

Unmetered Other

Incentive on Connections Engagement
Looking Forward and Looking Back report
May 2019



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Welcome

This is our Incentive on Connections Engagement report for Unmetered Other.

Based on stakeholder feedback, we have split our report into three sections:

- **Engagement Strategy**
- **Looking Back**
- **Looking Forward**

The Engagement Strategy section describes how we have applied our company-wide customer engagement strategy for our Unmetered Other connections stakeholders and customers.

The Looking Back section reports our performance throughout 2018-19, and the Looking Forward report sets out our commitments for the year ahead, 2019-20.





Foreword

I am delighted to introduce our Unmetered Other Incentive on Connections Engagement report for 2019. Since moving from the Operations side of the business into Energy Solutions in July 2018, I am proud to be supporting local growth and to be taking a lead in the transition to a low carbon future by improving services for the Unmetered Other market segment.

We understand that the needs of our customers within this market are varied and differ from the needs of our other stakeholders and we continue to work hard to deliver for them. We also appreciate that our engagement approach must vary for this market and we will continue to look for new ways to engage with our stakeholders.

This report demonstrates how our workplans drive continuous improvement within our business and ensure we maintain focus on delivering excellent service for our Unmetered Other customers. We have continued to develop and embed our company Purpose and Principles to guarantee that in the ever changing environment, we continue to deliver the very best service for our customers and communities. We have dedicated a section to our new Purpose and Principles later in the report.

I hope you find this report useful in demonstrating the improvements we have delivered and the plans we have for the year ahead. As always we are keen to hear your feedback so we can continue to improve our service to you. Please contact me via the ICE team at ICE@enwl.co.uk



Mark Williamson
Director of Energy Solutions



1 Engagement Strategy and Approach

1.1 Background

Our Incentive on Connections Engagement (ICE) reports focus on specific connections markets in line with Ofgem’s ‘competition tests’ held between 2011 and 2013.

Distribution Network Operators (DNOs) are required to develop ICE Workplans for market segments that did not pass the competition tests. We are delighted that we have passed all but two of our competition tests. This shows our commitment to promoting competition in the North West and increasing choice for our customers.

In May 2018 we published three workplans relating to different market segments. The Distributed Generation Low Voltage (DG LV) and Unmetered Other Workplans consider the market segments where the competition test was not passed. The third considers improvements to our business-as-usual processes and assistance for third parties offering contestable work. It is different to the other two workplans because it applies to services for all market segments, including those we passed.

This report focuses on our engagement, commitments and performance for our unmetered other connections stakeholders only.

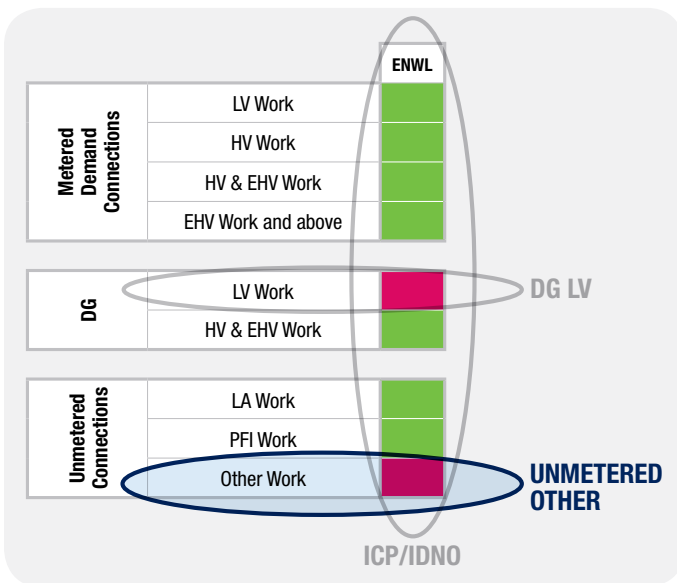


In the northwest of England, the number of Unmetered Other customers has remained between 50 and 60 customers since 2016.

