This criterion will be relaxed for the millennials sample due to the proportion of individuals, in this age range, likely to reside in the family home without responsibility for paying utility bills.
- They must be available for and agree to participate in all of the Phase 2 ECP meetings.

- They must not be an employee of a company or organisation that operates in the electricity industry (eg a regulator, DNO, electricity supply company, network operator, contractor or consultant).
- They must agree to the terms of the research and sign/opt in to a confidentiality agreement stipulating that the images, material and information presented as part of the market research study ('content') are proprietary materials and agree that they will not copy or directly or indirectly use or disclose to anyone any of the content, for any purpose other than participation in the market research study. This confidentiality agreement is part of the customer engagement consent form that can be found in Appendix A.

Administration of the ECP and depth interviews

Customers recruited into the ECP will be sent information about the project and confirmation of details regarding the ECP sessions (eg date, time and place, and what the meeting will involve) in advance of each one taking place. This information will be sent by email to the customer unless they request that it is sent by alternative means (eg post or fax). Customers recruited for the depth interviews will also be sent all pertinent information in advance of the interview and in their preferred format.

The ECP and depth interviews will be exploratory in nature and will be conducted by a professional, independent moderator who will ask semi-structured questions relating to a predefined list of topics. Full details of how the ECP meetings and depth interviews will operate/be administered are documented in the Project Avatar methodology statement.

How will customers be engaged following the ECP/depth interview?

Customers participating in the ECP or a depth interview will be provided with an appropriate monetary incentive for their involvement in the research. This will be provided in cash immediately after each meeting of the ECP or following a depth interview. In addition, participating customers will be given a letter thanking them for their participation.

Any publishable materials such as project reports will be posted to the project webpage, accessible via Electricity North West's website for wider dissemination to the ECP and any other customers interested in Project Avatar. ECP participants will be provided with the website address as part of their introductory information pack.

4.7.2 Customer survey

The customers recruited to participate in the customer surveys will include a statistically robust representation of the diverse composition of Electricity North West's population.

Customers will predominantly respond to the survey online. In conjunction with the ECP methodology, customers who may be more challenging to engage, eg vulnerable customers will be offered a telephone or face-to-face interview to improve their likelihood to respond and allow them to ask questions about the project. Customer consent will be sought before entering any premises to conduct a face-to-face interview. This will be in the form of an introductory question requiring the customer's confirmation that they are happy to be engaged for the purpose of participation in Avatar research. If verbal consent is granted, and the customer indicates they are happy for the interviewer to enter their premises, a signature will first be obtained.

Personal data collected during the survey will include demographic information such as:

- Age
- Gender
- Customer vulnerability
- Business type

- Geographical location
- Electricity consumption data
- Energy affordability.

Customers who agree to participate in the survey will be fully informed about how their data will be used and shared before taking part, irrespective of the initial contact method. They will also be advised that their personal data will not be included or shown in any customer survey analysis. Participants will be asked to sign a consent form and by doing so, will agree to their information being used for the stated purpose. A draft of the consent form is provided in Appendix B.

Survey participants will be recruited by Impact Research from either Electricity North West's customer database or via online panels of individuals who have previously agreed to participate in research of this nature. Participants who self-administer the customer survey online will have previously completed a double opt-in process when registering to take part in market research surveys. The double opt-in process is explained further in Section 9.2.2.

The survey instruments will be piloted with a small group of customers before the main survey is administered. This approach is a direct learning from customer engagement in previous innovation projects and will ensure that the final survey instrument is sufficiently robust to attain credible outputs.

4.7.3 PSR and vulnerable customers

Electricity North West appreciates that some of its customers have additional requirements due to disability, being elderly, having a chronic illness or other forms of vulnerability. The company has a strong history of promoting safety and security at the homes of these vulnerable customers. Among other things, the company maintains a PSR of customers who have special requirements or who may be vulnerable during a power outage. The register enables the company to provide appropriate assistance to these customers where required.

The project team will use this register to identify vulnerable customers willing to participate in this research. Impact Research will be advised only that a Meter Point Administration Number (MPAN) has been assigned a PSR marker. No information relating to any particular vulnerability within the household will be shared. If a vulnerable customer wishes to participate, any information they provide about their vulnerability will be on a voluntary basis, and any such information will only be utilised at an aggregated level for analysis.

These customers will be initially contacted by telephone. However, they (or persons nominated by the vulnerable customer to act on their behalf) will be offered a face-to-face interview in the comfort of their homes.

Certain vulnerable customers, who consent to take part in this research, may find the online survey preferable to an individual depth interview. Other, alternative means of administering the survey will be available for vulnerable customers, which include on line, supported by simultaneous telephone support. These customers will be provided with details of the alternative methods of administering the survey during the recruitment phase.

The Project Avatar team and its project partners will adopt appropriate measures in all engagement with vulnerable customers to ensure that the project is suitably introduced and its aims fully explained, and, critically, that these customers perceive no undue pressure to participate in any element of the research. A full suite of supportive and explanatory information will be produced and will be available in alternative formats such as audio, large print, Braille or minority languages on request.

It is expected that some vulnerable customers who are not currently registered on the PSR may be identified in the survey from their responses. These will be included in the aggregated subgroup analysis. These individuals will also be provided with information about the PSR and details of how to register, should they feel they are eligible.

Throughout Project Avatar, any potential effects on vulnerable customers will be kept to a minimum. Interviewers will have access to details of PSR services available to customers and details of how to contact the Project Avatar team with any queries or concerns. Survey materials will also include similar information.

If an enquiry or complaint is received from a PSR or vulnerable customer concerning any aspect of Project Avatar, the project team will investigate and resolve the enquiry as a matter of urgency. Response times will be a maximum of ten working days, in line with Electricity North West's standard practice.

