

Together we have the energy to transform our communities

Our Stakeholder Engagement Activities and the Outcomes we Have Delivered

Part Two

Ofgem Stakeholder Engagement and Consumer Vulnerability Incentive 2021/22



Storm Arwen
Friday 26 November

Electricity North West Limited
Registered number 02366949

electricity
north west
Bringing energy to your door

Welcome to our Part Two submission to Ofgem's Stakeholder Engagement and Consumer Vulnerability (SECV) Incentive for the year 2021/22.

Electricity North West is one of 14 distribution network operators (DNOs) in Great Britain regulated by Ofgem. As the only single licence DNO group (out of six groups) we are proud to champion our 2.4 million customers across the region.

Our purpose – "Together we have the energy to transform our communities" – reflects the essential role we play in changing the lives of our customers and communities in the North West.



PURPOSE

OUR WORLD

What the North West needs
Cleaner, greener energy to enable and enhance 21st century life in the North West

What we do
Manage energy to meet the needs of our customers and communities

REASON FOR BEING

2021/22 is the seventh year of the eight-year regulatory framework set by Ofgem which drives network companies to engage proactively with stakeholders to anticipate their needs and deliver a consumer-focused, socially-responsible and sustainable energy service.

Our 2021/22 submission

Part 1: Our stakeholder engagement and consumer vulnerability strategies. This outlines our strategic approach to engaging and working with stakeholders and supporting those in vulnerable circumstances.

Part 2: Our stakeholder engagement activity and the outcomes we have delivered.

Part 3: Our consumer vulnerability activity and the outcomes we have delivered.

Our region

We're responsible for operating, maintaining, repairing, renewing, and reinforcing 13,000 km of overhead power lines and more than 44,000 km of underground electricity cables across Cumbria, Lancashire, and Greater Manchester.



In response to 2020/21 Panel feedback we have made a concerted effort to improve the presentation of our submission this year, with enhanced font size, minimal capitalisation, appropriate colour contrast, and greater contextualisation of statistics. We aim to demonstrate quality and impact rather than focusing on quantity of engagement.

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Case study key

The following symbols found throughout our report highlight our 2021/22 activities.

-  **New**
Initiatives which were introduced this year
-  **Enhanced**
Examples of where we have improved our approach since last year
-  **Embedded**
Successful initiatives entrenched in our business
-  **Hard-to-reach**
Initiatives which best serve the specific interests of under-represented stakeholders
-  **Innovative**
Novel or leading practice, based on benchmarking, for industry replication
-  **Scaling-up**
Initiatives that will soon or are already reaching significantly more consumers than before

Glossary

The table below includes a list of acronyms used widely throughout Part 2 of the report.

| Acronym | Meaning |
|---------|--|
| DNO | Distribution Network Operator |
| DSO | Distribution System Operation |
| ED1 | Electricity Distribution 1 (2015-2023) |
| ED2 | Electricity Distribution 2 (2023-2028) |
| EV | Electric Vehicle |
| ELT | Executive Leadership Team |
| LCT | Low Carbon Technology |
| NMS | Network Management System |
| SROI | Social Return on Investment |

Introduction from Steve Cox DSO Director



2021/22 engagement highlights

63,178 stakeholders engaged through 28 inclusive mechanisms

Social value of 110 investments quantified

82% overall stakeholder satisfaction

£79 average bill, below the DNO average of £95

New post-incident 'pulse' engagement mechanism drives storm action plan

In a uniquely challenging year with escalating energy prices, adverse weather incidents, the ongoing pandemic and international conflict, Electricity North West has remained wholeheartedly committed to customer and stakeholder engagement. Our engagement approach is deeply embedded into our culture and has enabled us to be agile in our response to these challenges, without losing the longer-term outlook our stakeholders seek from us.

Our submission this year demonstrates why, according to Ofgem, we are the most innovative DNO¹. Innovation developed by Electricity North West, such as PRESense, is providing more capacity at a reduced cost, and reduced carbon impact, compared to traditional methods. We show how we are embedding the most advanced digital Network Management System (NMS) in Europe to increase visibility of our network and remove barriers to customers connecting Low Carbon Technologies (LCT). Our engagement has highlighted the need to

Strategic business priorities featured in Part Two

Planning for the future



Keeping our customers' lives running



Leading the transition to net zero carbon



clearly explain the significant complexities of the energy transition as well as the role we play in it. Therefore, our initiatives have focused on how we can inspire, engage and support customers taking action on net zero, whilst leading by example ourselves.

Social Return on Investment (SROI) is one of several tools we use to direct our resources towards initiatives that deliver maximum value and scale for our customers (See Part One, page eight). This year we modelled costs, as well as financial and social benefits over one, five and ten-year timeframes. In our case studies we have used a five-year basis, aligning to the duration of future price controls, and have provided a pie chart icon to indicate the share of costs (orange segment) relative to benefits (blue represents social benefits and pink

for financial benefits). We have also provided macro level breakdowns for our Part Two initiatives over one, five, and ten years in the table below:

| Part 2 SECV case studies | Net value delivered |
|---------------------------------|---------------------|
| 2021/22 Average SROI | £5.13 |
| 2021/22 Net present value (NPV) | £27.1m |
| NPV over 5 years | £142.3m |
| NPV over 10 years | £254.9m |

I would like to thank stakeholders for their support, guidance and partnership over the last year and reaffirm our commitment to build on these relationships.

Our strategy in action: Engagement with stakeholders regarding electric vehicles (EVs)

Our strategy consists of the following five-step approach and supports our colleagues with guiding principles and best practice tools that enable them to engage with purpose.



The results of our 2020/21 Stakeholder Satisfaction Survey evidenced increasing appetite among stakeholders to engage on Electric Vehicles (EV). In 2021, we launched our EV Strategy, which committed us to engaging and supporting customers and wider stakeholders to help them decarbonise.

- 1 We reviewed our corporate stakeholder map and identified relevant audiences to target our EV engagement. Key audiences identified were Government departments which influence the national policy framework, fleet operators and businesses who account for over half of UK new vehicle sales, current and future EV users, local authorities who determine the location of

on-street charging, charge points installers and operators who provide charging infrastructure, and community energy groups looking to connect.

- 2 We tailor our engagement methods to ensure they are accessible and inclusive. This year, we delivered our first live-streamed 'EVs explained' event for stakeholders, which prevented time-poor individuals located across the region needing to travel to a central venue. Subsequently, in a EV themed bilateral meeting, BEIS provided research showing that the key barriers to EV infrastructure development include public charging for rural communities, which are often bypassed by the major road networks and have greater mileage requirements.

- 3 We invested £1m ('Green Recovery' funding) in the public charging network through the roll-out of charging hubs on major A-roads and public locations. In parallel, we discussed EV infrastructure with our Advisory Panel members and Cumbria Action for Sustainability highlighted 10,000 EV charge points are needed in Cumbria by 2030, yet there are currently less than 1,000. We proactively offered strategic support to Cumbria County Council (CCC) and as a result, together with the Cumbria LEP and Cumbria Tourism joined a forum tasked with developing the EV charging infrastructure for Cumbria. We identified a gap in funding and developed a business case aligned to our strategic priority, **Leading the North West to net zero**, to install mini-substation kiosks in isolated areas across Cumbria to enable future connections. We worked with the forum to create a map of 122 sites that are not economically viable for CCC to develop

alone. By allocating £2m of investment to develop 50 sites by 2024, we have mitigated barriers to EV users being able to charge their vehicles in rural destinations such as libraries, community centres, crematoriums and tourist attractions.