The graphic below shows that the majority of customers only have connections that are valued under £2k. The majority of our customers are one off connections with only a small number of returning customers and therefore this limits the opportunities for engagement.

| YEARS | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------|---------|---------|---------|
| Number of customers | 50 | 54 | 60 |
| No. of customers under £2k | 27 | 30 | 29 |
| No. of customers under £10k | 7 | 9 | 9 |

Our stakeholder identification and engagement activities showed the mix of stakeholders to be diverse, but transient. Our list of engaged stakeholders in this area changes year on year. Because many of these customers do not have regular touch points with us, it is important we assist this stakeholder group, focussing on addressing their needs. For our small number of regular customers strong communication links have been forged with our delivery teams satisfying their individual needs. We aim to support the Unmetered Other market and encourage competition to deliver the best service possible to customers and business in the North West.



1.2 The Unmetered Other Market

The Unmetered Other market segment comprises all unmetered work that is carried out for customers other than local authorities or under a Private Finance Initiative (PFI). This work can be for developers on new housing sites, for advertising hoardings or for telephone or internet providers.

Although this is a relatively small market segment compared to the other segments seeking connections from us, it represents a vital part of our local community allowing us to use our streets safely and enables us to use our telephones and internet at home.



1.3 Putting stakeholders at the heart of what we do

In 2017-18 we reassessed our values as a business to help us serve our customers better in all that we do. Our new purpose; **‘Together we have the energy to transform our communities’** clearly reflects our commitment to engage with stakeholders to help us continue changing for the better.

Our principles provide stakeholders with a clear statement of what they can expect from us as they engage with us.

Whilst these were designed to cover the activities of the whole business, our purpose and principles reflect the essence of ICE and have been adapted to show all that we do for our connections customers. We are very proud to live by the results, and continue to place stakeholders at the heart of what we do by embedding these principles in our connections engagement activities.



We're SWITCHED ON

Our stakeholder engagement ensures we stay switched on to our stakeholders needs

Stakeholder engagement informs our business decision-making

We engage with connections stakeholders to capture the views of the customers and communities we serve



We're ADAPTABLE

We understand our stakeholders' preferences and engage with them in line with their preferred communication channel

We continually grow our understanding and adapt our business as a result of listening to the experiences of our stakeholders

Our workplans drive improvement as we take feedback and adapt our processes to better serve our stakeholders



We take PRIDE

We take pride in knowing our stakeholders benefit from improvements arising from feedback received through our engagement activities.

Our feedback to stakeholders is transparent on the issues they've raised and they hold us to account

We act on stakeholder feedback

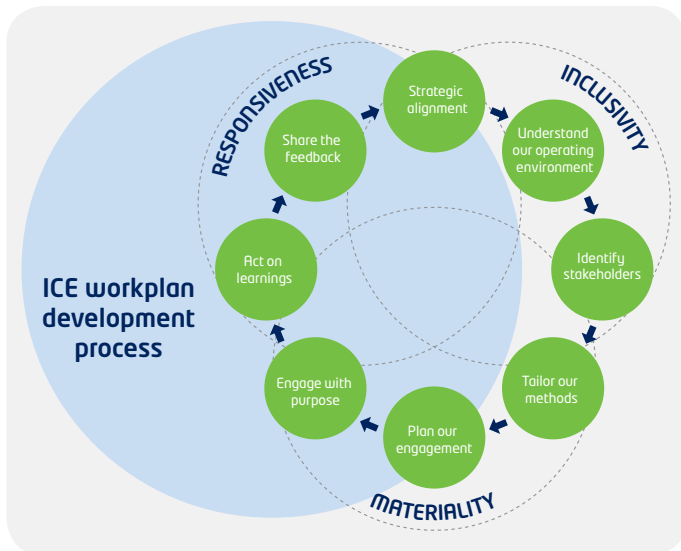


1.4 Implementing our strategy for connections

Our strategic approach is fully aligned with our wider stakeholder engagement strategy and ensures that we engage with purpose with our stakeholders.



