



RIIO-ED1 Business Plan Commitments Report 2015-2023 Year Six - 2020/21

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The purpose of this report

Each year we publish a report for our stakeholders, with details of the progress against our eight-year business plan for the RIIO-ED1 price control (April 2015 to March 2023)

In our plan we made 76 commitments in the following six categories.

• Safety

Reducing risk to our staff and the general public.

• Reliability

Improving the performance of our network.

• Environment

Reducing our effect on the environment and supporting the Government's plans for a low carbon energy future.

• Connections

Providing an efficient service for our customers connecting to the network.

• Customer Satisfaction

Maintaining excellent customer service.

• Social Obligations

Supporting customers in vulnerable situations.

Within this report you will find information which demonstrates the commitments we made in our business plan and our performance against these during 2020/21.





Welcome from our CEO

WPD has continued to deliver excellent service for our 8 million customers, whilst ensuring continuation of business functions during the Covid-19 Pandemic, addressing the challenges of decarbonisation and developing plans for the next price control.

We made a range of commitments for the current eight-year regulatory price control and this report provides a summary of our performance in year six. We remain on track to outperform the majority of the commitments we made for the RIIO-ED1 price control whilst adapting to changes triggered by factors such as the Covid-19 pandemic and the creation of a more flexible energy system.

For example, we have scored highly for customer satisfaction, reduced our business carbon footprint and supported 22,013 fuel poor customers which provided an average saving of £456 per customer. In addition, we have responded to emerging issues by creating the 'In This Together – Community Matters' fund which provided funding to nearly 900 organisations which in turn assisted over 565,000 people living in vulnerable situations during the Covid-19 pandemic. In addition, we have continued to expand the scope of flexible services utilised on our network, contracting with 441MW of flexible services achieving £40m of avoided expenditure on reinforcement.

Our first ever social contract was published which contains a variety of social and environmental initiatives. Work towards some of these initiatives has already begun. For instance, benchmarking has been conducted to establish best practice with regards to Environmental, Social and Governance (ESG). In 2020/21 WPD achieved a 'B' rating as part of the ESG assessment, which places us in the top 15% of utility companies globally.

Looking forward we have established plans and work programmes to build a 'green recovery' from the effects of Covid-19. To this end during 2020/21 we have identified strategic investment in the network, providing capacity for Low Carbon Technologies (LCTs) which supports communities to establish green jobs and stimulates a green recovery.

Phil Swift
CEO Western Power Distribution



Who we are

We are one of six Distribution Network Operators (DNOs) who deliver electricity to homes and businesses. Our network is the largest in the UK, operating from the Lincolnshire coast, across the Midlands, South Wales and the South West.

We are not a supplier. We do not buy and sell electricity or directly bill customers.

Our costs account for around 16% of an average customer's yearly domestic electricity bill, which they pay to their supplier.



Our network, which serves **8 million** customers, is the largest by area in the UK



What we do



Keep the lights on
by operating our network assets effectively



Maintain equipment
so that the network remains reliable



Fix the network
if equipment gets damaged or is faulty



Connect customers
by upgrading existing networks or building new ones



Operate a smart system
by managing two-way power flows and flexible services

2020/21 Highlights

Accident rate fell to
0.68 accidents
per 100 staff

87%
of customers affected
by a HV fault had
their supply restored
within one hour

Power cuts have
reduced by
38%

Reduced leaks from
oil-filled cables by
59%

9.18 out of 10
for overall customer
satisfaction

Over 400,000
customers provided
with safety
information

Over 500,000
vulnerable people
supported via the 'In
This Together –
Community Matters
Fund'

£40m
of reinforcement
deferred/avoided by
expanding use of
flexibility services

Engaged with over
16,000
connection
stakeholders

22,013
fuel-poor customers
supported to
save them
£10 million

34% reduction
in our business
carbon footprint

Our Priority Service
Register customers
rate our services as
9.45 out of 10

Stakeholder engagement

Updating our plans in line with feedback

Every year we undertake extensive stakeholder engagement. This engagement remains an essential feedback mechanism to enable us to understand customer requirements and effectively improve processes.

Due to Covid-19 restrictions, we held virtual meetings during 2020/21 in lieu of our preferred face-to-face method of stakeholder engagement.

In November 2020 we hosted four regional workshops, where over 220 attendees reviewed our performance and proposed further actions via interactive breakout discussions and online voting. In February 2021, we held five topic-specific sessions attended by over 250 stakeholders on our key delivery strategies, allowing us to obtain more detailed feedback on areas such as our social contract, the environment and innovation. To find out more about these sessions please visit our website.

Alongside these workshops, we have used a range of methods to obtain stakeholder views, including net zero surgeries, an online engagement hub and enduring engagement with a deliberative group of 96 customers, whose knowledge we have developed to gain informed insights on our plans.

Furthermore, over 16,000 customers have engaged with the connections-focused element of our engagement programme, which includes specific forums and surgeries for connecting customers.

Planning for the future – co-creating with our stakeholders

One of our priorities during 2020/21 has been the development of our RIIO-ED2 business plan. The UK's commitment to achieve net zero by 2050, alongside making improvements for vulnerable customers, are fundamental to our proposals for 2023-2028.

We used a wide variety of engagement approaches to co-create our plan with stakeholders. Meetings with expert stakeholders, including collaboration with our Customer Panel, and scrutiny and challenge from our RIIO-ED2 Customer Engagement Group, have ensured our proposals are robust and fully-justified.

We have been transparent with our plans, publishing three drafts of our full business plan, to enable stakeholders to carry out detailed assessment and provide feedback to influence and shape the commitments we are making.

So far, we have engaged with over 19,000 stakeholders at more than 250 events to co-create our RIIO-ED2 business plan. Engagement will continue into 2021/22 until the final plan is submitted in December 2021.

Customer Panel's statement

A summary of how the panel has helped WPD

Independent challenge – the Customer Panel's view

“The Customer Panel, previously called the Customer Collaboration Panel, is a group of knowledgeable and interested individuals who meet quarterly to review and influence WPD's plans.

The Panel has been in place for 13 years and currently has a pool of approximately 30 permanent, expert members.

For 2020/21 the Covid-19 pandemic meant that face-to-face meetings could not take place and a switch to remote meetings was required.

In normal years, The Panel would continue to focus on the strategic priorities previously agreed with stakeholders, this year much of the focus inevitably moved to supporting those working and living through the pandemic. However, this doesn't mean we didn't continue to scrutinise, challenge and provide advice to WPD as it worked towards its newest business plan.”

Some examples of the panel's engagement from 2020/21 are shown below:

Engagement area	Outcomes
In This Together – Community Matters funding	
The Panel was asked to support distribution of this funding. A subgroup established the criteria and the whole panel helped publicise the grants. As soon as applications were received the subgroup undertook rigorous assessments.	Over three rounds a total of £1 million was awarded to various organisations as summarised below: Round one (£500,000): Grants awarded to over 300 charities, local hospitals, community groups, parish councils and local authorities Round two (£250,000): Grants awarded to nominate community groups, charities, faith groups and businesses that changed focus to help people during the pandemic. Round three (£250,000): Grants to support initiatives specifically offering food and clothing parcels, hot meals, gifts and support to those who were most vulnerable in the winter period.
Social Contract	
The Social Contract outlines the commitments that WPD makes to its stakeholders. It provides a way to measure these commitments and to hold WPD to account.	Our comprehensive contribution has helped to: <ul style="list-style-type: none">• Ensure that the social contract is embedded across WPD;• Illustrate weighting of priorities as well as interaction between focus areas;• Situate the social contract in the wider global context;• Ensure it is industry leading, setting an example for others; and• Identify opportunities to maximise social value.
Priority Service Register (PSR)	
WPD planned to design and print two stickers, to advertise the PSR and detail WPD emergency contact numbers.	The Panel felt the first sticker was unnecessary as a freepost leaflet was available and once a customer had registered it would no longer be required. Members also had suggestions for the design and content of all the materials. WPD took our critique well and, in this case, progressed with only one sticker, with a design heavily influenced by our comments.