This research project does not involve the installation of any equipment or any other intervention works at customer premises or on the network. Therefore it is not expected that any customers, including vulnerable customers registered on the PSR, will experience negative effects associated with power quality or continuity of supply as a result of Project Avatar. There are consequently no plans to specifically contact PSR customers, as part of a targeted or general campaign, to discuss their individual requirements. Any PSR customers who agree to participate in the ECP, depth interviews or customer surveys will be consulted to determine how their unique requirements influence their engagement preferences.

4.7.4 Wider electricity customers

The outcome of Project Avatar has the potential to provide benefits to all electricity consumers in terms of targeted, efficient and smarter investment in bespoke solutions that are accepted by customers, better meet their needs and improve customer service.

Recognising these wider implications, the project team will make relevant information available in the public domain, presented in a manner that is easily understood by customers. It will also share findings and project outcomes with key stakeholders. The range of tools that will be applied will include the following:

- **Electricity North West's website**
The Project Avatar webpage will provide a library of published materials and other resources relating to the project
- **Knowledge sharing**
Learning and outcomes will be shared with organisations that have a specific interest in consumer and energy issues as part of the project's knowledge dissemination activities. These will include Ofgem, the Energy Networks Association (ENA) and other DNOs.
- **Other communications channels**
An overview of Project Avatar and the outcomes of the research will be shared periodically with the wider Electricity North West community via articles submitted in its internal company magazine, newsletters and website.

4.8 Consultation and dissemination

DNOs, project partners, interested parties and stakeholders

Electricity North West will work with its project partners to disseminate the learning objectives of the project and seek feedback from interested parties identified during the course of the research.

The project team will provide regular updates on Electricity North West's website. They will share project outcomes with key stakeholders and other interested parties. All interested parties will be able to contact the project team with any enquiries about the research via the communication channels outlined in Section 5.2.

4.9 Incorporating learning from previous customer engagement

The techniques that will be used to engage with customers during this project draw heavily on previous Electricity North West customer engagement activities, some of which have been described in this document. Based on this experience, the project team is confident that it can successfully explain the role of DNOs within the wider electricity industry; the low carbon agenda and drivers for innovation, along with the nature and objectives of this project. This will underpin the introduction of relevant concepts that will enable customers to make an informed evaluation of project materials. The insight developed from previous experience of customer engagement in electricity innovation will ensure that the set of questions presented in the survey will support the most accurate method of quantifying reactions to the bespoke customer service solution(s).

5 CUSTOMER STRATEGY AND CUSTOMER RELATIONS

5.1 Customer strategy

Project Avatar will require engagement with all groups of customers outlined in Section 4.7. The underlying customer strategy will be to:

- Engage with customers on an ongoing basis throughout the project to ensure that the customer experience remains a positive one
- Consider the needs of any vulnerable customers identified on the PSR who are affected by the project.

5.2 Customer relations

Customers and stakeholders who require further information about Project Avatar can access this in the following ways.

Website

Electricity North West's website will be the hub for all information relating to the project. It will provide general information and key project documents.

Enquiries

Customers can ask questions or raise queries related to the project by using the following channels.

Telephone

Electricity North West's customer contact centre (CCC) is continuously staffed and operates 24 hours a day on 0800 195 4141. This line provides a specific interactive voice response (IVR) option available for all smart grid and low carbon enquiries.

Written correspondence

The Project Avatar team will handle written enquiries from customers and stakeholders sent to the following address:

Project Avatar team
Electricity North West Limited
Frederick Road
Salford
M6 6QH

Alternatively, customers can email queries or requests for further information to the project team at Innovation@enwl.co.uk. Response times will be in line with Electricity North West's standard practice, ie a maximum period of ten working days.

Information for interested parties

Electricity North West's website will be updated with relevant information, and learning outcomes from the project will be shared with stakeholders and other interested parties throughout the project.

Alternative formats

Customer engagement materials generated for Project Avatar will be available, on request, in alternative formats such as large print, audio, Braille or minority languages.

5.3 Customer enquiries and feedback

Electricity North West's CCC and wider business will be educated about Project Avatar and the project team will implement a process to capture and record any queries or concerns raised by customers relating to this research. This will ensure that all enquiries are handled promptly, appropriately and resolved to the satisfaction of the customer. All customer feedback will be acknowledged. It is anticipated that any customer enquiries will be resolved during the initial contact. However, those that are not resolved at the first point of contact will be managed centrally by the Project Avatar team, in line with Electricity North West's standard response times.

The available communication channels through which customers can make enquires are set out in Section 5.2.

5.4 Complaints

During recruitment, the ECP, survey participants and those taking part in depth interviews will be provided with a general enquiries telephone number, postal address and email for their ease of reference.

The complaints procedure for research participants is included in the customer consent forms in Appendices A and B.

5.5 Communication plan – Avatar research participants

The range of tools that will be used to engage and communicate with Avatar research participants has been outlined in Section 4.

Once the surveys have been administered in Phases 4 and 5 of Project Avatar, findings will be subject to peer review by an external third party to substantiate the results.

5.6 Feedback from DNOs, the project partners and interested parties

The Avatar customer engagement process is expected to result in key lessons being learned about how to engage customers effectively, which will add to learning achieved in previous innovation projects. As part of the project's learning and dissemination activities, lessons learned and outcomes will be shared with industry stakeholders and interested parties, including other Ofgem, the ENA and other DNOs.

Partners, stakeholders and other interested parties will be invited to provide feedback on the dissemination of customer engagement learning outcomes. This feedback may be used to revise plans throughout the life of the project, to continuously improve the engagement strategy.

6 NEXT STEPS

This document sets out Project Avatar's approach for communication and engagement with customers throughout the project. The project partners will adhere to the plan and the basic principles outlined.

Appendix C summarises the activities outlined in this plan to engage customers in Project Avatar and their respective scheduling.