- 4 This year we analysed stakeholder feedback, operational data and used robust market research techniques to understand relative priorities and develop new proposals, such as the EV **hard-to-reach** charging fund.

Stakeholder outcomes

Over 5 years, enabling EV charging infrastructure in hard-to-reach communities will create £0.02 social value in excess of every £1 spent.



- 5 Our stakeholder relationship managers develop constructive relationships with stakeholders, such as CCC, and track actions arising from their engagement. Our stakeholder satisfaction survey is a robust feedback loop that ensures our engagement approach is tailored to stakeholders' needs. Feedback in our 2020/21 survey (including from county council representatives) led to EVs being a focus for our engagement action plans. This included bilateral meetings with CCC where strategic opportunities to invest in EV charging were identified and agreed, including the Windermere electric ferry (**see page four**). In 2021/22 we achieved a score of 85% overall satisfaction among county councils (a 7% year-on-year increase), demonstrating a quality engagement approach that is embedded in our business.

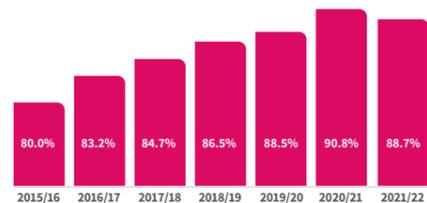
¹Based on Ofgem Innovation rewards.

In this section, we summarise a diverse range of high impact initiatives which encapsulate our stakeholders' priorities and were developed following inclusive, meaningful and proportionate engagement.

2021/22 headline outcomes

↓ Lowest level of power cut frequency in the UK, outside of London, outperforming Ofgem targets

Most improved DNO customer satisfaction since 2015/16



↑ Levelling-up agenda supported through our strategic investments enabling 4,500 new green jobs

☆ Industry first replicable Girlguiding partnership inspires future generations to take net zero action

☆ Industry first Community Resilience Fund protects communities against future weather threats

2021/22 initiatives

The table below highlights the net economic benefit per £ spent* (measured over a five-year period) of a selection of new, embedded, and innovative initiatives delivered this year, across each of our stakeholder informed strategic business priorities.

| Strategic business priorities | Initiative name | Page | Maturity | | | | Net SROI |
|--|--|------|---------------|----------|------------|------------------|-------------------|
| | | | New this year | Embedded | Innovative | Hard-to-reach | |
| Planning for the future | Investment in data and digitalisation increases visibility of our network | | | | | | |
| | Unlocking smart meter data to build network resilience - 7% of power cut calls can be resolved instantly via smart meter 'ping' | 3 | ✓ | | ✓ | | £3.49 |
| | PREsense monitors 95% of our low voltage network - 500MW of underutilised network capacity released | 3 | | ✓ | ✓ | ✓ | £2.93 |
| Keeping our customers' lives running | Demonstrating deliverability through our people - Agile working enables 22% increase in call handling capacity | 3 | ✓ | | ✓ | ✓ | £9.43 |
| | Investment in data and digitalisation increases visibility of our network | | | | | | |
| | Investment deliver capacity and North West economic stimulus - 4,500 green jobs enabled, benefiting hard-to-reach communities | 4 | | ✓ | | ✓ | £17.57 |
| Leading the transition to net zero | A fast and simple LCT connect and notify process - Personal service and collaborative site visits improve customer experience | 4 | ✓ | | | ✓ | 90% satisfaction |
| | Flexibility first policy makes better use of existing assets - 1,537MW of potential future flexibility registered | 5 | | ✓ | ✓ | | Greater inclusion |
| | Industry leading innovation detects faults and saves lives - Innovative asset management keeps customers' lives running | 5 | | ✓ | ✓ | ✓ | £4.91 |
| Helping our customers take action to net zero | | | | | | | |
| Leading the transition to net zero | Inspiring future customers to take action on net zero - 5,000 girls complete Girl Power challenge to earn energy badge | 6 | ✓ | | ✓ | ✓ | £6.13 |
| | Engaging SMEs to develop and progress their transition plans - Whole-systems engagement portal supports two million SMEs | 6 | ✓ | | ✓ | ✓ | £5.76 |
| | Scaling-up support for community and local energy groups - Plans solidified to increase ED1 funding by a factor of x8 by 2028 | 7 | | ✓ | ✓ | ✓ | £2.36 |
| | Leading by example | | | | | | |
| | Collaborating with local strategic partners - £2m fund enables EV chargers in 50 rural and isolated car parks - Local Area Energy Plans are a catalyst to 55,600 new homes | 1&8 | | ✓ | ✓ | ✓ | £0.02 £2.63 |
| | Leading the charge with Science Based Targets - Robust climate change action aligned to a 1.5°C pathway | 9 | | ✓ | ✓ | | £0.53 |
| | Cultivating a low carbon mindset in our workforce - Helping our colleagues adopt low carbon transport - Colleagues share carbon literacy training with eight organisations | 9 | | ✓ | ✓ | | £34.37 £13.74 |
| Inspiring our supply chain to raise the bar - 80% of our suppliers (by value) meet an enhanced standard | 9 | ✓ | | | | Carbon reduction | |

The table below highlights the impact of a selection of stakeholder engagement activities on policies, procedures, business plans and our organisational culture.

| Business priority | Initiative name | Page | Maturity | | | | Net SROI |
|-----------------------|--|------|---------------|----------|------------|---------------|--------------------|
| | | | New this year | Embedded | Innovative | Hard-to-reach | |
| Enhancing our culture | Our culture of engagement, diversity and inclusion informs the design of new services | | | | | | |
| | Supporting communities to recover, plan and protect - £500k resilience fund creates support hubs in worst-hit communities | 9 | ✓ | | ✓ | ✓ | Greater resilience |
| | Commitment to inclusion by design - Inclusivity and Vulnerability Impact Assessment launched - Step-change in diversity of recent joiners through outreach | 10 | ✓ | | ✓ | ✓ | Greater inclusion |

*The total Net Present Value (all benefits minus all costs), divided by the cost of the initiative.



Our stakeholder engagement strategy aims to deliver the outcomes our stakeholders prioritise and value. In this section we highlight how **planning for the future** engagement has influenced both technological developments for using our existing network better, and the way we work internally, giving us the ability to meet customers and stakeholders' long-term demands on the network and support the journey to net zero.

Unlocking smart meter data to build network resilience

NEW INNOVATIVE

What we heard

Deeper education, deliberation and longitudinal engagement with our Public Panel informed a longer-term perspective among members. After 40 hours of engagement and Q&A with company leaders, the panel's 40 members asked us to act now to build longer term network resilience.