The Customer Panel report

More detail on the way in which WPD works with the Customer Panel can be found in a detailed report for 2020/21. The full report can be found at this link:

yourpowerfuture.westernpower.co.uk/our-engagement-groups/customer-panel



Output performance overview 2020/21

Safety		
1	Meet health and safety law.	✓
2	Make sure we have safe clearance distances between overhead lines and structures or the ground.	✓
3	Complete inspection and maintenance programmes.	✓
4	Reduce the number of accidents.	✓
5	Contribute to safety initiatives put in place by the Energy Networks Association.	✓
6	Work with trade union representatives to promote safe practices.	✓
7	Investigate the causes of all accidents.	✓
8	Improve security at substations.	✓
9	Run electrical-safety sessions for members of the public.	✓
10	Distribute electrical-safety literature.	✓

Reliability		
11	Improve network performance to reduce power cuts.	✓
12	Reduce the time it takes us to restore electricity after a power cut.	✓
13	Reduce the number of times power cuts last more than 12 hours.	✓
14	Deliver Guaranteed Standards of Performance.	✓
15	Improve standards for customers who experience frequent power cuts.	✓
16	Install flood protection at substations.	✓
17	Speed up our programme for clearing trees that could cause a fault if they fell during a storm.	✓
18	Improve battery life at substations to last 72 hours if there is major, network-wide power loss.	✓

Environment		
19	Improve the time we take to respond to customers connecting low carbon technology to our network.	✗
20	Identify areas where more low carbon technology is likely to be connected.	✓
21	Increase the size of assets in areas where more low carbon technology is likely to be connected.	✓

Key		
✓	Achieved an annual output	
✓	Output on track, some aspects require further progress	
✗	Not met an annual output	

Environment		
22	Explore new options to improve the way that we manage the network.	✓
23	Improve our management of the network by implementing 'smart' solutions.	✓
24	Use larger transformers in areas where we expect use of the network to increase.	✓
25	Use larger cables in areas where we expect use of the network to increase.	✓
26	Make sure that replacement vehicles have lower CO ₂ emissions than those they replace.	✓
27	Improve the energy efficiency of our buildings.	✓
28	Reduce the amount of waste that we send to landfill.	✓
29	Reduce our carbon footprint by 5%.	✓
30	Reduce the amount of oil that leaks from oil-filled cables.	✓
31	Reduce the amount of SF ₆ (a greenhouse gas) that is lost from switchgear.	✓
32	Install containment 'bunds' around equipment which contains large amounts of oil.	✓
33	Replace 55km of overhead lines in AONBs with underground cables.	✓

Connections		
34	Meet Ofgem's targets for the time taken to deliver a new connection.	✓
35	Provide excellent customer service so that customers rank us as the top-performing DNO.	✓
36	Carry out customer satisfaction surveys with distributed generation customers.	✓
37	Develop our processes for customers applying for a connection online.	✓
38	Provide helpful information for connection customers online.	✓
39	Host 'surgeries' every three months to help connection customers to understand our processes.	✓
40	Work with major customers to identify where our processes can be improved.	✓
41	Aim to achieve no failures of the connection Guaranteed Standards of Performance.	✓
42	Improve customer awareness of other connection providers.	✓
43	Work with other connection providers to extend the types of work that they can carry out.	✓



Output performance overview 2020/21

Customer satisfaction		
44	Continue to be the top-performing DNO for the Broad Measure of Customer Satisfaction.	✓
45	Maintain our certification to show that we meet the Customer Service Excellence standard.	✓
46	Answer phone calls within two seconds.	✓
47	Limit the number of customer calls that are abandoned before we can answer them.	✓
48	Always provide customers with the option to talk to a member of staff when they call our contact centre.	✓
49	Provide a restoration time for every power cut.	✓
50	Contact all customers who have been in contact about a fault.	✓
51	Contact customers within two days of receiving an enquiry which was not about a fault	✓
52	Provide information through 'on-demand' messaging such as text messages and social media.	✓
53	Develop options for customers to find information online.	✓
54	Host a customer panel with our CEO four times a year.	✓
55	Continue to hold at least six stakeholder workshops each year.	✓
56	Provide a stakeholder report every year providing an update on our actions.	✓
57	Resolve at least 70% of complaints in one day.	✓
58	Aim to achieve no complaints where the Ombudsman has to get involved.	✓
59	Send the 'Power for Life' publication to all customers and make sure it promotes GSOPs.	✓

Social obligations		
60	Work with others to improve our understanding of the needs of customers in vulnerable situations.	✓
61	Train staff to recognise the signs of customer vulnerability.	✓
62	Contact customers in vulnerable situations at least once every two years to check their details.	✓
63	Improve the quality of the data that we hold on our Priority Services Register.	✓
64	Co-ordinate meetings with suppliers to agree criteria for vulnerability.	✓
65	Raise awareness of our Priority Services Register.	✓
66	Make 10,000 'crisis packs' available to customers who need extra support during power cuts.	✓
67	Contact customers who rely on electricity for medical reasons every three hours during power cuts.	✓
68	Provide practical support during power cuts through organisations such as the British Red Cross.	✓
69	Ask for feedback from customers in vulnerable situations to check they are happy with our service.	✓
70	Develop ways of sharing information with local resilience forums.	✓
71	Build a database of regional agencies we can refer customers to for help with fuel poverty.	✓
72	Work with our partners to develop links to and from our website so information is easy to find.	✓
73	Develop joint information with the partners we work with to help customers who are facing fuel poverty.	✓
74	Provide fuel poverty training to our staff who have contact with members of the public.	✓
75	Use data analysis to help identify areas with a high concentration of vulnerable households.	✓
76	Develop local outreach services to help customers who are facing fuel poverty.	✓

Key	
✓	Achieved an annual output
✓	Output on track, some aspects require further progress
✗	Not met an annual output



Safety Performance Summary 2020/21

Meeting health and safety law		
1	No improvement notices, prohibition notices and prosecutions from the Health and Safety Executive.*	No improvement notices were issued or prosecutions made relating to the current price control during 2020/21. We have appealed an HSE prohibition notice and will provide details of the outcome at the end of the appeals process.
2	Complete work programmes to meet the Electricity, Safety, Quality and Continuity Regulations (ESQCR) 2002. ESQCR requires that overhead lines are a safe distance from either structures or the ground.	We have completed the programme for clearance distances to structures for all regions. We have completed 100% of the work scheduled in 2020/21 relating to the required ground clearance distances.
3	Complete inspection and maintenance programmes every year.	We completed all of the work scheduled for completion during the year except for a very small number of tasks that could not be carried out due to access issues. We put in place appropriate plans to manage these safely until the work was completed.

Reducing accidents		
4	Reduce our overall rate for the frequency of accidents by 10%.*	Our accident rate in 2020/21 is better than the 10% improvement target set for the whole of RIIO-ED1.
5	Continue to play an active part in the ENA's 'Powering Improvement' initiative, which aims to lead to improved safety performance.	We took part in events designed around the ENA 'Powering Improvement' themes, including contributing to the development of phase 3 of the strategy.
6	Work with our trade unions to improve safety performance, including the use of more 'behavioural safety' initiatives.	During RIIO-ED1 WPD has delivered a wide variety of behavioural safety training to its staff. Using this training as a foundation, during 2020/21 we have continued to reinforce key behavioural safety principles.
7	Investigate all accidents involving members of the public, contractors or our own staff to make sure that learning points are quickly understood and communicated.**	We investigated all 82 incidents that happened during the year (45 staff accidents, 25 contractor accidents and 12 significant incidents involving the public).

Substation security		
8	Improve security measures at 50 substation sites to reduce the number of repeat break-ins.*	The number of repeat break-ins has been lower than predicted. To date in RIIO-ED1, we have upgraded security measures at 19 sites that have had repeat break-ins.

Educating the public		
9	Organise and run over 1,000 educational sessions to provide safety information to over 400,000 schoolchildren.*	So far in RIIO-ED1, we have delivered a total of 16,111 educational sessions to 386,672 schoolchildren.
10	Continue to publish literature on maintaining safety around electrical apparatus and send more than 500,000 copies of this literature to targeted landowners, businesses or leisure operators.*	To date in RIIO-ED1, we have issued over 4 million safety leaflets and made these available to targeted groups through social media.

* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

** Target to be achieved each year of RIIO-ED1

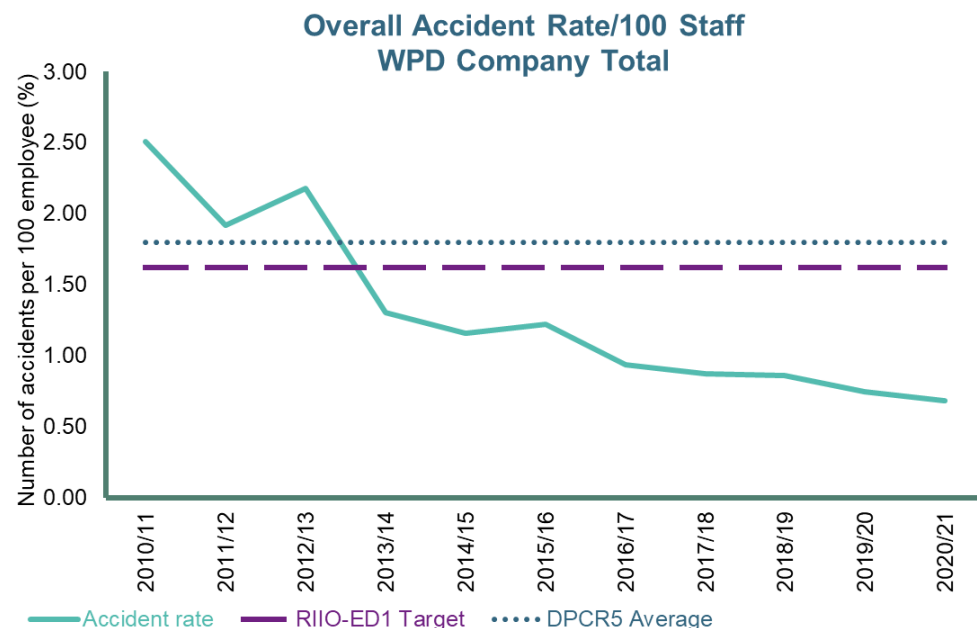


Safety

Accident frequency rates

Safety is at the heart of everything we do. We continually monitor accident rates and aim to improve our performance each year by involving our staff to tackle underlying causes of accidents.

The number of accidents that have taken place remained low. We have already achieved our target for the price control period, but will strive to reduce the accident rate further. Our accident frequency rate for WPD as a whole during 2020/21 was 0.68 accidents per 100 staff.



Driver Behavioural System

Following a successful trial, a Driver Behavioural System which monitors driving style has been implemented in all company vehicles. It is anticipated that by encouraging staff to become 'elite' drivers the number of vehicle accidents and the amount of fuel being used will be reduced.

Covid-19

During 2020/21 our Pandemic Response Group (PRG) implemented new safety procedures and guidance for our staff and customers. Actions included:



Non-operation staff working from home



Increasing the number of operational vehicles



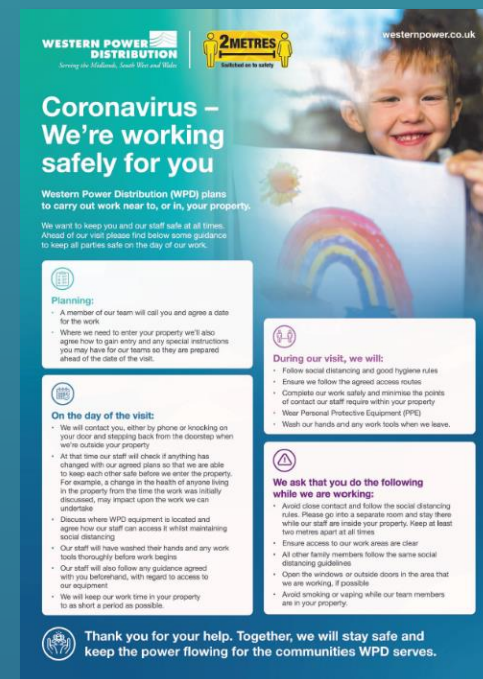
New working guidelines



Development of an in-house track and trace system

All actions were implemented to great success. In total we had only 350 confirmed cases of Covid-19 among our staff, with most being contracted outside of work.

We also created leaflets for our customers to spread public awareness of the importance of the services we provide and how we are adjusting working practices to ensure the safety of staff and our customers.



Safety

Educating the public about electrical safety

Children and other members of the public may not always be aware of the possible dangers of the electricity distribution network. We have committed to providing 1,000 education sessions to 400,000 schoolchildren over the course of RIIO-ED1.

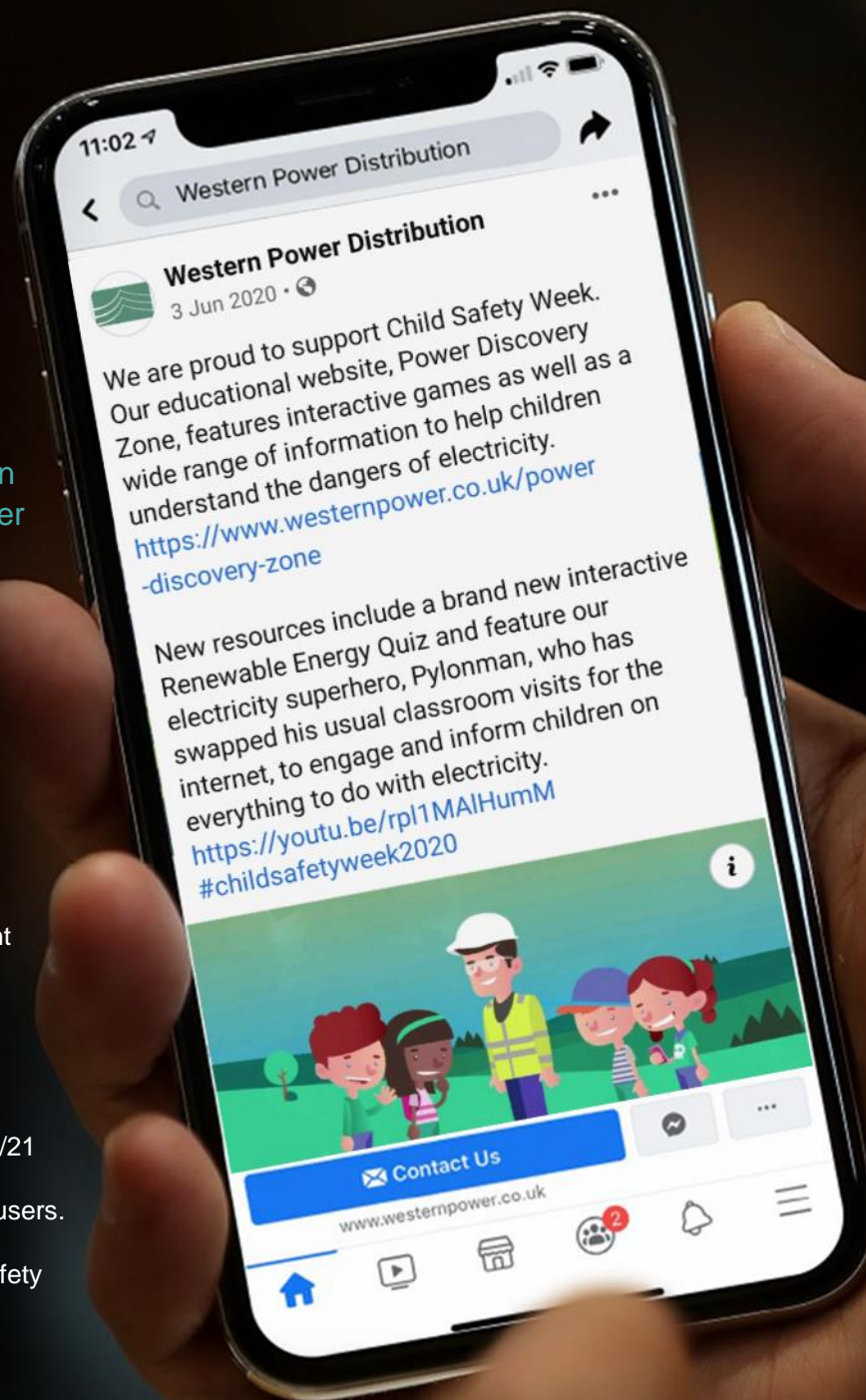
As well as safety sessions, we have also committed to distributing 500,000 safety leaflets over the course of RIIO-ED1 and we've used a variety of methods to reach over 4 million people to date.