There will be ongoing learning as the project progresses, and the plan will therefore be reviewed regularly to reflect any feedback and adapt to lessons learned. The ENA will be consulted before any material changes are made to the original approach, as outlined in the project's registration document.

In line with the vision of the NIA, all outputs and learning acquired from customer engagement activities will be made available to other DNOs.

7 THE ROLE OF DATA IN PROJECT AVATAR

Customer data will be collected during the project to enable robust analysis of the bespoke customer service solution(s) to assess variations in perception, need, behaviour and satisfaction by customer segment. The following steps will be taken:

- Existing Electricity North West customer data will be utilised in order to contact and recruit customers to take part in the customer surveys.
- New data will be collected during the administration of the customer survey when answers to the classification, perception and attitude-based questions are recorded.

The project methodology requires only minimal use of and need for personal data.

The types of data that are relevant to Project Avatar are described in greater detail in the subsequent sections.

7.1 The time period during which data will be collected in the Project Avatar

Project Avatar will take place between October 2016 and December 2020, and data will be collected from customers during this period.

8 DATA PRIVACY

To develop a comprehensive understanding of customers' current and future attitudes, behaviours and needs when interacting with a DNO, a range of data (including some personal data) will be collected during the life of the project. This document describes how personal data will be managed, and summarises the steps that will be taken to comply with the Data Protection Act (DPA) 1998. This statement also addresses the specific points set out by Ofgem in paragraph 4.10 of the Electricity NIA Governance Document v2.

The key points of the Project Avatar data privacy statement are outlined below.

- Electricity North West has a robust data protection policy that integrates a 'privacy by design' approach as advocated by the Information Commissioner's Office (ICO). This policy outlines the standards and procedures required for the processing and protection of personal data contained within manual files and on computerised systems to comply

with the DPA 1998. All personal data collected or used in Project Avatar will be managed in accordance with this policy.

- Some personal data (customer names, addresses, profile classifications, MPANs and PSR markers) that is already held by Electricity North West will be used to identify and recruit customers to participate in ECPs, depth interviews and customer surveys. This personal data is held as part of day-to-day operations in the CCC to help identify customers and provide 'business as usual' services such as fault management and proactive updates, and also for informing customers about planned supply interruptions. All such personal data held by Electricity North West is stored in a secure, confidential and appropriate manner.
- Impact Research will use this data to recruit customers for the research in strict compliance with all requirements of Electricity North West's data protection policy, as described above.
- The results from the analysis of the ECP group discussions, depth interviews and customer survey will enable Electricity North West to disseminate information about Project Avatar. All responses will be shown in an anonymised manner, eg aggregated by customer segments. Therefore, no personal data will be accessible in the public domain in reports containing the survey results.
- As part of the administration of the surveys, the scope, objectives and importance of the project will be explained to customers, who will be informed that survey results will only be shown in an aggregated manner.
- Consent for use of customers' personal data for the purpose of this project will be obtained as part of the ECP and survey recruitment process (see Appendices A and B).
- Electricity North West maintains a PSR of customers who are vulnerable or who may be reliant on electricity for medical reasons. This is classified as 'sensitive data' by Electricity North West and access to this data is restricted.
- Project Avatar is not expected to have any adverse impacts on vulnerable customers. However, all customers – including those registered on the PSR – participating in Avatar customer research will be provided with contact details for the project team. The team is contactable via a range of methods as outlined in Section 5.2.

9 DATA BEING COLLECTED

9.1 What is 'personal data'?

The following definitions are taken from the DPA 1998.

'Personal data' is defined as any information that is capable of being used to identify a living individual.

In addition to name, address and contact details, this could include individual preferences, transaction history, records of activities or travel, profiles or credit scores.

'Sensitive personal data' is defined as personal data that relates to any of the following:

- Racial or ethnic origin
- Political opinions
- Religious or other similar beliefs

- Trade union membership
- Physical or mental health
- Sexual life
- Criminal convictions or proceedings.

9.2 What personal data is Electricity North West processing for Project Avatar?

Electricity North West holds relevant personal data about its customers such as names, addresses and details of their electricity connection, equipment and consumption. The company also maintains a PSR of elderly and other vulnerable customers. In the majority of cases, only data that is relevant to the customer's electricity supply is held. The only sensitive personal data held is in relation to customers who are registered as reliant on electricity for a medical need. Electricity North West is registered on the ICO Data Protection Public Register, Registration Number Z5419068.

Activities that will be undertaken during Project Avatar that may involve measurement and/or data collection are outlined below.

9.2.1 Engaged customer panel

The purpose of the ECP is documented in Section 4.7.1. It is envisaged that ECP members will be recruited by telephone using customer data provided by Electricity North West.

Electricity North West will provide Impact Research with a limited amount of personal data (addresses and contact details) derived from the MPAN database to facilitate ECP recruitment. Impact Research will keep a log of customers who do not wish to be contacted for market research purposes and will share this log with Electricity North West.

ECP recruitment may also be facilitated through alternative methods such as those described in Section 4.7.1, which do not require prior access to personal data. Impact Research will obtain appropriate personal data with participant's explicit consent and only use the data collected for research purposes.

Following the convening of the ECP, no further personal data will be collected. Any personal data stored as part of this engagement activity (customer names and contact details) will not be shared with any organisations outside Electricity North West. Feedback from the interviews will be anonymised.

ECP participants will be informed of the objectives and method of the research, what data will be collected from them and how it will be used and stored. They will be required to provide written consent to their information being used for the stated purpose prior to their participation, including consent to the interview being recorded by a voice recording device or by means of electronic notes. Consent for use of customers' personal data will be obtained as part of the recruitment process (see Appendix A).

9.2.2 Customer surveys (including pilot surveys)

The administration of the customer surveys to be undertaken for Project Avatar is documented in Section 4.7.2.