What we did

To build resilience, technology, information and data took on greater significance in our plans. This year we went live with a state-of-the-art NMS, allowing unrivalled access

to real time information and automation of our network. To leverage this enhanced capability, we cleansed our network connectivity and asset data to enable smart meter information to flow into NMS.

Subsequently, our contact centre successfully completed a trial of a smart meter 'ping portal' which enabled advisors to quickly and remotely confirm if a power cut reported by one of our 800,000 smart meter customers was a network-related fault, or to signpost them to the most appropriate support, saving them time and removing the need for our engineers to enter their property.

Stakeholder outcomes

- ✓ Our visibility avoids customers having to check their meter.
- ✓ 7% of all power cut calls (over 25,000 per year) can be resolved instantly, by remotely checking the smart meter status.

Over 5 years, unlocking smart meter remote technology will create £3.49 social value in excess of every £1 spent.

What we will do next

In the next phase of our smart meter trial, we will match Priority Service Register customers in postcode(s) affected by an incident and within a short space of time target calls to those who are without power.

Scaling-up PREsense to monitor 95% of households on our network

HARD-TO-REACH EMBEDDED INNOVATIVE

Strategic context

With smart meters currently only reaching 29% of our customers, we are unable to use them to measure the total power flow within a circuit. Additionally, as we are notified of fewer than 50% of LCT installations, industry processes further limit our visibility of emerging network constraints.

What we heard

As well as seeing our commitment of £20m of green recovery investments in a positive light, our Chief Executive Panel challenged us to also ensure there continues to be sufficient ongoing investment allocated to developing the network. To lead the North West to net zero, the panel urged us to take every possible step now to ensure our network is not a barrier to customers connecting LCTs in the future.

What we did

In a 2020/21 trial our innovative monitoring device 'PREsense' successfully captured power flow data and detected the presence of LCTs. This year our policy, operations and training academy joined forces to upskill our workforce and accelerate the roll-out of PREsense to 800 sites. We used our **Distribution Future Electricity Scenarios (DFES)** data to target deployment in areas with relatively high (near-term) forecasted uptake of LCTs. Through our NMS we synchronised monitoring data from PREsense units with our fault management process and received our first pre-fault warning trigger in February 2022. This intelligence informs decisions about how best to mitigate emerging capacity constraints, therefore removing a barrier to customers connecting LCTs.

Stakeholder outcomes

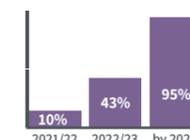
- ✓ We can operate our network safe in the knowledge that network monitoring will detect all LCTs.
- ✓ Connect and manage approach will release up to 20% (500MW) of underutilised network capacity.
- ✓ Expensive and disruptive network reinforcement interventions avoided.
- ✓ Mitigates the risk of power cuts via networks becoming overloaded.

Over 5 years, releasing underutilised network capacity will create £2.93 social value in excess of every £1 spent.

What we will do next

Gillian Williamson, Engineering Director, said: "In a business case presented to the Board we integrated operational intelligence with stakeholder feedback and SROI forecasts to justify **scaling-up** deployment further. A further £5m green recovery investment was sanctioned for 'shovel-ready' projects, including PREsense. Consequently, we will achieve 95% reach by 2028, making us the **only DNO** to implement an NMS that enables control across the low-voltage network."

PREsense roll-out % customers reached (out of 2.36m customers on LV circuits)



Demonstrating deliverability through our people

HARD-TO-REACH NEW INNOVATIVE

What we heard

In a 'Future Workplace' project, 757 colleagues participated in surveys and focus groups. 85% of colleagues said they were more satisfied in their role since agile working had started during the pandemic but needed to ensure the availability of mental health support and that our IT systems would enable them to be as, if not more, effective. Colleagues from our contact centre added that they would willingly provide additional out of hours support during incidents by being able to work from home at short notice.

What we did

A period of transition allowed agile working practices to evolve and flex, maintaining

engagement and promoting trust. We expanded our award-winning mental wellbeing programme for colleagues to maintain good mental health while working at home. The integration of NMS with our customer management system ensured that for our contact centre:

- Available call advisors were visible in a single system, thereby avoiding the customer queuing twice.
- Advisors could be online (via a mobile and headset) at home and used as an overflow, bringing resource online quicker during Storm Arwen.
- Automatic updates reduced manual actions required following a call.

Stakeholder outcomes

- ✓ 51% of colleagues reported being more effective in their role.
- ✓ Contact centre able to handle 485,482 calls, a year-on-year increase of 22%.
- ✓ A reduction in call handling time of just under 2 minutes, saving customers 15,239 hours.
- ✓ 94% customer call sentiment.

Over 5 years, increased call handling efficiency will create £9.43 social value in excess of every £1 spent.

Due to technology costs reducing faster than previously forecasted and the latest Government policies supporting decarbonisation, 1.2m electric vehicles are expected on the region's roads by 2030, as well as significant electrification of heat². Recognition of an ever-increasing dependence on electricity to run their lives drives our customers' focus on reliability and resilience. This section demonstrates how we are investing and innovating to ensure our network acts as an enabler to customers wanting to connect LCTs.

Investments deliver capacity and North West economic stimulus HARD-TO-REACH EMBEDDED

What we heard

Last year we delivered first-of-their-kind local decarbonisation pathways to local authorities in the knowledge that they typically do not have the people, data and expertise to turn their net zero ambitions into reality. This year we strengthened these relationships such that our Cumbria, Greater Manchester and Lancashire regional workshops were co-presented by a senior leader from each local authority and focused on shared priorities. 100 stakeholders in attendance asked us to support their action plans with more strategic investment projects that unlock network capacity, enable economic development and promote sustainable tourism.

What we did

We produced our fourth annual DFES using bottom-up forecasting, integrating the latest updates on technology and fuel costs, emerging central and local government policies and inputs from local stakeholders. These inputs include both data provided directly by stakeholders but importantly also how implications of our network development affect stakeholder decisions and connection behaviour. This year we enhanced our DFES workbook with carbon saving assessments and granular demand and generation forecasts at a local authority level. From 2021 **all DNOs will replicate** our 'best view scenario' in DFES that aims to remove the complexity of multiple scenarios and provide the highest certainty in a 1 to 10 years horizon. Our Network Development Plans indicate how much network capacity is available and what investment we are expecting in the next 10 years. Our data sources informed our prioritisation of 11 stakeholder-led strategic investment projects, three of which are highlighted opposite:

Cumbria County Council: Windermere Lakeside

Angela Jones, Executive Director of Economy and Infrastructure, said:

"The Zero Carbon Cumbria Partnership is working towards the shared aim of making Cumbria carbon neutral, by 2037. Electricity North West's investment of £675k and engineering excellence in traversing the supply needed through the town centre of Windermere was instrumental in our decision to replace the existing ageing Mallard diesel ferry with a modern, electric alternative and supporting EV charging facilities."