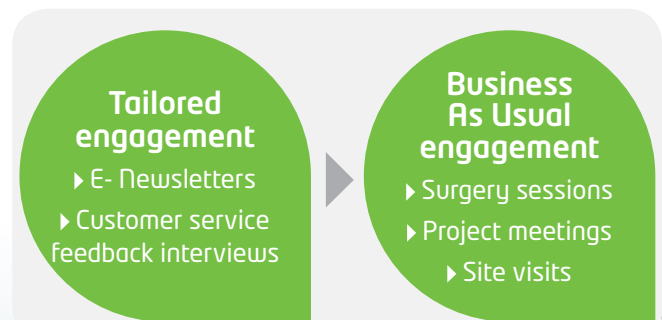
Our engagement methods are tailored to our stakeholders to meet their needs and expectations and to deliver meaningful outputs. This is demonstrated in the development of our workplans, collaborating with our stakeholders, sharing and incorporating feedback throughout the process.



We believe that our engagement should be as easy and convenient as possible for those that wish to participate. However, for the majority of our Unmetered Other stakeholders the relatively small value of the work means that engagement with Electricity North West is a low priority. We recognise that because of the diverse nature of their work, group engagement, for example hosting a workshop, would not provide the same benefits as for other markets. Instead we continued to offer individual phone or face to face interviews in 2018-19. This allows us to better explore and understand their priorities and challenges in more detail and at their convenience. We also utilised short surveys to gather feedback essential in shaping our activities to serve this market segment.

We recognise that engagement needs to be continuous and tailored according to short-term, medium and long term stakeholder needs.

That's why we set clear objectives for improving engagement at all levels:





1.5 Engagement Governance

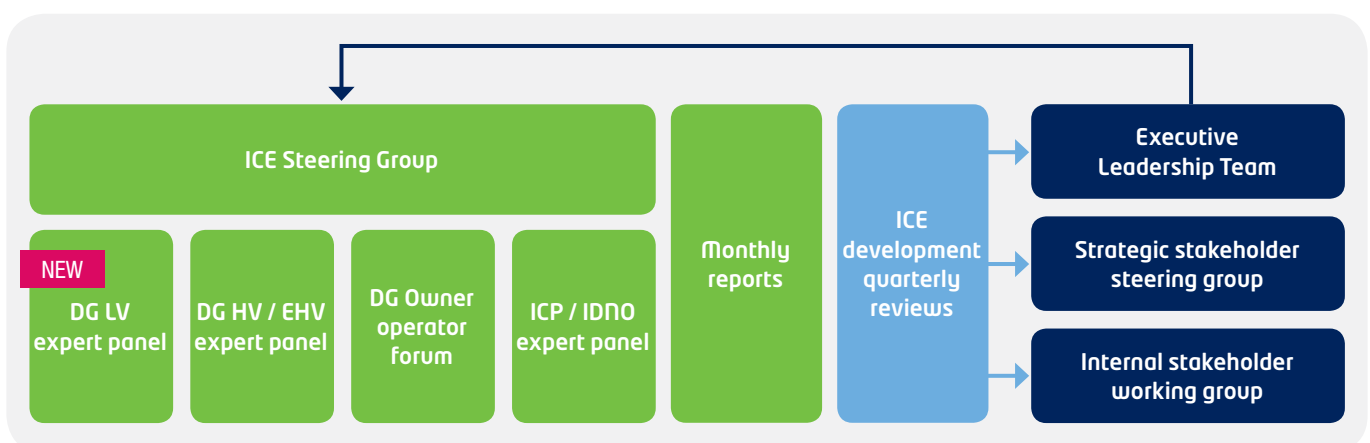
We understand that to be truly effective, engagement needs to be fully aligned with and visible to the whole of our organisation. A robust framework to coordinate stakeholder engagement activity is key to ensuring that our stakeholder engagement is holistic, consistent, and provides high-quality outcomes for our business and our stakeholders. To further enhance the governance around our engagement activities, we have strengthened our cross-directorate coordination to ensure we maximise the benefit from our engagement activities.