Personal data (addresses and contact details) of customers within Electricity North West's operating region will be passed to Impact Research to enable it to recruit participants and conduct these customer surveys. This information will be derived from the customer MPAN database.

Participants will also be recruited via a panel of online respondents who are familiar with and regularly participate in surveys of a self-completion nature. Participants who self-administer the customer survey online will have previously completed a double opt-in process when registering to take part in market research surveys. A double opt-in refers to the process by

which a check is made to confirm that the person joining a panel or database wishes to be a member and understands what to expect (in advance of participating in an actual survey). Those who take part in this manner will be provided with further information about how their data will be used and shared, and asked to digitally indicate their acceptance before completing the survey. No further personal data will be collected during the surveys. Impact Research will keep a log of customers who do not wish to be re-contacted in the future for market research purposes, and will share this log with Electricity North West.

Survey participants will be asked to confirm if they or other members of their household have a vulnerability and specify the classification/s of vulnerability (such as reliance on medical equipment). This 'sensitive' personal data will be collected and analysed at an aggregated level to segment need by customer type and assess the acceptability of the Project Avatar solution(s) and blueprint for customers with individual requirements. Customers will have the opportunity to opt out of providing sensitive data and doing so will not prevent their ability to participate in the research. Any sensitive data obtained as part of Project Avatar will not be shared with any organisations outside Electricity North West, and all survey results will be anonymised.

Some of the quantitative surveys will be administered by a professional interviewer in the comfort of the customer's own premises. Participants who are interviewed at their own premises will be asked to sign a consent form and, by doing so, will consent to providing access to a professional interviewer and agree to their information being used for the stated purpose. Consent for use of customers' personal data and entering a customer's premises will be obtained as part of the recruitment process (see Appendix B).

Any customer data will be treated in confidence in accordance with the Code of Conduct of the Market Research Society. This means that all of the information collected will be used for research purposes only, and it will not be possible to identify any particular individual or address in the results. Impact Research is registered on the ICO Data Protection Public Register, Registration Number Z2226132.

9.2.3 Priority service register customers

There is a requirement in the Project Avatar methodology statement for a sample of PSR customers to be targeted specifically to take part in the customer surveys, although no information relating to any particular vulnerability within the household will be shared with Impact Research or other project partners or supporters.

The following personal information will be extracted from Electricity North West's existing customer database and used for the purpose of recruiting PSR customers for customer survey participation: names, addresses and PSR markers of customers within Electricity North West's operating region.

No 'sensitive' personal data will be passed to organisations outside Electricity North West.

9.2.4 Vulnerable customers

As outlined in Section 9.2.2, questions will be included in the survey to assess whether any vulnerable customers reside at the property. This set of questions will help the team ascertain any potential differences in acceptability bespoke customer service solution(s) in this customer group compared to other customer segments.

If a vulnerable customer agrees to participate in the customer survey, any information regarding their vulnerability will be provided on a voluntary basis. Any such information gathered during the customer survey will only be used at an aggregated level for analysis and will not be passed to organisations outside Electricity North West.

Impact Research, which is a Company Partner of the Market Research Society, will abide by the guidelines shown in Figure 9.1 with respect to recruiting customers into the customer engagement activities.

Figure 9.1: Market Research Society guidelines and the Project Avatar customer engagement process

Market Research Society guidelines	Project Avatar customer engagement process
<p>Members must ensure that participants give their informed consent where personal data is collected directly from them.</p>	<p>Customers will be briefed on what personal data is required, why it is required and how it will be stored. Customers will then be asked to sign (or 'click' to proceed with the online survey) a consent form to confirm their acceptance.</p>
<p>Members must ensure that they have a fair and lawful basis for the collection and processing of personal data from sources other than the data subject themselves.</p>	<p>Impact Research will process personal data supplied by Electricity North West in the form of an MPAN customer database. Data will be handled fairly and lawfully in line with the DPA 1998 and customers will be given the opportunity to opt out of future communications relating to market research.</p>
<p>Members must ensure that participants are provided with sufficient information to allow informed consent to be given. This includes:</p> <ol style="list-style-type: none"> a. The name of the organisation or individual responsible for data collection b. The general subject of the data collection c. The purpose of the data collection d. Whether the data collection is to be recorded and/or observed e. Who is likely to have access to live or recorded information f. The likely length in minutes of the data collection, if asked g. Any costs likely to be incurred by the participant h. An assurance that the activity is being conducted in accordance with the Market Research Society Code of Conduct. 	<p>Customers will be provided with a consent form that supplies sufficient information, drafts of which are included in Appendices A and B.</p>
<p>Members must ensure that the anonymity of participants is preserved unless participants have given their informed consent for their details to be revealed or for attributable comments to be passed on.</p>	<p>Impact Research supports and enforces ISO 20252 quality standards and the guidelines in the Market Research Society's Code of Conduct in all its customer engagement. Following these protocols will enable the documentation of evidence that the anonymity of participants has been protected, unless informed consent has been acquired.</p>