Greater Manchester Combined Authority: Arrowfield estate in Chorlton

Matt Roberts, Director of Property and Development at Southway Housing Trust, said:

"In support of our 2038 net zero target, Electricity North West's investment of £2.2m enabled Southway Housing Trust to leverage European funding and proceed with a **multi million pound upgrade** of old, inefficient gas boilers in a social housing estate to new, super-efficient, low-carbon heat pumps. To meet our capacity needs, three new electricity substations will be built, 2km of underground cables replaced and over 300 properties will receive new service cables. This will ensure Southway Housing and their residents to be at the forefront of the energy transition."



Lancashire County Council: Samlesbury Aerospace Enterprise Zone

Phil Green, Acting Executive Director of Growth, Environment, Transport and Community Services said:

"The Samlesbury Enterprise Zone is a base for research and skills development and home to world-class businesses in cutting-edge innovation. Electricity North West's £7m substation investment aligns with our aspirations to enable low carbon technologies and supports our corporate policy objectives and government ambition. The zero-carbon agenda and the showcasing of new technologies are key opportunities on this site. Strong synergies with the AMRC's research and development programme, alongside BAE Systems, also collectively provide a unique selling point for this site to the high technology, cyber, robotics, research and development sectors alongside business."



Stakeholder outcomes

- ✓ Our investment is a catalyst for stakeholders acting to meet ambitious net zero targets.
 - ✓ Network capacity released will support the equivalent of 75,000 LCTs being adopted.
 - ✓ 4,500 of green jobs created, supporting the Governments 'levelling up' agenda.
- Over 5 years, unlocking network capacity will enable economic development and growth in green jobs which will create £17.57 social value in excess of every £1 spent.**

A faster and simpler LCT connect and notify process HARD-TO-REACH NEW

What we heard

Our data evidenced exponential growth in applications from customers looking to connect LCTs. In the five-month period April to August 2021, we received 2,419 applications, as many as the entire previous year. 60% of applications were approved following a desktop assessment, allowing the LCT device to be connected immediately. However, 40% required some form of intervention, such as unlooping the service cable from a neighbouring property before the installation could go-ahead. In a bilateral meeting BEIS asked us how we intended to resource increased demand, whilst improving upon the 87.2% customer satisfaction achieved between April and August 2021. In market research we identified satisfaction with the time taken to complete the connection as the key driver of satisfaction.

What we did

562 participants took part in a trial to improve the customer experience where an intervention is required to connect LCTs. We introduced a joint pre-site visit with our delivery partners to facilitate an informed discussion with impacted properties regarding private excavation options (for driveways and gardens). Greater collaboration at this early stage increased the likelihood of agreeing a deliverable design during site visits (61%) and set clear expectations for the work involved. With design work and pre-site checks completed work could be scheduled immediately, with a higher confidence level in successful delivery. Exponential growth in applications was sustained throughout the year, rising from 2,475 to 8,251 year-on-year.

Stakeholder outcomes

- ✓ Fewer variations required to work orders, minimising disruption.
- ✓ 90% customer satisfaction with the end-to-end process.
- ✓ Due to the personal nature of the work, the trial has led to a specific tender to expand our delivery partnerships and the creation of an in-house LCT support team (17 positions recruited this year), dedicated to managing growth and quicker connection of LCTs.

² Distribution Future Electricity Scenarios December 2021

Flexibility first policy makes better use of existing assets EMBEDDED INNOVATIVE

What we heard

In **flexibility tender surveys and webinars**, stakeholders asked us to refine our approach to the procurement of flexibility services to ensure that we champion a level playing field. They encouraged the use of national dispatch and settlement platforms to aid standardisation and simplification.

What we did

To ensure consistency across DNOs we:

- Embedded the use of Piclo Exchange, a centralised platform for all DNOs to publish tenders.
- Worked collaboratively via Open Networks to produce a standardised flexible services contract for all DNOs, which we were first to adopt, and enabled its adaptation for **replication by electricity system operator**.
- Joined the Flexible Power Collaboration, made up of five DNOs, providing a standardised method for dispatch and settlement of flexibility services.

We signposted our ED2 capacity requirements (208MW) last year and have since developed our longer term (10-year) flexibility requirements in our **first-ever Network Development Plan**. We cannot procure this capacity without encouraging stakeholders to adopt new technologies and adapt their behaviours – actions which are necessary for both net zero and DSO transitions. So, this year we hosted a 'Net Zero and Flexibility in the North West' webinar. The event, attended by 79 stakeholders, gave the audience a holistic view of how these topics intersect and a chance to influence our forward workplan. In response to stakeholder feedback, we have been quick to introduce energy efficiency measures into our tenders, which incentivises long term energy efficiency activities.

We are committed to using flexibility in all cases where it is the most efficient whole life cost solution. Within our 2021/22 tenders we embedded the **Common Evaluation Methodology** tool to calculate and publish a

ceiling price. Above this price an alternative to flexibility is more economical or efficient.

Stakeholder outcomes

- ✓ Nine flexibility tenders issued since 2018, totalling 750MW across over 100 areas.
- ✓ We accepted 10/23 flexibility bids this year, totaling 1.27 MW across five substations.
- ✓ £364k charges avoided by contacting customers who over or underutilise their contracted capacities.
- ✓ 1,537MW of potential future flexibility registered on Piclo, across 2,555 assets and 41 providers.

What we will do next

Lois Clark, DSO Commercial Lead, said: "PREsense will increase visibility of the flexibility opportunities we can make available at lower voltages, enabling targeting of stakeholders ranging from aggregators, farmers, supermarkets and owners of EV fleets, to non-specialist businesses in the right locations looking for extra income."



Industry leading innovation detects faults and saves lives INNOVATIVE HARD-TO-REACH NEW

Strategic context

770,237 of our customers are served by high-voltage (HV) overhead lines (OHL) in rural areas. On these networks most faults generate current that is identified through standard protection systems and removed through circuit breakers. However, some 'high impedance' faults remain undetected, causing some power lines to hang low whilst remaining live, creating public safety hazards.

What we heard

Our Chief Executive Panel asserted it is only when innovation has been embedded and considered the default solution that our customers realise the benefits. They correlated our ED1 outperformance with successful innovation (e.g. **CLASS** and **Smart Street**) and asked to see even greater application, to enable higher reliability and safety levels during the mass adoption of LCTs, from an ageing asset base. In parallel our Public Panel urged a continued focus on cost-effective solutions for identifying faults before they trigger power cuts, to avoid intensifying the vulnerable circumstances customers already find themselves in.

What we did

• We encourage third-party involvement in our innovation, such as **LINESight**, an idea from Kelvatek. Developed during

2015 – 2022 and now integrated them into a central dashboard in NMS, LineSIGHT detects dangerous low-hanging OHLs and pinpoints fault locations within 300 metres. This enables more efficient despatch of repair crews who no longer need to patrol large areas on foot to identify damaged equipment. This is particularly beneficial in storm conditions, which mainly impact rural areas predominantly made-up of overhead lines in close proximity to trees.

• We collaborated with our technology partner to design a solution which reduces the cost of installing remote control automation on the HV network by one third. We developed and trialled 300 'Reflex' actuators by retrofitting them to our equipment, condensing the equipment traditionally required across multiple devices into a single unit. A mobile phone sim card set-up simplifies the commissioning process.