This includes using social media to target groups who may be more at risk of coming into contact with electricity as a result of their leisure activities, and providing safety information to landowners who have equipment on their property.

Public safety

We continue to utilise social media to promote safety to a wide range of people. During 2020/21 our Facebook campaigns to promote electrical safety appeared in the newsfeeds of 171,944 users.

This reach consisted of posts on a range of safety topics including farming, electrical fire safety, and child safety.



Educational sessions

We carry out educational sessions in schools and at a range of events throughout the year. These sessions allow us to raise awareness of the importance of electrical safety.

During 2020/21 we were unable to hold face-to-face sessions. We instead piloted a new virtual session 'Stock Tactics' which received an average satisfaction rating of 88.8%.

We also continue to provide online resources such as the interactive, curriculum-linked Power Discovery Zone and games such as Pylon Town.



During RIIO-ED1 **386,672** schoolchildren have attended **16,111** educational sessions

Reliability Performance Summary 2020/21

Network performance

11	Improve network performance by the end of RIIO-ED1 so that, on average, customers will have 16% fewer power cuts and have their electricity supplies restored 23% quicker.*	Customer interruptions have reduced by 38% and customer minutes lost have reduced by 48% from the underlying performance benchmark.
12	Make sure that at least 85% of customers have their power restored within an hour of a high voltage fault happening.**	87% of customers had their power restored within one hour of a high voltage fault.

Guaranteed Standards of Performance (GSOPs)

13	Reduce by 20% the number of customers experiencing a power cut which lasts for 12 hours or more.*	The number of customers without electricity for more than 12 hours (where the GSOP applied) was 155, an improvement of over 98.56% on our 2012/13 benchmark performance. Customers received a set payment where we failed to achieve the GSOP.
14	Achieve no failures on all other GSOPs.**	We had no failures against most GSOP categories. However, we did not meet the standard for restoring supply following a main fuse failure for 3 customers and failed to notify 8 customers of planned interruptions to their electricity supply. There was 14 failures in total.

Worst served customers

15	Reduce by 20% the number of customers classified as worst served.*	To date, projects to reduce the number of worst served customers have been put in place for 13,495 customers. Our target for the whole of RIIO-ED1 was 6,812 customers.
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Making our network more resilient

16	Apply flood defences to 75 substations, reducing the risk of both damage to equipment and power cuts due to flooding.*	We are on track to achieve our RIIO-ED1 targets. To date, we have installed flood defences at 78 substations.
17	Speed up the programme of tree clearance (specifically related to storm resilience) by 40%, with the aim of clearing 700km of overhead lines per year (delivering the programme five years earlier than suggested by Government guidelines).*	The programme on track to meet the RIIO-ED1 target. We have completed 78% of the programme of tree clearance for resilience that we committed to for the whole of RIIO-ED1.
18	Improve substation battery life to last for 72 hours if there is a major, network-wide power loss.*	All programmes are ahead of plan. Protection batteries – 92% of eight-year programme complete. SCADA batteries – 86% of eight-year programme complete. Telecommunications sites – 92% of eight-year programme complete.

* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

** Target to be achieved each year of RIIO-ED1



Reliability

Continuing to improve our network reliability

Network reliability remains a top priority. We regularly inspect, maintain, and if necessary replace our equipment to ensure our network performs effectively.

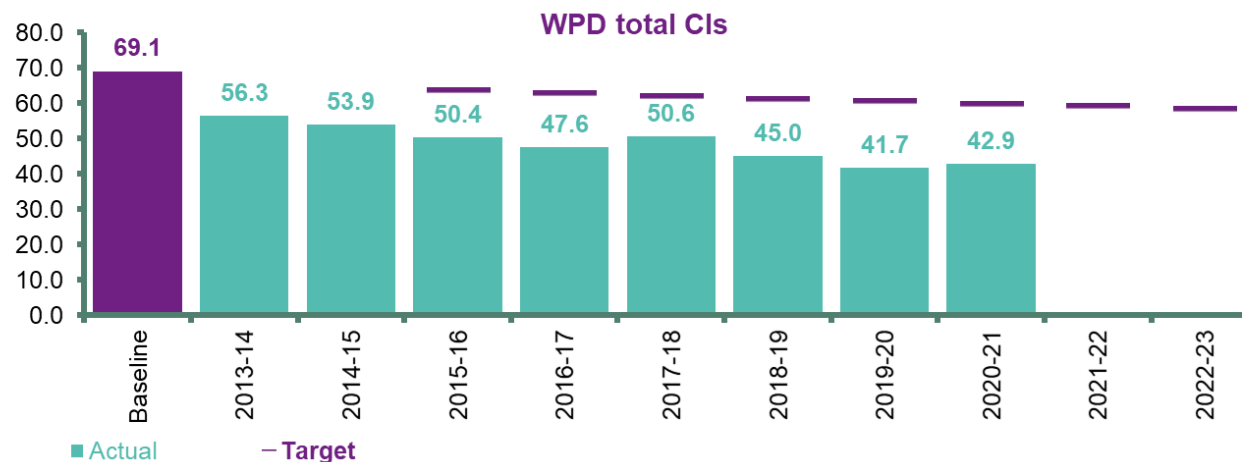
As we move towards a low carbon future, the way stakeholders use and generate electricity is changing and so it is important that our network can allow the connection of electric vehicles and heat pumps, and provide the means to distribute locally produced generation. We reinforce our network where required to ensure it has the capacity to cope with the demands placed on it.

To ensure that the impact of faults on customers is minimised, we reduce the time that power cuts last by using automation on the network to redirect supplies and prioritise restoring customers' electricity supplies quickly.

All of these actions mean that our performance is better than our targets.

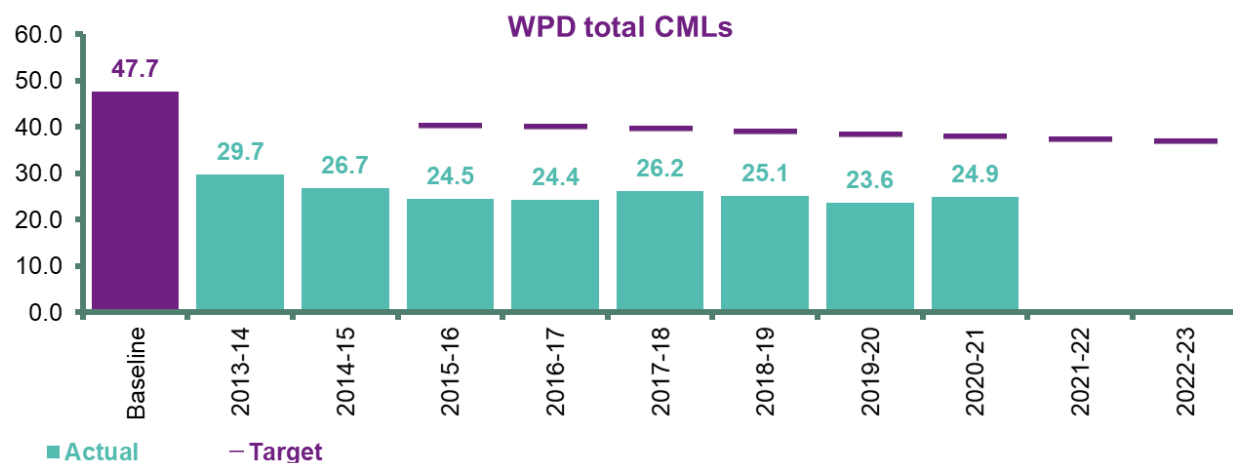
Customer interruptions (CIs)

Customer interruptions measure the average number of power cuts per 100 customers.



Customer minutes lost (CMLs)

Customer minutes lost measure the average length of time that each customer is without power.