Market Research Society guidelines	Project Avatar customer engagement process
<p>Members must take reasonable steps to ensure that anonymisation is effective, with reference to developments in technology and to the data environment into which data is released.</p>	<p>Audio recordings created at ECP meetings or during depth interviews will not be used for purposes other than research, such as promotion or direct sales activities. They will be dated, and deleted at the latest two years after the research is completed. In exceptional cases, the audio recording will be listened to and/or the transcription will be read by Electricity North West employees working on this project. In these circumstances, Impact Research will go through the recordings first to delete any references to people's names or anything else that could identify them.</p>
<p>If participants have given consent for data to be passed on in a form that allows them to be personally identified, members must:</p> <ol style="list-style-type: none"> Demonstrate that they have taken all reasonable steps to ensure that the data will only be used for the purpose for which the data was collected Inform participants as to what will be revealed, to whom and for what purpose. 	<p>Draft consent forms are included in Appendices A and B. This informs participants about what information will be revealed, to whom and for what purpose. Electricity North West is committed to using the data only for the agreed purpose of contacting customers (where informed consent has been obtained) to engage them further about Project Avatar.</p>
<p>Members must ensure that a participant's right to withdraw from a project at any stage is respected.</p>	<p>Impact Research will give all customers with whom it engages the opportunity to opt out of engagement and/or future communication regarding Project Avatar. In doing so it will keep a log of customers that have opted out and share this with Electricity North West.</p>
<p>Members must take reasonable steps to ensure that the following activities do not take place before 9am Monday to Saturday, 10am Sunday or after 9pm any day, unless by prior agreement:</p> <ol style="list-style-type: none"> In-person visits to private homes Calls to household landline telephone numbers Calls to mobile telephone numbers Messages via SMS or other direct message facilities to mobile telephones. 	<p>Impact Research follows the guidelines suggested by the Market Research Society, with the exception that it has a lower threshold of no engagement taking place beyond 8pm. Engagement relates to:</p> <ol style="list-style-type: none"> In-person visits to private homes Calls to household landline telephone numbers Calls to mobile telephone numbers Messages via SMS or other direct message facilities to mobile telephones.

A list of data items being processed in connection with Project Avatar is detailed in Appendix D.

10 HOW PERSONAL DATA WILL BE UTILISED

The project will utilise names, addresses, profile classifications and the PSR marker of customers from the existing Electricity North West customer database to contact a sample of

customers to ascertain whether they would be willing to participate in the Project Avatar ECP, a depth interview and/or customer surveys.

Electricity North West will not pass names, addresses or any other personal customer data to third parties other than to those partners who have a specific need for this information as part of the project. All project partners are committed to adhering to the DPA as part of their contractual obligations.

The customer's location will be provided by reference to a substation name and number, circuit reference, MPAN and premises address.

Aggregated data and the results of the research will be shared with interested parties, as part of disseminating the learning and outcomes, at the end of the project. These stakeholders are likely to include Ofgem, the ENA, other DNOs, and electricity suppliers. There will be no personal data included in any data shared with interested parties or published for general readership. No personal data will be provided to any third parties for marketing or any other activity. Electricity North West will not use personal data or any information collected in connection with the project to market any products or services to customers.

11 OBTAINING CONSENT FOR THE USE OF PERSONAL DATA

Customers' participation will be through their agreement to take part in the ECPs or customer surveys. Customers who agree to participate will be fully informed by Impact Research about how their data will be used and shared before signing up. Customers will be asked to sign a consent form, and by doing so will agree to their information being used. Drafts of the relevant consent forms are detailed in Appendices A and B.

Impact Research will also inform customers that their personal data will not be included or shown (in a disaggregated manner) in any customer survey analysis.

12 INFORMATION PROVIDED TO THE CUSTOMER PRIOR TO CONSENT BEING SOUGHT

A sample of Electricity North West customers will be approached and asked if they wish to participate in the ECP, depth interviews or customer survey. Customers who agree to participate in any form of customer engagement will be fully informed about how their data will be used before signing up and completing a consent form.

12.1 Priority service register and vulnerable customers

The approach for engaging vulnerable customers who may or may not be registered on the PSR and who consent to participate in the ECP, surveys or any other form of customer engagement associated with this project, is outlined in Section 4.7.3 of this document. Any information relating to PSR customers that is gathered during this project will only be used at an aggregated level for analysis.

13 OWNERSHIP OF PERSONAL DATA

Personal data collected by or on behalf of Electricity North West will be owned by the individual to whom it relates and held by Electricity North West.

Personal data provided by third parties will be owned by the individual to whom it relates and held by third parties and Electricity North West.

14 RETAINING PERSONAL DATA

Electricity North West will retain its existing database of customers' names, contact details and PSR statuses, as this is held for normal business purposes to provide electricity distribution services to customers. Data is stored in a secure, confidential and appropriate manner. It will only be retained while relevant and only disclosed to third parties where appropriate or with explicit consent.

More detailed information on the storage and retention of data is included in Appendix D.

Electricity North West will not retain any other personal data collected during the project beyond the life of the project.

Only anonymised technical data will be retained. This will not contain any personal data.

Impact Research will collect data from various customer groups through a number of qualitative and quantitative customer surveys. This data will be used to undertake analysis to assess participants' perceptions of the bespoke customer service solution(s). Customers who participate in any customer engagement with Impact Research will be fully informed about how their data will be used when they sign up. All data will be stored in a secure, confidential and appropriate manner and will be accessible only to the Project Avatar team for the duration of the project. All data relating to the project will be retained until completion of the project, when it will be destroyed or anonymised.

15 MANAGING PERSONAL DATA BASED ON THE PRIVACY BY DESIGN APPROACH

Electricity North West will continue to manage its existing database of customers' names, contact details and PSR statuses in accordance with the ICO Data Protection Public Register.

Electricity North West's IT systems are secure and managed in line with the principles of ISO 27001. Data is managed according to the company's IT security policies. The policies are reviewed annually and employees are regularly reminded of their responsibilities.

This project complies with Electricity North West's existing data protection policy, which is based on the DPA's eight principles of information handling. Electricity North West is registered with the UK ICO for the use of personal customer data.

Project Avatar has taken account of the principles of privacy by design and the DPA as follows:

- The potential impact of the project on the privacy of individuals has been assessed to ensure that data privacy is integral to the design of the Project Avatar methodology and to minimise the risks to privacy as a result of processing personal data. One of the main objectives has been to minimise the requirement to collect, process or show personal data in connection with the project.
- Personal data about individuals involved in the project will be processed in accordance with existing systems and business practices.