• Initially developed through innovation funding during 2013 – 2015, the **Weezap** is a controllable circuit-breaker which allows us to adjust our network remotely and dynamically. In our Smart Street trials (2014 – 2018) it was leveraged to control voltage levels and enable our customers' appliances to run more efficiently. Now integrated into our NMS and used across GB by other DNOs, we developed a different

application of Weezaps to identify where faults are developing in multiple-occupancy tower blocks, many of which are situated in **hard-to-reach** communities. In ED1, we have invested £3.7m to monitor 50/282 (18%) of the highest-risk³ dwellings 24/7, benefitting 13,866 consumers (31% of the total eligible). In January 2020, our technology helped to avert a major fault at a tower block in Trafford, where a water leak had caused a fire in the electrical riser.

Stakeholder outcomes

- ✓ Early indication of emerging network faults, with +10% identified per year.
 - ✓ Reduces the time taken to remove safety hazards by up to 60 minutes.
 - ✓ Reduces the cost of installing remote control automation on the HV network by 20%.
 - ✓ Enhanced safety for the public, residents of high-rise buildings and livestock.
- Over 5 years, expanding network monitoring to detect faults and protect life will create £4.91 social value in excess of every £1 spent.**

What we will do next



Neil McClymont, Capital Programme Team Leader, said: "We will **scale-up** LineSIGHT deployment such that the proportion of eligible consumers (770,237 in total) reached will grow from 19% in 2023 to 63% by 2028. We will also expand Weezap deployment so that the proportion of eligible consumers (45,169 in total) living in high-rise buildings who are protected by 24/7 monitoring is elevated from 31% to 100% by 2028."



³ taking into consideration the number of floors in the tower block

Alongside ensuring that the network has the capacity the region needs, our plans include proactively helping our customers to take action on net zero, in line with the ambitions of the UK Government and local commitments across the region. It is a role our customers have asked us to deliver, and it recognises our position as an expert in energy and low carbon technologies, and the trust our customers have that we will provide them with honest and impartial advice. This section demonstrates how we are leading the charge on inspiring, engaging and supporting customers (with examples provided for future customers, businesses, community and local energy groups) to become active participants in the energy system, underpinning a cost-effective transition and striving to ensure that no one is left behind.

Inspiring future customers to take action on net zero

HARD-TO-REACH NEW INNOVATIVE

Strategic context

Central to our Purpose and Principles is our role in 'Transforming our Communities', a role that includes inspiring the next generation of electricity users. Over the past eight years, we have delivered our Bright Sparks education programme to over 3,500 pupils each year. In response to COVID-19 and through teacher workshops and **knowledge sharing** with Western Power Distribution we developed Bright Sparks Online, including energy themed classroom resources linked to the national curriculum and a safety game called 'Volvville' launched this year which promotes safety around electricity and our assets.

What we heard

In 2019/20, 25 of our Consumer Vulnerability Stakeholder Advisory Panel members used 1-1 interviews with our Customer Director to raise the importance of expanding our education programme by helping future customers understand the need for change. In our longitudinal engagement with 'Youthforia', a forum consisting of 23 local authorities' youth councils, more than 100 young people told us that the energy transition is intrinsically linked to their future. Members asked us to build on the animated 'new world of electricity' video we developed iteratively with them last year by growing awareness programmes for future electricity users so they are ready for their first home.

What we did

Working with our stakeholders and customers, it is apparent that whole system thinking must be extended to include all parties actively tackling the challenges that face our communities today. We reached out to our Utilities Together partners who shared that Northern Gas Networks, alongside fellow gas networks, would be working with the Scouts to help educate young people about the dangers of carbon monoxide.

We shared plans and, with the guidance of an existing partner (Burnley Boys and Girls Club), invested £25,000 in a new partnership with the Girlguiding Association. The association supports girls aged 4-18 to face the challenges of growing up today.

The first phase of our partnership focused on expanding the existing Girlguiding activity programme. We created thirty exciting individual, group and unit challenges with a focus on electrical safety, support for vulnerable members of society and energy efficiency. In February, 60 children aged 4-18 joined us to launch the first phase of the 'Girl Power' challenge pack, with competitions scheduled throughout the year. 5,000 children, including those living in **hard-to-reach** communities, supported a very successful pilot phase with a further 20,000 planned next year.

A Girl Guide leader said:

"These children do not normally 'do' education. They have learned about climate change, electricity, carbon reduction and how to communicate with people of all different backgrounds. And it has not been forced in any way, it has been a really organic process because this is their safe space"



Stakeholder outcomes

- ✓ Young people gain the knowledge they need to keep themselves and their loved ones safe, influence their families' energy behaviour and not be left behind during the energy transition.
- ✓ Activities sustain engagement among girls aged 4-18 years and can be replicated geographically.

Over 5 years, inspiring behaviour change among the next generation will create £6.13 social value in excess of every £1 spent.

What we will do next

Jo Crinson, Customer and Community Development Manager, said: "There is an opportunity to reach 320,000 girls, young women and volunteers nationally through, so we will **share a blueprint for industry replication** with all DNOs via the Customer Service Issues Working Group."



Engaging SMEs to develop and progress their transition plans

HARD-TO-REACH NEW INNOVATIVE

What we heard

At our 'Powering Up the North' regional 2021 events, the Federation of Small Businesses (FSB) identified the energy transition as disproportionately challenging for SMEs. This validated what we heard directly from SMEs last year, with SMEs feeling they have less capacity to adapt and greater need for support. These findings informed the launch of our 'Go net zero' website hub which provides the know-how and support needed for customers to adopt LCTs. The FSB and **Broadway Initiative** enhanced our understanding of SMEs' need for trusted and independent advice, via an accessible and easy-to-use one-stop-shop.

What we did

To drive a consistent national advice service linking in to local and regional advice and support we became a founding Board member of the Zero Carbon Business Partnership. The

Partnership brings together multiple DNOs and an unparalleled mixture of trusted UK organisations across interconnected parts of the whole system with key roles to play in supporting SMEs on their journeys to net zero. **We shared knowledge** developed through our regional specific 'Go net zero' hub and invested £21,500 in the early development of a **free national platform**. To ensure the portal meets users' needs an SME User Group has tested and refined general and tailored advice pages, how-to guides, case studies and support services. (e.g. a cost calculator). Our positive contribution to the national knowledge pool, combined with the reach of the main business support bodies (FSB, CBI, British Chambers of Commerce), and industry trade bodies (Make UK, British Retailers Association, Food and Drink Federation), and others, helps to ensure that UK SMEs can access a consistent and free-to-use resource, with signposting to localised support programmes.

Stakeholder outcomes

- ✓ SMEs now have a one-stop shop for consistent information and the tools they need to take immediate action.
- ✓ 6,000 visits to the portal in the pilot phase with 600 (10%) businesses opting to receive a net zero plan tailored to their business location and sector.
- ✓ The Partnership and portal will expand to reach two million SMEs nationally (out of 5.5m), in 2022 ensuring SMEs have the support they need to make climate commitments.

Over 5 years, LCT adoption and carbon emissions reductions will create £5.76 social value in excess of every £1 spent.