Feedback is evaluated and reviewed by a series of internal and external panels and is overseen by steering groups that ensure strategic direction and alignment with our business plan.

| Strategic | Consultative | Informing | Operational | Responsive |
|-------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|-----------------------------------|-------------------------------------------------------------------|
| Expert input to the development of our strategy | Focussed consultation to inform business decision-making | Broadcast stakeholder and customer engagement and surveys | Day-to-day operational engagement | Supporting events and consultations organised by our stakeholders |

We value the needs and concerns of the breadth of stakeholders that we engage with and document these as we develop future workplans, and via feedback loops arising from engagement activities. As part of our wider company engagement governance, we include all our ICE activities within our centralised stakeholder engagement tracker, registering our engagement with stakeholders. Engagement risks are updated and reviewed bi-annually by the strategic stakeholder steering group where the group can discuss strategic mitigation techniques for implementation at a tactical level, amongst the working groups and operational teams.

Progress against plans and operational feedback is captured as part of business-as-usual monthly reporting to the Senior Leadership Team and the Executive Leadership Team and is therefore visible at all levels throughout the business. Strategic feedback related to ICE workplan development collected as part of our connections engagement is collated and presented quarterly to our external strategic stakeholder advisory panel, strategic stakeholder steering group and reviewed by the Executive Leadership Team.





1.6 Independently assured

In 2017 we commissioned AccountAbility to conduct an independent audit of our stakeholder engagement with connections customers. AccountAbility is a consultancy that works with businesses to measure and improve their practices including stakeholder engagement. AccountAbility's independent assessment of our activities positioned us in the 'advanced' stage of the Accountability Stakeholder Engagement maturity ladder.

MATURITY LADDER

- Beginner stage
- Early stage development
- Advanced stage**
- Mature stage

“ Representing good practise, ENWL consistently and systematically involves stakeholders' input in the full lifecycle of engagement.

A further area where ENWL performs strongly concerns the diligent and systematic documentation of engagements, with engagement outputs and summary documents made available and easily accessible both to participating and non-participating stakeholders through the company's website and other communication channels.

Stakeholders are formally invited to comment and feedback in the planning, development and design of the stakeholder engagement sessions. Their input is further solicited and validated in the development of ensuing company ICE action plans.

ENWL has demonstrated well-structured and formal internal systems and processes to plan, prepare, implement and monitor its Connections engagements.

To further support ENWL's ambition and performance it is recommended to:

- ▶ Further develop and implement simple and practical checklists and guidance documents to ensure a consistent planning and preparation of all forms of Connections stakeholder engagement.
- ▶ Extend the current output, activity and satisfaction-based metrics to outcome and impact-based metrics that align closely with the overall stakeholder engagement purpose and strategy of the organisation.

Following our external evaluation we have acted on their recommendations, specifically:

- Implemented a standard process for planning engagement and documentation to capture all planning and briefing materials
- Implemented a standard risk log for engagement
- Applied & tracked Key Performance Indicators for our events to measure success

This year (2018-19) we held biannual Internal Working Group meetings dedicated to ICE. These provided full visibility of all of the feedback we received from stakeholders across both business-as-usual and planned engagement to senior leaders in our business.



1.7 Stakeholder identification and positioning

The independent audit by AccountAbility concluded that our stakeholder profiling and mapping processes are robust, on the basis of stakeholders' influence and interest. Furthermore our approach fully aligns with that of the overarching company stakeholder mapping methodology.

We continually review and re-assess our stakeholder profiles and mapping to ensure that our stakeholder engagement continues to be planned appropriately for our target customer groups.