- The project will respect the interests of customers by providing appropriate information about required data as part of the project, with whom the data will be shared and for what purpose it will be used.
- The project approach recognises the need for privacy of customers' data in addition to the need to understand variations in perception, need, behaviour and satisfaction by customer segment now and in the future.
- When data collected is shared with partner organisations in connection with the project, it will only contain customer names, addresses and data that is specifically required for the execution of their project roles. Data will be shared using secure means such as secure file transfer and file encryption. Its use, retention, security and confidentiality will be restricted in written contracts.
- Any personal data collected during the project will be securely retained or destroyed. Electricity North West has appropriate security and organisational procedures in place, which will support the robustness of data collection and storage systems.

Personal data will not be passed to third parties for marketing purposes.

APPENDICES

Appendix A: Customer engagement consent form

You may find the following questions and answers helpful in understanding what data will be collected from you and how it will be used. **Please read this information and indicate your consent at the bottom of the form.**

Who is Impact Research?

Impact Research is an independent market research agency whose registered address is 3 The Quintet, Churchfield Road, Walton-on-Thames, Surrey, KT12 2TZ.

What is the purpose of market research?

Market research attempts to generate understanding and knowledge about customer behaviour within it, by gaining information (data) from specific samples of customers and extrapolating results to the population as a whole.

Market research is scientifically conducted research where the identity of respondents and all personal data they give to the researchers are kept fully confidential and cannot be disclosed or used for any non-research purpose.

Market research is not a commercial communication or a selling opportunity. Market research has no interest in the individual identity of respondents.

What information will you share with me?

Information regarding the prototype bespoke customer service solution(s) will be shared with you. The images, material and information you will see as part of this market research study ('Content') are proprietary materials and are protected by applicable domestic and international copyright laws.

By agreeing to take part in this study and indicating your acceptance below, you agree that:

- You will not copy or directly or indirectly use or disclose to anyone any of the Content for any purpose other than participation in this market research study
- You understand that it is important that the materials' content, design, appearance and characteristics remain secret.

What data will you collect from me?

You will be asked to provide Impact Research with your contact details so that we are able to confirm your attendance at the focus group meetings.

You will also be asked to take part in two group discussions and share your perceptions, attitudes and behaviour with respect to the electricity supply at your property.

How will data be collected and stored?

The group discussion or interview you take part in will be:

- Audio recorded
- Video recorded
- Observed by people in the room or from another room/location.

Will data be shared with third parties?

The Data Protection Act 1998 requires that Impact Research collects and uses the information you provide to it in a manner that respects and protects your confidentiality. Your personal details (name, address, phone number) will not be disclosed to any other third parties without your permission.

In most cases the audio and video recordings will be heard/watched and the transcription read **only by the transcriber and researchers from Impact Research** for research purposes. Excerpts from the transcripts or tapes may be used to illustrate the research findings. This will always be done in such a way as to protect your identity (eg comments will not be attributed to you personally).

The tapes will not be used for non-research purposes such as direct sales activities. The tapes will be dated, and deleted at the latest two years after the research is completed.

In exceptional cases the audio tape will be listened to/the transcription read/the video tape watched by Electricity North West employees working on this project. Anyone from Electricity North West who reads the transcript or listens to/watches the audio/video tape will sign an undertaking that they will respect the anonymity of those taking part. Any other material or information generated by you, such as ideas written down on paper, will be subject to the same strict controls.

We would like to ask your permission to use soundbites and/or video footage from the group discussions at industry learning events about this project. This may range from anonymised sounds bites of what people at the groups were saying, to actual clips from the video recording.

You will not be identified by name or by the name of the company you work for. It will not be possible to protect the anonymity of those who can be seen or heard in the video footage eg by blurring out people’s faces.

The tapes will not be used for commercial purposes, such as promotion or direct sales activities. Are you happy for us to use:

Audio clips of your comments	Yes	No
Video clips of your comments	Yes	No

How can I make an enquiry or log a complaint?

If you have reason to make an enquiry or complaint you can use the following process to let us know.

How to contact us

The easiest and quickest way to resolve a complaint is to telephone us and ask for a member of the Project Avatar team, Monday to Friday 9.30am to 5.00pm, on: 01932 226 793.

Alternatively, if you are unable to telephone or would prefer to write, you can contact us by post using the addresses detailed below, or by email.

Address: Impact Research Ltd, 3 The Quintet, Churchfield Road, Walton-on-Thames, Surrey, KT12 2TZ.

Email: info@impactmr.com.

The Market Research Society is the regulatory body for market research. If you would like to check the validity of this research or seek reassurance that Impact Research is a responsible organisation that will keep the information you give it safe, you can do so by calling the Market Research Society UK Freephone verification service free* on: 0500 39 69 99 or by visiting <http://www.theresearchbuyersguide.com/freephone/alpha/all>.

*Calls to Freephone made from outside the UK may incur charges.

If you are unhappy with the outcome having been in contact with the customer researcher, you can contact Electricity North West by using the following channels.

Telephone

Electricity North West’s customer contact centre (CCC) is continuously staffed and operates 24 hours a day on 0800 195 4141. There is a specific interactive voice response option available for all smart grid and low carbon enquiries.

Written correspondence

The Project Avatar team will handle written enquiries from customers and stakeholders sent to the following address:

Project Avatar team
Electricity North West Limited
Frederick Road
Salford
M6 6QH

Alternatively, you can email queries or requests for further information to the project team at Innovation@enwl.co.uk. Response times will be in line with Electricity North West’s standard practice, ie a maximum period of ten working days.

I am happy to have the feedback I give through my participation attributed to me so that Electricity North West is aware that I have taken part in this market research.

Please circle: YES/NO

I am happy for Impact Research to get in touch with me again in the future to discuss the service I receive from Electricity North West for market research purposes.

Please circle: YES/NO

I am happy for my data to be passed on to Electricity North West so they can discuss with me any aspect of my electricity supply in the future.

Please circle: YES/NO

I declare that I will not reveal any information I have received during the study, nor disclose anything about the prototype bespoke customer service solution(s).