What we will do next



Jonny Sadler, Strategic Decarbonisation Manager, said: "As well as supporting the national effort, we know that leadership means stepping forward as regional energy experts with a critical role to play. To continually develop our knowledge, we have co-designed a longitudinal engagement programme that will help a representative sample of SMEs understand 1) what actions they need to deliver, 2) why these actions are relevant to them, 3) the benefits they can expect to achieve, 4) how to deliver action and 5) what support is available. Our research will include a segment that has a significant role to play in the roll-out of EV charging infrastructure, including fuel station owners, car park operators and retail site owners. We will deliver the expanded programme during 2022/23 as a pilot phase, ahead of it becoming an embedded part of our ED2 Business Plan delivery."



Scaling-up support for community and local energy groups

HARD-TO-REACH EMBEDDED INNOVATIVE

What we heard

Our feedback surveys, bilaterals with industry experts, 'Community Connect' workshops and annual State of the Sector survey validated our **community and local energy** strategy focus areas: increasing access, grant funding and regulation advice. In our planning for the future willingness-to-pay survey, 1,588 customers strongly prioritised helping communities become more resilient through the creation of an ambitious £1m annual ED2 grant scheme – x13 the size of our current fund value. Our Sustainability Advisory Panel recommended that we formally review lessons learned from our ED1 Powering Our Communities (PoC) fund and set out a clear plan for the management and operation of a significantly **scaled-up** fund.

What we did

This year we embedded our social value framework by integrating it into our PoC funding assessment criteria and forecasting the social value that could potentially be delivered by 15 applicants (see Part One, page eight). This 'bottom-up' measurement approach accounted for the diversity of initiatives and influenced which projects received support. We also developed a 'top-down' calculation of the average benefit delivered, per community energy group, which we track each year.

With input from community energy experts, CAG Consultants, we changed our data processes to collect a wider range of outputs from our projects and integrated them into our benefits framework. Examples include

the number of people reached and advised, take-up of LCTs, reduced energy usage and carbon emissions, and the number of volunteering hours enabled. As part of **planning for the future**, we asked CAG to report on the impact of the PoC fund to date and make recommendations as to how it could be improved in the future.

Stakeholder outcomes

- ✓ A 40% year-on-year increase in the number of stakeholders engaged (655).
- ✓ 68 applications, 26 projects funded and 50 supported since 2018/19.
- ✓ 17.6MW total community owned generation connected to our network.
- ✓ Stronger, more resilient communities through democratisation of the energy system, climate action and local economic benefits.

Over 5 years, LCT adoption and carbon emissions reductions will create £2.36 social value in excess of every £1 spent.

What we will do next

Helen Seagrave, Community Energy Manager, said: "We have embarked on a project with SPEN to refine a common approach to calculating the overall potential of community energy, so that our funding is proportionate, and efforts can be benchmarked against a relevant baseline. We will share our findings with a new Industry Social Value Collaboration Group, which we have joined to **share best practice** wider than DNOs, including transmission and gas operators."



£75,740 investment into seven projects

Grant funding was provided to:

1. A hydro scheme to enable residents to use local energy at a cheaper price.
2. A feasibility study to supply renewably sourced EV communal charging to social housing stock.
3. Creation of a solar panels buyers' club.
4. A new network of Energy Ambassadors offering free advice and support with energy issues.
5. Provide solar power lighting to three community shelters in 'dark skies' areas.
6. Educate and inspire young people about climate change from disadvantaged backgrounds.
7. Launch an innovative open-source solar photovoltaics (PV) modelling tool.

Example outputs delivered

In partnership with Cumbria Action for Sustainability (CAFS) we:



- Launched a PV mapping tool and carbon calculator which measure roof-tops to calculate the maximum number and generation capacity of PV that could be installed.
- Delivered user training to 100+ stakeholders.
- Enabled 139 registered users across Cumbria, 80% of which have completed calculations.
- Obtained additional funding via Eden District Council to facilitate a targeted roll-out in Eden.
- Low Carbon Lake District Fund and ZCCP Carbon Literacy now actively encourage use of the tool.

| CAG recommendations | Actions we took |
|---|--|
| Clarify the overall aims and objectives of the fund. | CAG facilitated co-creation workshops, incorporating input from expert stakeholders, to create a Theory of Change (ToC). This leading-edge practice identified the goal of the fund and enabled us to work backwards to establish the conditions needed to reach that goal. |
| To address the risk of insufficient applications, evolve the fund to align to the potential market size. | We explained to our Public Panel and Sustainability Advisory Panel that our holistic benefits assessment indicated that a £1m fund cannot be immediately justified. To enable more projects to go ahead and more closely track sector demand, we plan to increase funding from £75k to £150k in 2023, double to £300k in 2024, and double again to £600k in 2026 . SROI will aid prioritisation of initiatives that deliver the greatest value back to consumers and wider society. |
| Develop a communications strategy and resources to increase reach and impact. | Marketing agency Creative Concern reviewed our current communications activity and sustainability experts Quantum Strategy conducted in-depth interviews with a cross-section of stakeholders. The output from this preliminary phase was a toolkit of messages, channels and tools tailored to the needs of key audiences. We will trial these in 2022/23 and measure conversion to PoC applications. |

This section demonstrates how as a responsible business we are changing our policies, technologies and systems to reduce our environmental impact. In addition, we are influencing and challenging the behaviour of our colleagues, customers and stakeholders to ensure they have the necessary tools, skills and information to reduce their own ecological impact.

Collaborating with local strategic partners

HARD-TO-REACH EMBEDDED INNOVATIVE

Strategic context

Our proactive engagement with County Councils in 2020/21 indicated a collective desire to decarbonise faster than the national 2050 target, but also uncovered variation in their ambition, knowledge and resources. In response, we stepped-up senior-led strategic engagement to provide expert knowledge, inform action plans and provide greater certainty to stakeholders, acting as a catalyst for investment planning.

What we heard

This year we delivered an expanded programme of **leading the transition to net zero** engagement. Through hosting our own events, including two 'Powering Up the North' events, and actively supporting the first ever Lancashire Climate Summit, the Greater Manchester Green Summit, COP26 North West Power to the People and ENIC 2021 we engaged with over 8,000 stakeholders. The message from this engagement was clear – the time for strategising and planning net zero action has passed – it is now time to collectively move into 'delivery mode'.

What we did

Last year we supported Greater Manchester Combined Authority (GMCA) with our pioneering decarbonisation pathways to provide a blueprint to reach net zero by 2038. This year we went further by co-creating Local Area Energy Plans (LAEP) for all 10 GMCA local authority regions – which have a combined reach of 56% of our total customer

base. The LAEPs make it clear which actions must be delivered first and provide the certainty our partners have told us they need to make investments. Our ELT continue to influence the Greater Manchester Strategic Infrastructure Board to aid coordination of strategic network reinforcement (e.g. University of Manchester campus re-development and HS2). Through being an active partner on the Innovate UK-funded Local Energy Market project to develop and create an energy trading platform we have expanded support to stakeholders so that they can get to work on key actions.