Reliability

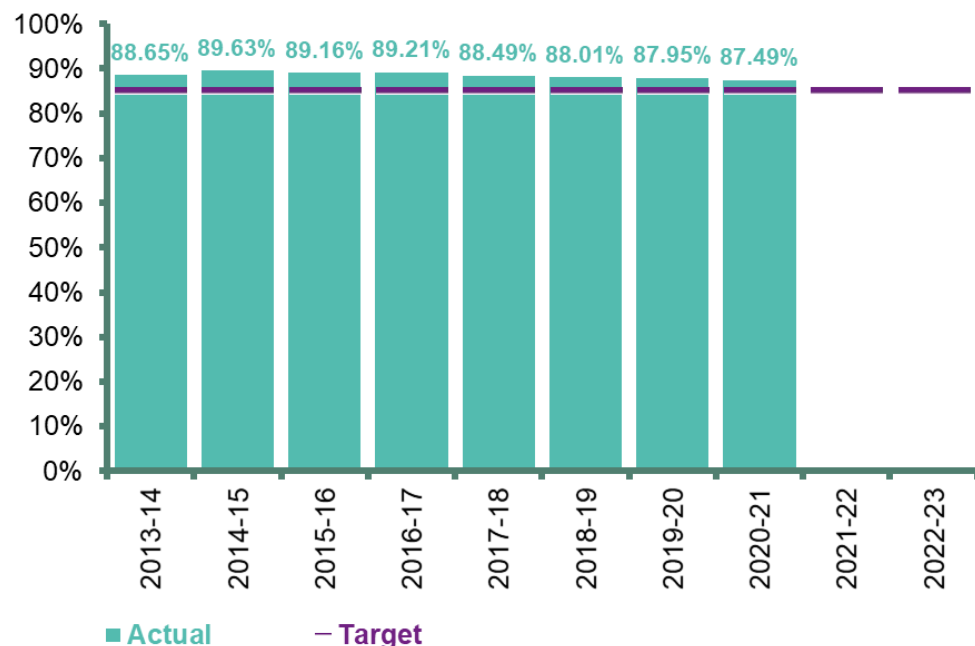
Beating our restoration targets

We have an internal target ('Target 60') which aims to make sure that over 85% of customers have their electricity supply restored within one hour when there is a high voltage fault.

When there is a fault, engineers in our control centres are automatically notified and restore most electricity supplies immediately using remotely controlled switches to redirect the route of electricity. We also send staff to the site to carry out local switching where this is needed.

Our priority is to get our teams to the source of the problem and restore customers' electricity supplies. Our performance continues to exceed the target.

WPD T60 performance



Storm Case Study

During August 2020, Storm Francis brought unseasonal winds of 70mph and heavy rain causing widespread disruption. Over 98,000 customers were affected by power cuts.

Thanks to preparation, resilient systems and the support of our staff, we were able to minimise the impact of the storm and restore those affected as quickly as possible.

We restored power to 99.95% of customers within 12 hours.

Typically, our preparation for such events will include:



Ensuring additional operational, engineering, control, and call centre operatives are on standby and available



Postponing non-essential work to make extra resources available



Securing the availability of helicopters to survey badly affected areas and speed up repairs



Environment Performance Summary 2020/21

Make it possible for more people to use low carbon technologies (LCTs)

19	Improve by 20% the time taken to provide a response to customers who want to use LCTs.*	We are receiving increased volumes of notifications which we are addressing quickly, but the high volumes of enquiries mean that we have not been able to improve our response times.
20	Identify LCT hotspots using information from smart meters, expert organisations and local authorities, and use this information when making decisions.	The development of the "Network Investment Forecast Tool" has enabled us to add predicted LCTs to our LV network and highlight areas of LV cable or transformers that will reach capacity. This list of assets has become the basis for the new LCT Hotspot listing.
21	Selectively replace assets using larger assets in areas where more LCTs may be connected to our network.	We carried out 36 asset replacement projects using larger assets, as a result of using information about LCT hotspots.
22	Reduce costs for future customers by developing smart solutions to provide alternative and innovative techniques for managing our network.	We had a wide range of innovation projects in progress during the year.
23	Provide additional network capacity by using traditional or 'smart' methods.	We have continued to develop the Flexible Power brand and increased the number of substations utilising flexibility from 122 in 2019/20 to 270 in 2020/21.

Reduce technical network losses

24	Install oversized transformers when replacing assets in areas where demand for power may become higher than equipment can cope with.	We installed 22 oversized transformers.
25	Use larger cables when installing new network in LCT hotspots.	We installed 1.99km of larger cable in LCT hotspots.

Reduce the carbon footprint of the business

26	Make sure all replacement vehicles have lower CO ₂ emissions than those they are replacing.	WPD operational vehicle emissions have reduced by 23% compared to 2019/20, some of which will be due to reduced use of contractors during the Covid-19 pandemic.
27	Make sure all new or substantially refurbished buildings meet, as a minimum, the 'excellent' standard under the Building Research Establishment Environmental Assessment Method (BREEAM).**	During 2020/21 we have not completed any depot construction. We are in the final stages of applying for certification for refurbishment works at one site.
28	Reduce the amount of waste sent to landfill by 20% over the first two years of RIIO-ED1 and 5% per year after this.	We have seen a reduction in the amount of waste sent to landfill, and we have achieved our target for the whole of RIIO-ED1.
29	Reduce our carbon footprint by 5%.*	Our business carbon footprint has reduced by 34% compared with 2012/13. We have beaten our in-year target.

* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

** Target to be achieved each year of RIIO-ED1



Environment Performance Summary 2020/21

Reduce the environmental risk of leaks from equipment

30	Reduce by 75% the amount of oil lost through leaks from oil-filled cables.*	The leak volume from oil-filled cables has continued to decrease. We have beaten our in-year target.
31	Reduce by 17% the amount of SF ₆ gas that is lost from switchgear.*	The amount of SF ₆ gas lost as a percentage of the total amount of SF ₆ used on our network has reduced from 0.47% in 2015/16 to 0.11% in 2020/21 for the whole of our area.
32	Install effective oil containment 'bunds' around plant containing high volumes of oil.*	We have completed work on 229 new and refurbished bunds so far in RIIO-ED1, going further than our forecast of 104 bunds.

Improve the appearance in National Parks and Areas of Outstanding Natural Beauty (AONBs)

33	Replace 55km of overhead lines in National Parks and AONBs with underground cables.*	To date during RIIO-ED1, we have replaced 32.7 km of overhead lines with underground cables for visual amenity in AONBs.
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* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

** Target to be achieved each year of RIIO-ED1

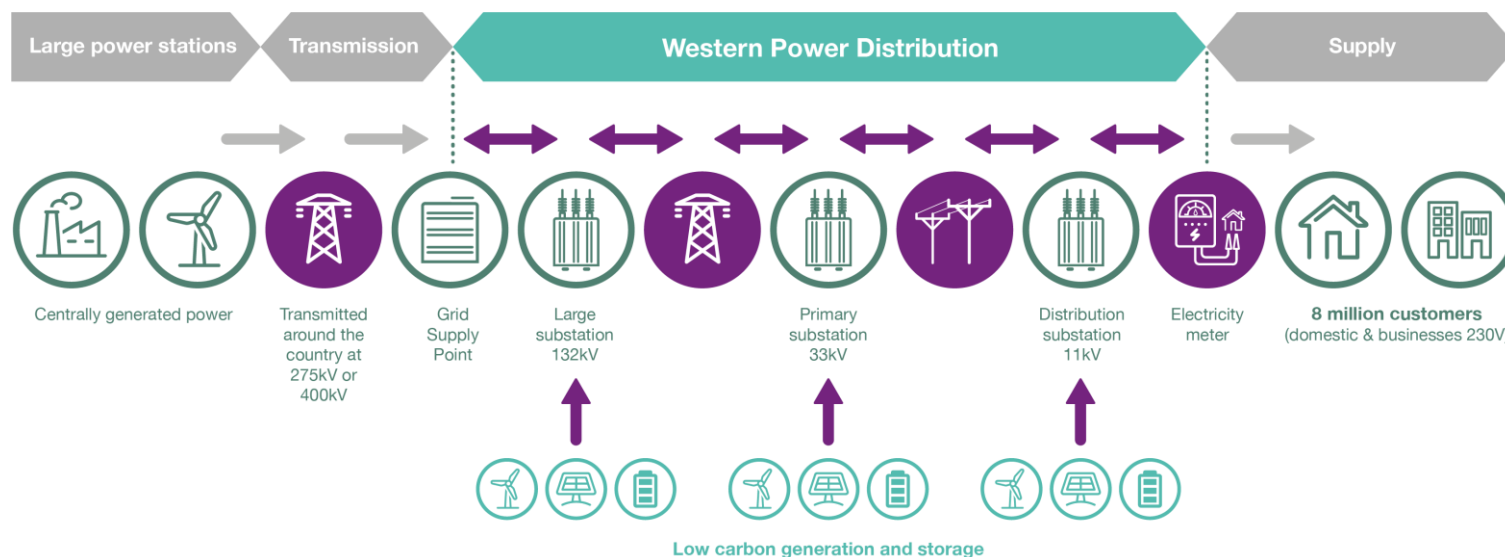


Environment

Planning for the future of electricity networks

The way energy is produced and how customers use energy is changing. As a result we need to change the way we run our electricity network. We will have a greater need to forecast energy generation and use, and actively manage energy flows across the network.