Please circle: YES/NO

I agree that after the above explanation, I was given the option not to take part in the ECP if I had any reservations.

Name Signed

Date

Appendix B: Customer survey consent form

You may find the following questions and answers helpful in understanding what data will be collected from you and how it will be used. **Please read this information and indicate your consent at the bottom of the form.**

Who is Impact Research?

Impact Research is an independent market research agency whose registered address is 3 The Quintet, Churchfield Road, Walton-on-Thames, Surrey, KT12 2TZ.

What is the purpose of market research?

Market research attempts to generate understanding and knowledge about customer behaviour by gaining information (data) from specific samples of customers and extrapolating results to the population as a whole.

Market research is scientifically conducted research where the identity of respondents and all personal data they give to the researchers are kept fully confidential and cannot be disclosed or used for any non-research purpose.

Market research is not a commercial communication or a selling opportunity. Market research has no interest in the individual identity of respondents.

What information will you share with me?

Information regarding the prototype bespoke customer service solution(s) will be shared with you. The images, material and information you will see as part of this market research study ('Content') are proprietary materials and are protected by applicable domestic and international copyright laws.

By agreeing to take part in this study and indicating your acceptance below, you agree that:

- You will not copy or directly or indirectly use or disclose to anyone any of the Content for any purpose other than participation in this market research study
- You understand that it is important that the materials' content, design, appearance and characteristics remain secret.

What data will you collect from me?

You will be asked to provide Impact Research with your contact details so that we are able to re-contact you. We will only ever re-contact you for a specific purposes, should you agree to them at the end of this form.

You will also be asked to provide us with details about your household, such as the number of people living in your household. Any answer you give will be treated in confidence in accordance with the Code of Conduct of the Market Research Society. This means that all the information we collect will be used for research purposes only.

You will also be asked if you or anyone in your household has:

- A disability
- Medical equipment in the household
- Mobility problems
- A serious illness
- Visual or hearing impairment.

This sensitive personal data is asked in order to ascertain if customers falling into any of these categories have different dependency or perceptions regarding their electricity supply. You will have the opportunity to opt out of answering questions of this nature.

Should you or anyone in your household have any of the points listed above, we shall, with your permission, record this in our database, but we will not require you to disclose specific details such as the type of illness, medical equipment or medical history.

How will data be collected and stored?

Data will be collected through an online customer survey administered by a professional interviewer using an electronic device. The data will be stored in a secure restricted access database and not locally on the device.

Will data be shared with third parties?

The Data Protection Act 1998 requires that Impact Research collects and uses the information you provide to it in a manner that respects and protects your confidentiality.

Your personal data (such as name, address, phone number) will not be disclosed to any other third parties without your permission. Research data will not be personally attributed to individuals and shared with third parties without the former's explicit permission to do so.

How can I make an enquiry or log a complaint with Impact Research?

If you have reason to make an enquiry or complaint you can use the following process to let us know.

How to contact us

The easiest and quickest way to resolve a complaint is to telephone us and ask for a member of the Project Avatar team, Monday to Friday 9.30am to 5.00pm, on: 01932 226 793.

Alternatively, if you are unable to telephone or would prefer to write, you can contact us by post using the addresses detailed below, or by email.

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Alternatively, you can email queries or requests for further information to the project team at Innovation@enwl.co.uk. Response times will be in line with Electricity North West’s standard practice, ie a maximum period of ten working days.

Informed consent

I am happy to have the feedback I give through my participation attributed to me so that Electricity North West is aware that I have taken part in this market research.

Please circle: YES/NO

I am happy for Impact Research to get in touch with me again in the future to discuss the service I receive from Electricity North West for market research purposes.

Please circle: YES/NO

I am happy for my data to be passed on to Electricity North West so they can discuss with me any aspect of my electricity supply in the future.

Please circle: YES/NO

I declare that I will not reveal any information I have received during the study, nor disclose anything about the prototype bespoke customer service solution(s).

Please circle: YES/NO

I agree that after the above explanation, I was given the option not to take part in the customer survey if I had any reservations. I also agree that I authorised an interviewer to conduct the interview in my own property.

Name Signed

Date

Appendix C: Timetable of customer engagement activities

The schedule of planned customer engagement activities is as follows:

When	Activity	Earliest engagement commencement
Phase 1: Current trends and expert thinking	No engagement with customers	N/A
Phase 2: Exploratory research with customers	ECP and key customer depth interviews	October 2017
Phase 3: Developing prototypes	Engagement to further develop the prototype solution	February 2018
Phase 4: Quantifying customers' needs (segmentation survey)	Customer survey (including pilot surveys)	August 2018
Phase 5: Meeting customers' needs (proof of concept survey)	Customer survey (including pilot surveys)	November 2018
	ECP reconvened	March 2019

All key learning documents will be published on the Project Avatar webpage.

Appendix D: Data being processed for Project Avatar

Data item	Source of data	Is this personal data?	What is the purpose of processing this personal data?	Is this being passed on to a third party outside Electricity North West?
MPAN	Electricity North West customer database or provided by third parties*	Yes	To serve as a unique identifier and prevent duplication	Yes (to Impact Research)
Supplier name	Electricity North West customer database or provided by third parties*	No	n/a	No
Customer name	Electricity North West customer database or provided by third parties*	Yes	Customer engagement	Yes (to Impact Research)
Customer address	Electricity North West Customer database or provided by third parties*	Yes	Customer engagement	Yes (to Impact Research)
Customer profile classification	Electricity North West customer database or provided by third parties*	No	Customer engagement	Yes (to Impact Research)
PSR marker	Electricity North West customer database*	Yes	Customer engagement	Yes (to Impact Research)

* Customer data is provided to Electricity North West by electricity suppliers via secure data transfer mechanisms. Personal data is held on secure IT systems and utilised by the DNO to facilitate normal day-to-day operational activities. Other personal data may have been provided directly by customers, eg priority services register information.