We embedded this learning by leading the development of decarbonisation pathways for Lancashire County Council, guiding its decarbonisation strategy via the Lancashire Decarbonisation Group, and providing data which underpinned key messaging at the **Lancashire Climate Summit** in March 2022. Cumbria is also driving forward with its decarbonisation commitments and has a strategy to achieve net zero by 2037. This year we worked with Cumbria County Council to expand the region's generation capacity and accelerate the roll-out of EV charge points to support the local community and the tourist industry (see page 2).

Stakeholder outcomes

- ✓ In our Stakeholder Satisfaction Survey, 57% of stakeholders said that they had participated in net zero themed engagement, an increase of 10% year-on-year. This reflects our efforts to meet stakeholders' wishes for an ongoing and expanded net zero programme.
- ✓ Stakeholders now have evidence to show where strategic investment is required on the whole energy system, including electricity, gas and hydrogen.
- ✓ Stakeholders have been able to secure additional UK Government Housing Infrastructure grants with our robust information. 55,600 low-carbon homes will be built by 2028.
- ✓ As a key partner, we are planning network interventions early in the process to facilitate individual projects to deliver extra capacity and avoid being a blocker in future.

Over 5 years, network interventions that facilitate future projects will create £2.93 social value in excess of every £1 spent.

Leading the charge with Science Based Targets

EMBEDDED INNOVATIVE

What we heard

As part of **planning for the future**, our Public Panel told us they expect us to lead by example, through accelerating action to achieve net zero carbon emissions from our operations by 2038, to align with the end of RII0-ED4 and the UK's seventh carbon budget. Members of our Sustainability Advisory Panel challenged us to demonstrate transparency and credibility by setting 'a Science Based Target' (SBT) and incorporating scope 3 emissions, despite those falling below the threshold for automatic inclusion.

What we did

We became one of the first 3,000 global businesses to join the UN Race to Zero. Through collaboration with Global Sustainability Consultancy Anthesis, we set SBTs for scope 1, 2 and 3 emissions, in line with what is necessary to restrict global warming to 1.5°C. Iterative engagement informed the baseline year to measure reduction in emissions against (FY2019/20) and supported a Science Based Targets initiative (SBTi) accreditation, demonstrating that our targets are robust. We have invested £15m since 2019 to make big changes to

how we operate. As part of our ISO 14001 environmental management system, we prioritise actions based on the likelihood and severity of the impact of our activities on the environment. The impact of, and stakeholder emphasis on, reducing electricity use in our buildings and use of fossil fuels in transportation informed:

↳ £1.1m investment to transform two of our key sites into net zero carbon buildings. Onsite generation and storage to meet our own demand will save us £41,000 per year and 82 tonnes of CO₂e. We installed over 400 square metres of PV across four buildings and brand new solar power car port. The car port, the **first of its kind in the North West**, includes 162 solar panels, which will power 17 EV charge points. **We shared our example carport with stakeholders** leading to a £1m plan to create solar carports at two council depot sites in Salford.

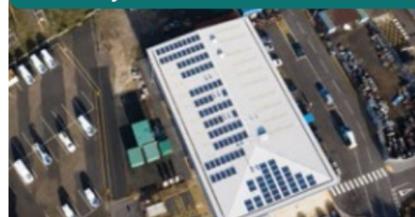
☀️ We initiated a process to search and commission a community energy group to finance, own and operate PV for the lifetime of the installation at our Nelson Street depot in Carlisle. Profits generated will be re-invested for the benefit of the community.

Stakeholder outcomes

- ✓ A clear, accountable and public commitment to climate change action.
- ✓ SBT aligned to 1.5°C pathway will avoid 1,571,696 tCO₂e by 2035.
- ✓ A 45% reduction in CO₂ emissions since 2015/16 is making targets a reality sooner (See Part One, page one).

Over 5 years, reducing our operational carbon emissions will create £0.53 social value in excess of every £1 spent.

PV on the roof of our Training Academy in Blackburn



Cultivating a low carbon mindset in our workforce

ENHANCED INNOVATIVE

What we heard

At our bi-annual ELT roadshows we asked 1,298 colleagues to vote on 'What do they need help with to reduce their CO₂ emissions at work and at home?' 64% voted for incentives and 36% said information that shows them how to make changes.

What we did

We have helped our workforce to act through:

↳ Becoming **the first silver accredited Carbon Literate DNO**. Our leadership team (264) received 1,848 hours of training and developed their own individual action plans, including committing to question the need to travel for meetings if they can be held online, and co-ordinating engineers' work nearer to base locations. We provided this training to eight consumer vulnerability partners, kick-starting replication of the progress we have made in their own organisations.

☀️ 15% (318) colleagues benefited from our low carbon transport incentives scheme, offering financial support to adopt EVs or other forms of low carbon transport. We increased the availability of free charging to colleagues with 125 free-to-use chargers at our offices, and by installing chargers in 50 substations across our network.

☀️ Recruiting 50 Energy Champions to coordinate energy saving ideas and activities between our sites. Our champions spearheaded a successful trial to identify zones across our estate that could, as part of our agile working trial, have heating and lighting turned off on specific days and times.

☀️ Launching a new intranet portal to support colleagues completing their carbon literacy actions and a mascot 'Count Carbon' to make it easier to find the right information.

COUNT CARBON IS CHALLENGING YOU!



Stakeholder outcomes

- ✓ Carbon literacy action plans reduce the home energy usage of our leadership team by up to 10%.
- ✓ Through knowledge sharing eight other North West organisations have made new carbon action plans.

Over 5 years, enhanced carbon literacy and low carbon transport incentives will create £7.24 social value in excess of every £1 spent.

Inspiring our supply chain to raise the bar

NEW INNOVATIVE

What we heard

Members of our Sustainability Advisory Panel challenged us to embed sustainability throughout the supply chain and improve reporting of scope 3 emissions, to ensure our carbon emissions accounting is accurate. The Panel also cautioned that enhanced supplier requirements should not over-burden SMEs.

What we did

We set a target of 80% of our suppliers (by value) meeting an enhanced environmental standard by 2025 and commenced development of a revised supplier code. To prioritise our efforts, we identified two emission hotspots within our supply chain: 1) capital goods (64%) and 2) purchased goods (14%). Suppliers responsible for 39% of these hotspots, are now receiving in-depth support from us to set SBTs and develop action plans by 2026.

Stakeholder outcomes

- ✓ 14 suppliers completed a survey, informing tailored support interventions. Leading the north west to net zero by supporting our supply chain to meet higher standards of environmental management and reduce their carbon emissions.

Enhancing our culture of stakeholder engagement

Everyone who works at Electricity North West is actively involved in stakeholder engagement and empowered to act on what they hear. The initiatives described below are just some of the many ways in which we are **enhancing our culture** with greater inclusion, diversity and collaboration to achieve better outcomes.

Supporting communities to recover, plan and protect

HARD-TO-REACH NEW INNOVATIVE

What we heard

Continued engagement on **planning for the future** during 2021/22 highlighted the escalating importance of delivering a reliable and resilient network, linked to a perceived risk among stakeholders of increased physical, virtual and weather-related threats to our network in the future. Our Chief Executive Panel re-validated our 'prevent, automate and repair' network investment strategy. However, to drive continued improvement, they challenged us to source in-depth customer feedback after infrequent but significant network failures.