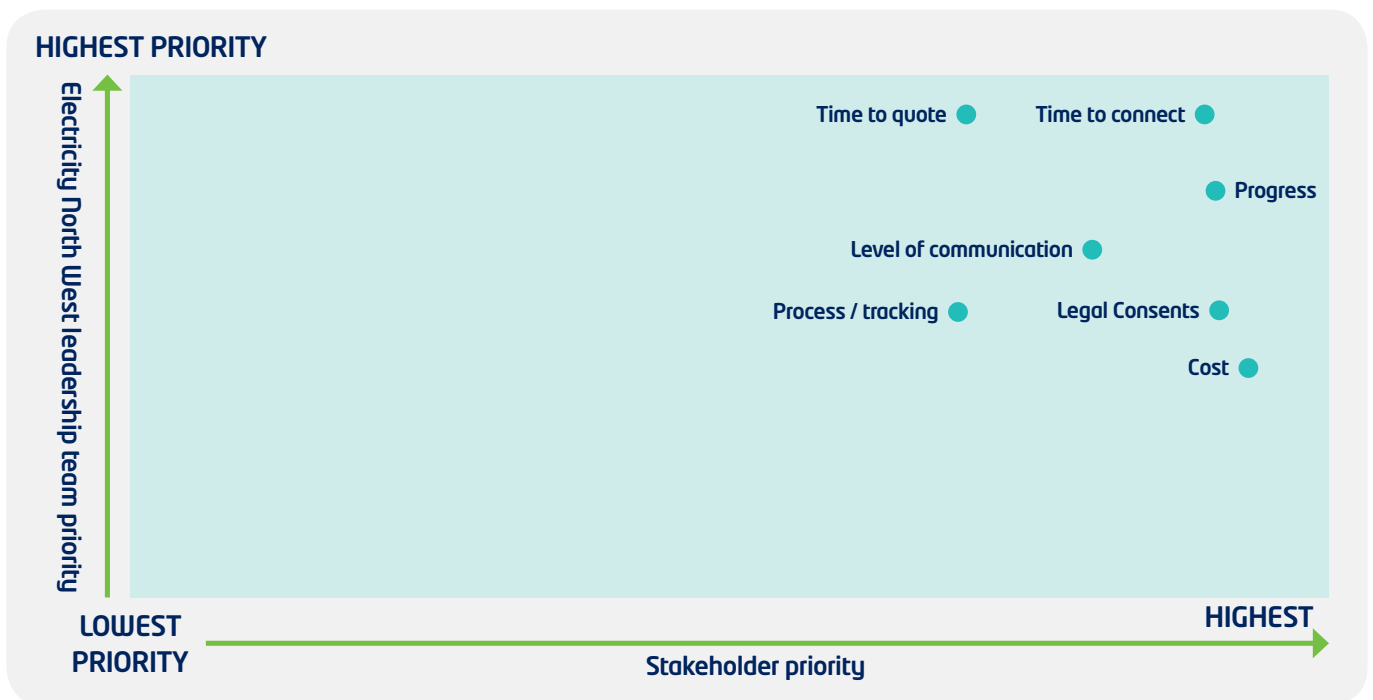
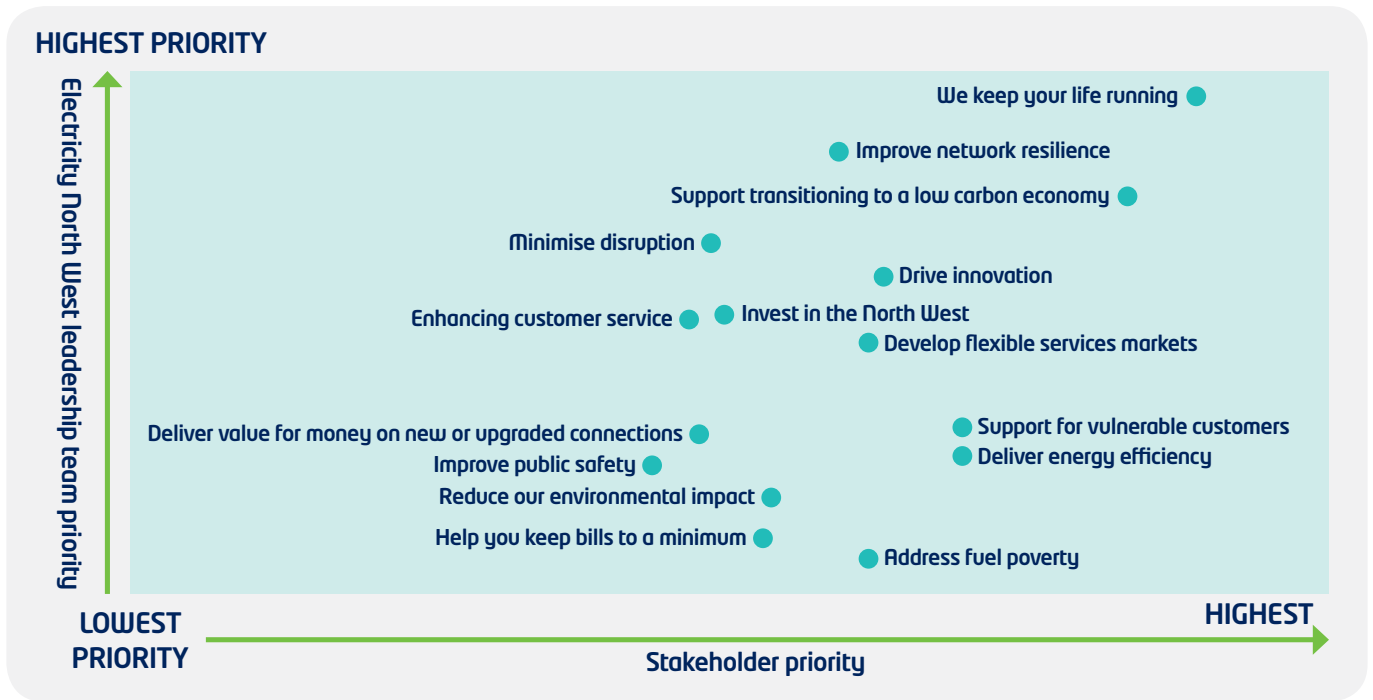
We also identify and position our stakeholders, using our corporate Venn diagram as shown below. Stakeholders are positioned according to whether or not we have an obligation to them, whether they are affected by our operations and whether they are likely to influence our performance as an organisation. This, in conjunction with the interest and influence matrix, helps inform our engagement approach.