To do this we are moving from the relatively passive role of Distribution Network Operator (DNO) to a more active role as Distribution System Operator (DSO). This will give us more responsibility for balancing sources of energy and demand.



Many large power stations are closing as they come to the end of their lives.

Intermittent renewables (e.g. wind farms) and other forms of electricity generation are now directly connected to the local distribution network. The generation patterns of these types of technology are often much more complex to predict.

We expect rapid adaptation to new forms of electricity demand. Electric vehicles are quickly becoming mainstream and new technologies (e.g. battery storage, heat pumps and electricity heating) could further disrupt traditional energy usage.

DSO actions taken

During 2020/21 we have continued to implement our DSO forward plan by:



Engaging with all local authorities in our region, to share and gather supporting information on regional decarbonisation to inform our business planning.



Expansion of Flexible Power, resulting in the procurement of 441MW of flexibility services, which has deferred £40.0m of reinforcement (in 2020/21 prices).



Supporting the ESO to avoid system export constraints due to Covid-19 demand reduction.

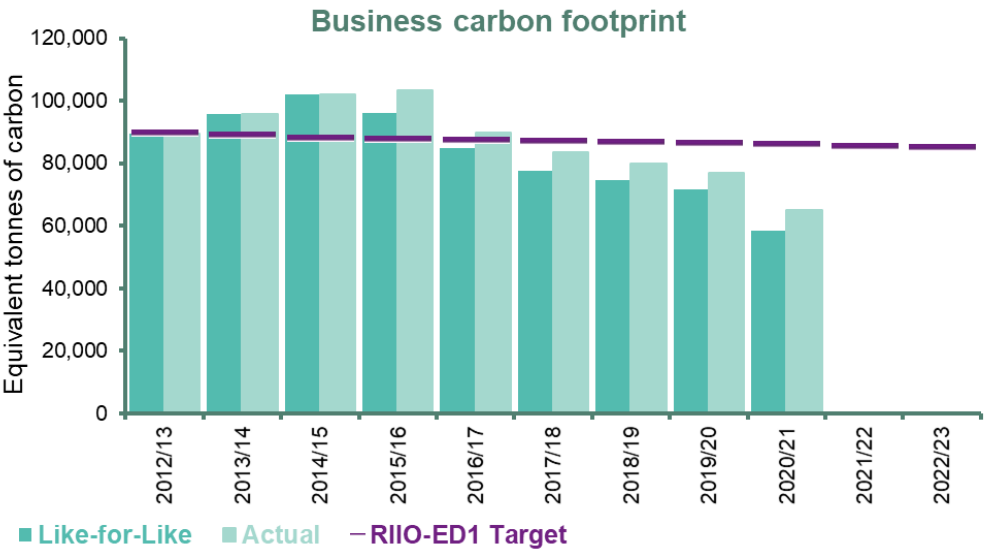


Alignment of approaches for flexibility products, procurement and contracts with the ESO to enable whole system solutions.

Environment

Reducing the effect of our activities on the environment

Our activities can affect the environment in a variety of ways. Business Carbon Footprint (BCF) is one measure of our impact that brings together information on activities that affect the environment. This includes the energy that we use in our buildings, the fuel we use in vehicles, and leaks of polluting gases. Each year we compare our performance against a benchmark year of 2012/13, and we have committed to reducing our BCF by 5% during RIIO-ED1.



We continuously look for ways to improve the scope and accuracy of our BCF data. This means that the data that is currently collected is different to the data used when our benchmark performance was set.

We therefore show our performance on an actual and like-for-like basis.

In 2020/21 we have achieved a 34% (like-for-like) reduction in our overall BCF compared with 2012/13.

Reducing oil leakage from fluid filled cables

Older types of higher voltage cables (33kV and above) contain oil based fluids to assist in the insulation of the cables. These cables sometimes leak, either as a result of third party damage, degradation or ground movements.

New cable designs do not use this technology so the problems associated with these cables will reduce over time as the populations are reduced through replacement.

WPD has committed to reduce the volume of oil escaping from fluid filled cables by 75% over the 8 year RIIO-ED1 period.

During 2020/21, for the second consecutive year, the volume of oil leaked from fluid filled cables is less than half of the baseline value (59% reduction). We continue to use methods that speed up leak location, enabling us to carry out repairs quickly and minimise the amount of oil leaked.

Highlights



BCF has decreased for the sixth consecutive year



Electricity usage in offices and depots has reduced by 57% since 2012/13



WPD business vehicle emissions has reduced by 60% since 2012/13

Find out more

Each year we produce an environment report. You can read this on our website at: www.westernpower.co.uk/customers-and-community/environment

Connections Performance Summary 2020/21

Provide a faster and more efficient connections service		
34	Meet Ofgem's targets for the overall 'time to quote' and 'time to connect' for single domestic connections and small commercial connections. Improve the overall time taken to provide a quote for all other customer groups by 20%.*	We outperformed Ofgem's targets for 'time to quote' and 'time to connect' for single domestic connections and small commercial connections. We have also beaten targets for one of the other customer groups.
35	Provide excellent customer service so that customers continue to rank us as the top-performing DNO group in customer satisfaction surveys.**	We are one of the top performing DNOs for the Connections Customer Survey in Ofgem's Broad Measure of Customer Satisfaction, scoring an average of 9.08 out of 10 for our DNO group.
36	Carry out surveys with distributed generation customers to find out if they are satisfied with our service and identify where we could improve.	We achieved a score of 8.81 out of 10 for distributed generation customer satisfaction surveys. We have specified a range of improvements within our work plan for the Incentive on Connections Engagement (ICE).
Improve communication with customers		
37	Develop and improve the way we process online connection applications and make it easier for customers to track the progress of their application online.	We have launched our "Enquiry Tracker" website to allow ICP/IDNO users to track enquiries from application to connection. Details have been published in our ICE work plan.
38	Make sure that the information we provide in documents and online is effective.	We have improved the information we provide in documents and online in line with stakeholder feedback.
Enhance engagement with major customers		
39	Host 'surgeries' every three months to help connection customers to understand our processes.	557 connection surgeries took place across our four licence areas.
40	Work with major customers to identify where our processes can be improved and quickly put in place any changes.	We engaged with over 16,000 stakeholders through events and over 1,700 through customer satisfaction surveys. The actions in our ICE work plan are based on suggestions we received from these events and surveys.
Guaranteed Standards of Performance		
41	Aim to achieve no failures of the connection GSOPs.**	There were only 14 failures against the connection Guaranteed Standards of Performance during 2020/21. We had a further nine failures against Competition in Connection standards, which relate to services we provide that cannot be carried out by competitors.
Further developing a competitive market		
42	Improve customer awareness of other connection providers and regularly check that customers understand the options available to them.	We provide clear information for customers explaining that they can use other connection providers. We carry out a yearly survey to measure customer awareness. The 2020/21 survey showed that 90% of customers who had a new connection were aware of other providers.
43	Work with other connection providers to extend the type of work they can carry out, including high voltage and reinforcement work.	In agreement with stakeholders, CIC specific stakeholder meetings are now held on an ad hoc basis. No meetings were held during 2020/21. However, all of these stakeholders are part of our Customer Connections Steering Group (CCSG). Three virtual session took place during 2020/21 and we used feedback to improve our processes.

* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

** Target to be achieved each year of RIIO-ED1



Connections

Acting on customer feedback

During 2020/21 we continued run our large scale connection customer engagement programme. Our proven flexible approach to engagement meant we were still able to effectively engage with our stakeholders.