What we did

We proactively designed a post-event 'pulse' feedback mechanism to evaluate our response to network incidents and its use was first triggered by Storm Arwen which caused supply interruptions to 118,000 customers. 500 of these customers, surveyed shortly after the incident, praised the "heroic" response on the ground from our engineers.

Our enhanced NMS minimised the disruption caused to 18,242 customers by enabling a new automation technique, Fault Location, Isolation and Supply Restoration (FLISR), which restored power for them within just three minutes.

Stakeholder relationships and communications channels that had been built up in advance of Storm Arwen significantly improved our level of 'readiness'. For instance, in addition to 225 proactive social media updates, we maintained close contact with MPs throughout the incident who relayed updates to constituents and vital information back to us via 14 briefing sessions and 70 constituent queries. Our PSR data guided interventions from emergency responders (e.g. emergency services, local authorities, NHS bodies) and our engagement with them ensured joined-up messaging and increased preparedness for storms Barra, Corrie, Dudley, Eunice and Franklin which followed in subsequent months and impacted a further 51,000 customers.

During our post-event engagement, we heard that vulnerable circumstances introduced or worsened through loss of power were further exacerbated by interruptions to customers' telecommunication and, in some cases, water services. The output of our survey informed a list of short, medium and long-term proposals for improving network, customer and community resilience against future storms. These were appraised by 10 Local Resilience Forum members and 59 customers, during eight diverse and deliberative focus groups, each attended by two of our senior leaders. The most strongly supported proposal was developing community hub generation, where impacted customers can go to keep safe and warm, use charging devices, use satellite telephones, and receive updates and welfare support. **In response to stakeholder feedback we launched a one-off £500,000 Community Resilience Fund to support communities most impacted by Storm Arwen.**

Developed in consultation with our Consumer Vulnerability Advisory Panel, the fund will enhance resilience in hubs (e.g. in town halls, churches and other community buildings) that look after customers in future storm events.

Our storm strategy

| | |
|---|--|
|  PREVENT supply interruptions through network investment and maintenance. | 750,000 customers in the path of Storm Arwen were fed from overhead line networks. Our investment strategy prevented over 90% of these customers losing power. |
|  AUTOMATE supply restoration within three minutes. | Investment in network automation enabled us to restore power within three minutes to 18,242 of the 93,195 customers who lost power. |
|  REPAIR or restore by generation those still without power ASAP. | 93% of those affected were restored within 72 hours. 1% of impacted customers complained, but 87% of these were resolved to our customer's satisfaction within 24 hours. |

Stakeholder outcomes

- ✓ Lowest level of power cut frequency in the UK, outside of London, significantly outperforming Ofgem's target*.
- ✓ Increased preparedness reduces customers' stress and anxiety during major storm events, with just 1% of impacted customers without power for longer than 24 hours.
- ✓ £2.1m additional goodwill compensation paid to customers above statutory obligations.
- ✓ £500K community resilience fund enables the resources and resilience needed in communities that have been most impacted by Storm Arwen to be in place for future storms.

What we will do next

Stephanie Trubshaw, Customer Director, said: "We shared learnings from our leading-edge NMS with five DNOs. We are adopting **good practices shared with us**, such as NPG's mobile tracking and coordination of frontline engineers and SSEN's 'Power Track' system for enabling customers to signpost sightings of network damage."



*In 2021/22, 25.8 of our customers' supplies were interrupted per 100 customers, compared to Ofgem's target of 45.9.

Commitment to inclusion by design



What we heard

Members of our newly formed disability research panel, overseen by Scope, told us they want to see more colleagues providing services that truly represent them. Our Public Panel warned that new initiatives designed for the 'majority', run the risk of unintentionally excluding underrepresented groups and potentially creating additional barriers that were not present beforehand. Our Consumer Vulnerability Advisory Panel members echoed this view, sharing experiences of services that required time consuming and costly retrospective changes that in many cases did not repair the impact of the lack of consideration in the first place.

What we did

In consultation with our colleagues, trade unions, Public Panel and the Energy Networks Association's Diversity and Inclusion Panel, which is chaired by our Chief Executive, we launched our Diversity and Inclusion (D&I) strategy and vision.

Our vision is underpinned by four key areas of strategic focus, belonging, talent, leadership and community, and is supported by a D&I steering group. Its launch was accompanied by a **video** which tells the stories of 12 of our people in their own words and their experiences of feeling included at work. It kick-started an 'Include me' campaign which gives our colleagues a voice, opportunities

to be involved, to participate, and share their ideas. In consultation with our Consumer Vulnerability Advisory Panel, **a forward looking strategy** for supporting electricity users in vulnerable circumstances was created. A key pillar of the strategy is ensuring inclusion for all. To support this outcome, we designed our Inclusivity and Vulnerability Impact Assessment (IVIA). Through engagement with intended service users and knowledge experts it understands the potential impacts of an initiative on different groups of people, to assist with the design and development of a new product, service, process, policy or event.

Following the 'Include me' campaign, we established Colleague Resource Groups (CRGs) which are employer-recognised workplace groups, voluntarily led by colleagues. So far 57 colleagues have voluntarily joined our Armed Forces, Menopause, LGBTQ+, Disability, Women in STEM and Ethnicity CRGs to review IVIA proposals and share their perspectives. Now in its thirteenth year, we enhanced our apprentice programme by holding open evenings at our state-of-the-art Training Academy, clubs, schools, colleges, and mosques encouraging those from diverse backgrounds to apply for roles. Our outreach efforts have had significant influence in changing the diversity profile of talent recruited into our organisation within the last two years (see table below).



Stakeholder outcomes

- ✓ Equity built into the design of future services by supporting considerations around fairness, identifying any barriers to participation and promoting solutions that will mitigate risks to inclusivity.
- ✓ Improvement of the historical imbalances that exist in our industry for the benefit of our current colleagues, our customers, communities and future talent entering the sector.

What we will do next

Cheryl Iontton, Diversity and Inclusion Manager, said: "To embed our D&I strategy into our culture our comprehensive 2022/23 action plan includes 2.5 hours of training for all colleagues (5.5 hours for our leaders) on respectful teams, conscious inclusion and inclusive leadership."



| Colleague Groups | Female Population | Female Engineers | Minority Ethnic Groups | Minority Ethnic Leaders |
|------------------------------------|-------------------|------------------|------------------------|-------------------------|
| Average, year ending March 2021 | 24% | 7% | 4% | 2% |
| Colleagues with < 2 years' service | 29% (+5%) | 21% (+14%) | 12% (+8%) | 4% (+2%) |



The leading DNO



2021/22 – Awards and Recognition

The Carbon Literacy Project
'Silver Accreditation' (2022)



The Institute of Customer Service
'Best Use of Customer Insight Award' (2021)



The Greater Manchester Good Employment Charter
'Best in Supporting Mental Wellbeing Award' (2022)



The North West the National Apprenticeship
'Recruitment Excellence Award' (2021)