1.8 Stakeholder Materiality

Below is an extract from Electricity North West's wider company engagement strategy showing the results of the stakeholder mapping exercise.



Above is the stakeholder map for this market segment which is based on the same principle.



2 Looking Back report

Our Unmetered Other stakeholders are diverse in the nature of work they carry out, interests and priorities. The market continues to change and adapt which also means that their needs and requirements from us are also continually changing.

Interviews
Transport
for Greater
Manchester

“ A lot of work completed wouldn't have been done without the flexibility provided by ENWL. ”



2.1 Summary Performance of Unmetered Other actions 2018-19

| Commitment | Action | Target/Output/KPI | Target | Delivered | Status |
|---------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|--------|-----------------|--------|
| We will implement efficiencies in communicating site work with customers | Check contact details for site work to ensure site related communication goes to customer site resource | 80% of stakeholders surveyed agree that this has streamlined the process | Q4 | 100% | ✓ |
| We will facilitate free-form detail fields on our application forms to allow customers to add more information where necessary | Adding more flexibility in how customers provide information in their application (specifically regarding load details and usage) | Updated application form available via pdf download and online | Q4 | Q3 | ✓ |
| Improve time to connect | We aim to outperform the regulatory standard by completing connections on average in 22 working days (compared to the guaranteed standard of 35 working days) | We will continue to work towards a 22 day average Time to Connect | Q4 | Q4 (19 days) | ✓ |
| Improve time to quote | We aim to outperform the regulatory standard by providing quotes on average in 23 working days (compared to the guaranteed standard of 25 working days) | We will continue to work towards a 23 day average Time to Quote | Q4 | Q4 (8 days) | ✓ |