* The project team will continuously assess the IT requirements for any prototypes against this document to check these are valid and permissible within the confines of this statement.

Appendix E: Electricity North West's data protection policy

Purpose

The intention of this policy is to define the responsibilities of both you and the company in adhering to legislation regarding data protection and to offer reassurances to you regarding the secure processing of your own and other individuals' personal data.

The policy outlines the standards and procedures for the processing and protection of personal data contained within manual files and on computerised systems, in order to comply with the DPA 1998. The Act regulates the use of personal data and gives effect in UK law to the European Directive on Data Protection. Failure to comply can ultimately lead to a criminal offence being committed, a fine to Electricity North West and consequential damage to the company's reputation.

Electricity North West holds two main types of personal data:

- Relating to workers and potential workers
- Relating to customers.

Scope

All computerised and manual records concerning current, former, permanent and temporary employees of Electricity North West and its associated businesses, and customers and the general public. In terms of recruitment and selection it also applies to all successful and unsuccessful applicants.

Policy statement

Electricity North West will process personal data in a manner that complies with the principles of good practice in the DPA.

Data will be stored in a secure, confidential and appropriate manner. It will only be retained while relevant and will only be disclosed to third parties where appropriate or with explicit consent.

All information held within company computer systems are subject to the information technology security policies. Copies of these policies are available from the Volt.

Failure to process personal data appropriately could result in disciplinary action and in some cases criminal prosecution if information is inappropriately processed or used in a manner for which it was not intended.

Definition of data

The 1998 Act defines **data** as: information which is processed automatically, recorded for this purpose, recorded as part of a relevant filing system and/or forming part of an accessible record. The definition includes both computer and structured paper files. Data is categorised as:

- **Personal data:** Relates to a living person who can be identified from that data and includes any expression of opinion or intention in respect of an individual. Personal data can include: name, date of birth, salary, next of kin details, address and telephone numbers, personnel and development information, health information, bank account details and can be found in a variety of documents or records, for example emails regarding an individual and notes regarding an individual. This also includes customer call notes if they relate to an identifiable individual.

- **Sensitive data:** Is personal data relating to race and ethnic origin, political or religious belief, trades union membership, physical or mental health, sexual orientation, criminal offences or sentences. This also includes priority services register (PSR) customers where the customer is reliant on electricity for a medical need.
- **Data subject:** The individual of which data is being disclosed or held.

Complying with data protection principles

Everyone who processes personal data (meaning the obtaining, holding, accessing, viewing, recording or carrying out any activity such as amending, altering or deleting) must ensure that they comply with the eight principles set out in the Act as part of their job.

Personal data:

- Must be processed fairly and lawfully and not processed unless certain conditions are met
- Should be obtained for specified and lawful purposes only and not used in any way which is incompatible with those purposes
- Should be adequate, relevant and not excessive in relation to the purpose
- Should be accurate and kept up-to-date
- Shall not be kept for longer than is necessary for the specified purpose
- Shall be processed in accordance with your rights
- Shall be held in a secure manner to prevent unauthorised processing, loss, destruction of or damage to the data
- Shall not be transferred to certain non-EU countries unless suitable protection for your rights is ensured.

Disclosure and processing of personal information

Before any **personal data** can be processed at least one of the conditions set out in the act must be met. These include:

- Consent has been given to the processing
- The processing is necessary for the performance or setting up of a contract or other contract to which the data subject is party
- Processing is necessary for non-contractual legal obligations (eg Health and Safety)
- Processing is necessary to protect the data subject's vital interests
- Processing is necessary for the administration of justice or functions of a public nature
- Processing is necessary for the user's or recipient's legitimate interests and there is no unwarranted prejudice to the individual.

In addition, at least one of the following further set of conditions must be met before processing **sensitive personal data**. These include:

- Explicit consent has been given to the processing
- Processing is for legal requirements or rights in connection with employment
- Processing is necessary to protect the data subject's or another person's vital interests
- Processing is necessary in connection with legal advice or proceedings
- Processing is necessary for administration of justice or exercise of crown functions
- Processing is necessary for medical purposes and is undertaken by a health professional.

Responsibility

Under the Act any data subject has certain rights. Subject to making a formal request in writing, these include:

- The right to be told of data held relating to them
- The right to receive a copy of that data
- The right to seek correction of any incorrect data.

Once requested in writing and the data subject's identity has been verified, the company has a legal obligation to respond to the request with 40 calendar days, although where possible we endeavour to respond within 10 working days. While we are eligible to levy a £10 administration charge for the completion of this process, in normal circumstances such a charge will not be made.

The data compliance procedures for the disclosing and processing of personal information are available from HR.

Electricity North West is committed to fulfilling its obligations in respect of the DPA 1998 and ensuring that it, and any third parties with access to personal data (eg recruitment agencies), have processes which are compliant with the legislation.

It is the duty of all company employees to conform to the policy and procedures and to accept and carry out company responsibilities in accordance with the DPA 1998. Failure to do so could amount to gross misconduct and lead to disciplinary action. You are required to familiarise yourself with the requirements under the Act.

Personal data must be treated with due care and respect of the person it concerns. Unnecessary data must not be collected or held for longer than is absolutely necessary. Any data held should be accurate and up-to-date.

All those persons referred to within the scope of this policy are required to adhere to its terms and conditions.

Individual managers are responsible for ensuring that this policy is applied within their own area. Any queries on the application or interpretation of this policy may be discussed with HR prior to any action being taken.

The HR department has the responsibility for ensuring the maintenance, regular review and updating of this policy. The HR director will approve amendments to the policy.

List of associated documents

This policy is underpinned by and linked to other HR and IS policies including:

- A discipline policy
- Information technology security policies including email and internet policies
- Employee monitoring.