Our usual preferred method of stakeholder engagement is face-to-face however due to Covid-19 related restrictions we have been more reliant on virtual meetings. Despite these challenges we were still able to engage with 16,151 connection stakeholders during 2020/21.

This vital feedback mechanism enabled us to continue to identify and adapt to connection customer priorities at all levels.

Some of the actions targeted to those priorities for 2020/21 included the publication of several documents including:

Heat pump Strategy - The strategy sets out how we will ensure heat pump owners are able to connect in a way that suits them. This is a vital part of our plans to help achieve the Government's net zero ambitions.

Net Zero Communities Strategy - Which outlines the work completed over the last seven years with community energy groups. It also covers our plans for the future and how community energy groups can get involved.

Distribution Networks and Innovation Jargon Buster - To help communities get involved in innovation. We have provided additional support in a variety of formats such as webpage animations and podcasts for community energy.

Ofgem's Incentive on Connections Engagement

Under the Incentive on Connections Engagement (ICE), DNOs must engage with customers, develop improvement plans and put changes in place.

Every year, we submit reports to Ofgem explaining the actions we have taken and our plans for the future.

To find out more about the work we do to improve our connections service, and to see our reports, please visit our website:



yourpowerfuture.westernpower.co.uk/our-engagement-groups/connection-customer-engagement/incentive-for-connections-engagement

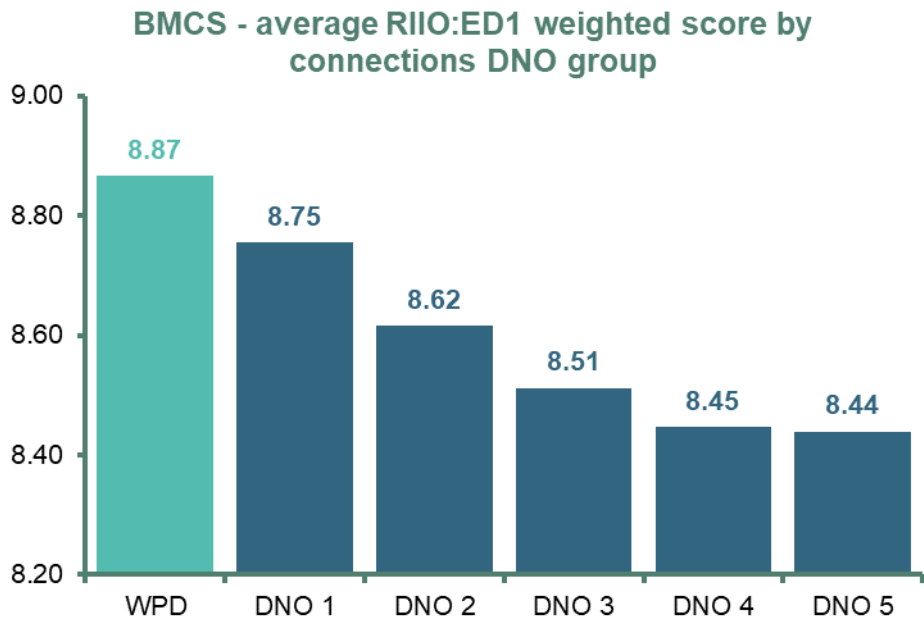


Connections

Customer satisfaction for connections customers

Providing excellent customer service to connection customers is a priority. We assess the satisfaction of connections customers using Ofgem’s Broad Measure of Customer Satisfaction (BMCS).

Part of the BMCS includes a customer satisfaction survey for customers who need a minor connection. As a group, we remain the highest scoring DNO in RIIO-ED1 to date in this survey. All scores are out of 10.



WPD’s performance is achieved through a strong culture of customer service embedded throughout the organisation, supported by a variety of management performance indicators which ensure customer service is treated as a priority.

Providing a fast and efficient connection service

Ofgem sets targets for minor connection customers. These include single domestic connections (referred to as LVSSA), and projects which require two to four domestic connections or a small commercial connection which doesn’t need reinforcement work (referred to as LVSSB).

	Time to Quote (average number of days)		Time to Connect (average number of days)	
Licence Area	LVSSA	LVSSB	LVSSA	LVSSB
West Midlands	1.10	2.13	31.98	38.00
East Midlands	1.56	2.91	31.69	37.59
South Wales	1.06	2.39	29.81	39.31
South West	2.79	3.63	36.80	45.60
Ofgem target	4.84	7.84	39.28	47.94

We also carry out two further surveys to test the opinions of customers who need major connections and distributed generation customers.

For 2020/21, we continued to score highly for all three customer groups.

9.08
Minor
Connections

8.71
Major
Connections

8.81
Distributed
Generation

Customer satisfaction Performance Summary 2020/21

Customer service

44	Continue to be the top-performing DNO group across all elements of the Broad Measure of Customer Satisfaction.**	WPD is a top-performing DNO group for overall customer satisfaction. The rating combines results of the three surveys for supply interruptions, connections and general enquiries.
45	Maintain certification to show that we meet the Customer Service Excellence standard.**	We were awarded 'Compliance Plus' status for 45 of the 57 standards. We were the highest-scoring organisation out of all those accredited.

Telephone response

46	Respond to phone calls quickly, answering them within two seconds.**	Our average response time for customer calls was 5.42 seconds for fault and emergency calls. This falls short of our ambitious target of 2 seconds. The times were affected by the network delays to transfer calls to agents working from home.
47	Limit the number of calls that are abandoned before we can answer them to less than 1%.**	Only 0.37% of calls were abandoned.
48	Always provide customers with the option to talk to a member of staff when they call our contact centre.	Our systems allow us to make sure that customers are always provided with the option to talk to a member of staff.

Communication with customers

49	Provide a restoration time for every power cut.**	All power cuts have an estimated restoration time which is updated as further information is provided by field teams.
50	Contact all customers who have been in contact about a fault.**	We contacted 98.28% of customers who contacted us about a fault.
51	Contact customers within two days of receiving an enquiry which was not about a fault.**	We contacted 99.48% of customers who contacted us with an enquiry which was not about a fault within two days.
52	Provide 'on-demand' messaging through text and social media for customers who want to be kept informed in other ways, rather than a phone call.	We provided on-demand messaging through text and social media. We sent 792,862 text messages during high voltage power cuts.
53	Develop 'self-service' options for customers to find information online.	We hosted 19,861 webchat conversations, our app for reporting power cuts was downloaded 5,037 times and we had 3.1 million hits on our online map showing details of individual power cuts.

Involving stakeholders

54	Continue to host a customer collaboration panel where our CEO will meet with our expert stakeholders four times a year.	The Customer Panel met four times during the year. We continued to work with the new Customer Engagement Group to enable the members to challenge our plans for the next price control period.
55	Continue to host at least six stakeholder workshops each year.	We hosted four virtual general sessions, attended by over 220 stakeholders across our licence areas. A further five topic specific sessions were held for 257 stakeholders.
56	Continue to produce a stakeholder report every year providing an update on the actions we have taken as a result of stakeholder involvement.	This yearly Business Plan Commitments summary report and the separate detailed report replace the stakeholder report.

* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

** Target to be achieved each year of RIIO-ED1



Customer satisfaction Performance Summary 2020/21

Complaints

57	Resolve at least 70% of complaints within one day.**	We resolved 88% of complaints within one day.
58	Continue to have a target of no complaints where the Ombudsman has to get involved.**	There were three complaints referred to the Ombudsman. In all cases the ombudsman did not rule against WPD.