2.2 Detailed performance

In this section we set out the detail of how we delivered on the commitments we made this year and where stakeholders can find the outputs from our actions.

We will implement efficiencies in communicating site work with customers

This year we have continued to work hard to improve our services to Unmetered Other customers. This included a focus on ensuring site related communication goes to customer site resource and that planned start and energisation dates were provided in a timely manner.



Helpful and groundbreaking

Transport For Greater Manchester



We invited nine of our larger repeat Unmetered Other customers to participate in our interviews

One customer agreed to participate and gave us 100% satisfaction on delivery communications and went on to score us 10/10 on the service we provide.

We will facilitate free-form detail fields on our application forms to allow customers to add more information where necessary

Following feedback from stakeholders we have amended the online application form to include a new free format text box for customers to add any additional information relevant to the scheme to help us improve the quality of our quotes first time. Since implementation 72% of stakeholders have utilised this field when submitting an online application form, providing invaluable information for our design engineers.

Improve Time to Connect

To continually drive our performance in delivering customer projects, we committed to achieving an average Time to Connect target of 22 days against the guaranteed standard of 35 days.

| Time to Connect | Target | Actual | Status |
|-----------------|--------|--------|--------|
| Unmetered Other | 22 | 19 | ✓ |

We are proud to say that we have achieved an average Time to Connect of 19 days during 2018-19.

We have achieved this by closely coordinating our schemes and developing closer working relationships with our contractors. We have improved our communication channels and management information systems to ensure we can monitor progress throughout the year. This measure excludes connections under bespoke customer arrangements.

Improve Time to Quote

We are pleased to have met our target for Time to Quote and will continue to provide a good service to meet customer requirements.

| Time to Quote | Target | Actual | Status |
|-----------------|--------|--------|--------|
| Unmetered Other | 23 | 8 | ✓ |



3 Looking Forward report

3.1 Introduction

In this Looking Forward report for 2019-20 we set out our commitments and activities for the coming year, to continue the journey in improving our services for our Unmetered Other connections customers.

Our commitments are based on feedback from a range of stakeholders, directly affected and interested in our business connections services. Our engagement continues on a rolling basis; we encourage stakeholders to engage with us throughout the year to help us continually update and adapt our workplans and direction as needed.

3.2 Our engagement strategy 2019-20

This year we will continue to examine our engagement strategy and approach to ensure it continues to be fit for purpose for our connections stakeholders. We will continue to ensure consistency with the wider business with regards to how we engage with our stakeholders as described in the engagement strategy and approach section of this report. We will seek to expand opportunities to engage with our stakeholders in the Unmetered Other market.

AccountAbility
Assurance
Report 2017

“Electricity North West has demonstrated a laudable performance in developing and driving a stakeholder centric-culture within the organisation. Built on a strong and authentic governance structure consisting of a series of dedicated Advisory Panels linking the Executive level of the organisation with the operational level, Electricity North West has established a robust foundation for continual improvement and strong sustainable performance in stakeholder engagement activities.”

3.3 Developing our plans

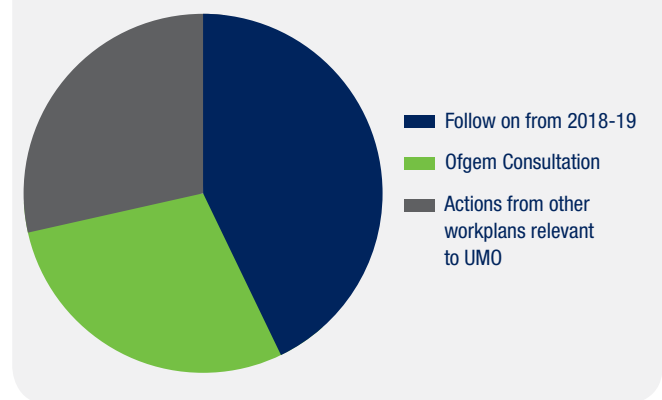
We know it's crucial to involve our stakeholders in everything we do, not just in developing our plans, but throughout the year. Our workplan development is a gradual and continual process aligned with our engagement. We will engage with our stakeholders on specific topics that they care about.

Our ICE workplan development process this year followed the approach of previous years. We collected feedback, verified it in later through engagement and then developed ideas, before going back to stakeholders again to review and refine before submission.

3.3.1 Tracing the roots of our actions

It is important we can show how our thinking has developed and where our actions have come from. We review engagement feedback from the previous year to identify key issues and topics and plan our workplan engagement appropriately. Therefore development of our actions begins well ahead of our engagement. Each of our actions can be traced back to stakeholder feedback and each action has been checked and endorsed in subsequent events.

Origin of ICE actions





3.4 Looking forward workplan

| Commitment | Action | KPI/Target | Delivery date |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|---------------|
| Target Time to Quote timescales for UMO | We aim to outperform the regulatory standard by providing quotes on average in 19 working days (compared to the guaranteed standard of 25 working days) | We will continue to work to a 19 day average Time to Quote | Q4 |
| Target Time to Connect timescales for UMO | We aim to outperform the regulatory standard by completing connections on average in 22 working days (compared to the guaranteed standard of 35 working days). | We will continue to work to a 22 day average Time to Connect | Q4 |
| We will improve access to Geographical Information Systems | We will improve 3rd party access to Network Information on GIS | We will deliver improvements to 3rd party access to Network Information on GIS | Q4 |
| We will engage with our stakeholders on the impact of our Network Management System | We will review the new process for pre-construction drawings (pre-builts) and communicate changes | Hold 2 webinars 85% of stakeholders surveyed rate the events as "Useful" or "Very useful" | Q4 |
| Improve our processes for dealing with emergency street furniture jobs | Review our processes and engage with stakeholders to identify improvements to our reconnection process following road traffic accidents | Publish process online | Q4 |
| We will work with stakeholders to identify ways that we can improve the notification of planned supply interruptions to key unmetered installations. | We will investigate ways by which we could include key unmetered installations into our processes for notification of planned supply interruptions. | We will communicate any improvements we can make to stakeholders | Q4 |
| We will continue to communicate with our stakeholders | Issue regular updates on ICE Commitments and Health and Safety via newsletters to registered stakeholders | Issue quarterly newsletters | Q4 |



3.5 Commitment origin



3.6 Other feedback

In our engagement with stakeholders we received feedback on areas where customers thought we could improve. Due to the low level of feedback from stakeholders we have been able to incorporate all suggested areas into our 2019-20 workplan.

We will continue to seek the views of our stakeholders to inform and shape the services we provide.





4 Closing statement

We take pride in being transparent in our engagement with connections stakeholders. This report demonstrates how we are switched on to the needs of our unmetered stakeholders, detailing the actions we have taken in order to achieve the commitments we made for 2018-19. Our workplan for 2019-20 is based on feedback and follows a robust review process, showing how we are adaptable before finalising the commitments, actions and outputs.

We work hard to ensure our workplan addresses the concerns and provides the greatest benefit to the unmetered sector in the North West. Whilst this is a small sector we are extremely conscious of the impact it has on our communities and so we continue to strive to improve our services.



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Electricity North West Limited

Registered Office:
304 Bridgewater Place
Birchwood Park
Warrington
Cheshire
WA3 6XG

Registered no: 2366949 (England)



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