Guaranteed Standards of Performance awareness

59	Continue to send the 'Power for Life' publication to all 7.9 million customers and make sure it promotes the GSOPs.**	We issued 'Power for Life' to all customers in March 2021. It included information on GSOPs.
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* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

** Target to be achieved each year of RIIO-ED1



Customer satisfaction

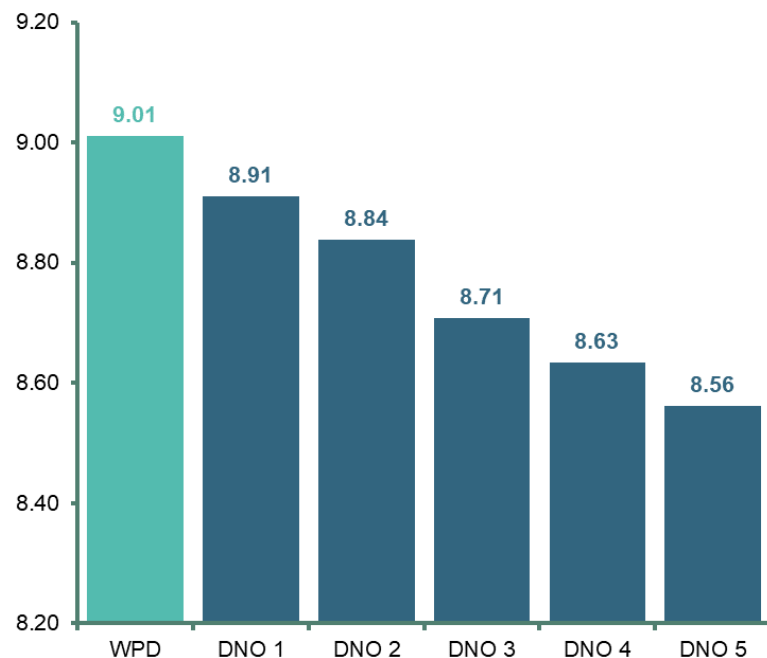
Customer satisfaction survey results

We are committed to providing excellent service to our 8 million customers. Ofgem's Broad Measure of Customer Satisfaction (BMCS) provides one way of measuring our success in this area.

Every year a random selection of our customers are surveyed by an independent survey company to find out how they rate the service we provide.

WPD was a top-performing DNO group in 2020/21 for overall customer satisfaction (amalgamating results for the three surveys for connections, supply interruptions and general enquiries) when compared with the other DNOs. WPD also remains the top performing DNO group compared with other DNOs for the RIIO ED1 period.

BMCS - average RIIO:ED1 weighted score by DNO group



Resolving complaints

We try hard to get things right first time, but sometimes things can go wrong. When we receive complaints we treat them with urgency and aim to deal with them to the customer's full satisfaction as quickly as possible.



We resolved **88%** of complaints within one day



We resolved **99%** of complaints within 31 days



There have been **no repeat** complaints across all of our licence areas

We have also received a number of awards during 2020/21 including:

**2020
ENGAGE
AWARDS
WINNER**



Gold
Best Customer
Service Team

**2020
ENGAGE
AWARDS
WINNER**



Gold
Best Customer
Contact Strategy in
a Crisis

**2020
ENGAGE
AWARDS
WINNER**



Gold
Best Innovation in
Customer
Engagement

Steve Hurst, Chair of the International Engage Awards judges said:

“Our winners came from a variety of industries, but we must give a special mention to our triple winner Western Power Distribution, who were named winners in ‘Best Customer Service Team’, ‘Best Customer Contact Strategy in a Crisis’ and ‘Best Use of Innovation in Customer Engagement’. This is a real testament to the team to achieve so much in such uncertain times.”

Customer satisfaction

Maintaining customer satisfaction

Providing excellent customer service remains a high priority and we work hard to continually improve our performance by promoting a strong culture of customer service and implementing new strategies to ensure we remain a top-rated DNO for customer satisfaction.

To gain an extra, independent view of our performance we are assessed against the Government's Customer Service Excellence Standard and the British Standards Institution's standard for Inclusive Service Provision.

During 2020/21 we were successfully assessed against both these standards.

Staff training is vital to make sure that our staff can identify customer needs and provide a tailored service. Each year, contact centre staff receive training from a range of partner agencies. For 2020/21 this included sessions on the mental health awareness training delivered by Public Health Wales and awareness and empathy training to support customers on Oxygen Therapy.



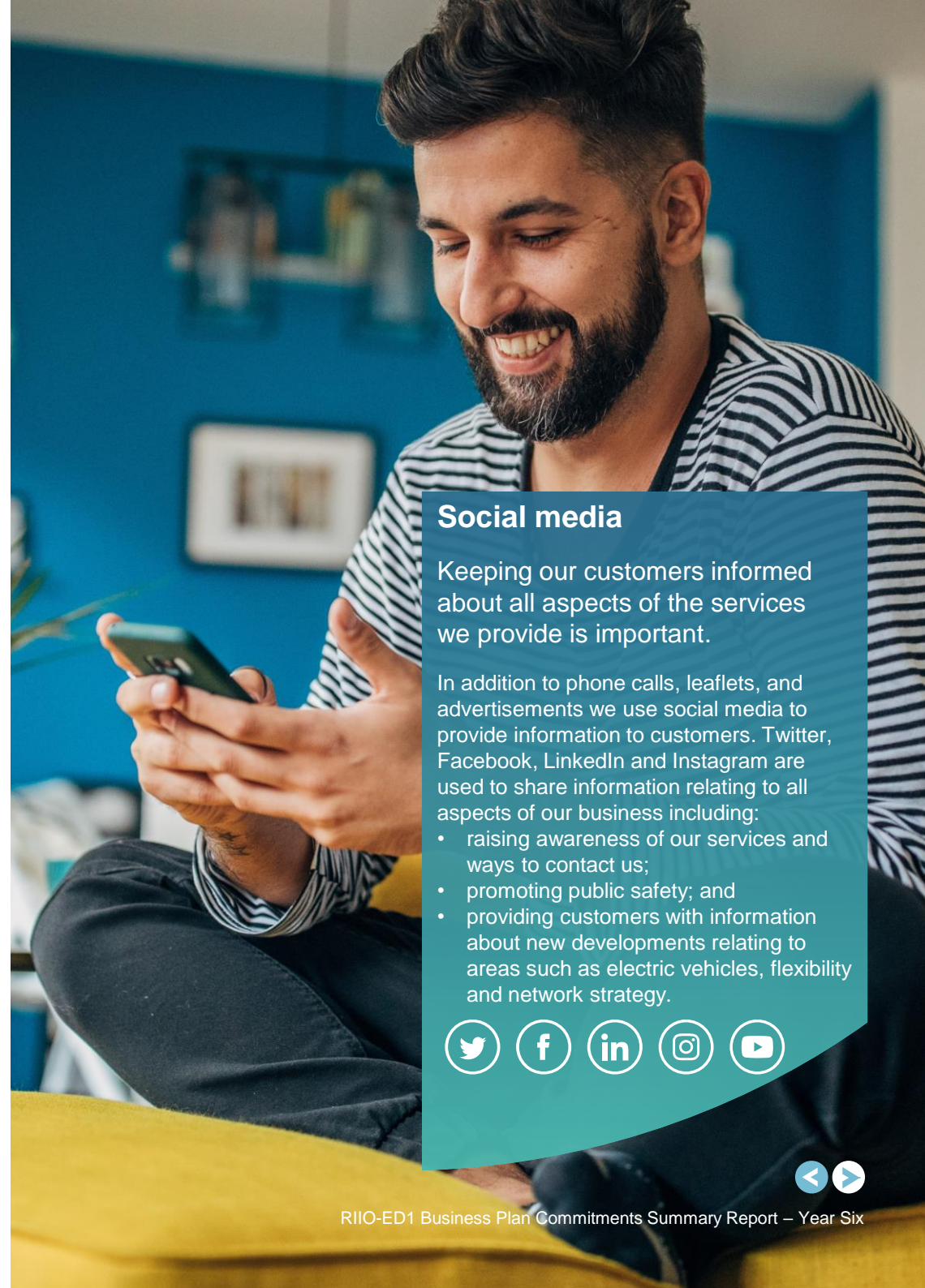
We always provide customers with the option to talk to a member of staff when they call our contact centre



Our average response time for fault and emergency calls was 5.42 seconds



Our campaigns promoting electrical safety appeared on the newsfeed of 171,944 social media users



Social media

Keeping our customers informed about all aspects of the services we provide is important.

In addition to phone calls, leaflets, and advertisements we use social media to provide information to customers. Twitter, Facebook, LinkedIn and Instagram are used to share information relating to all aspects of our business including:

- raising awareness of our services and ways to contact us;
- promoting public safety; and
- providing customers with information about new developments relating to areas such as electric vehicles, flexibility and network strategy.



Social obligations Performance Summary 2020/21

Improving understanding of vulnerability

60	Work with expert partners to improve our understanding of the needs of customers in vulnerable situations	We worked with a wide range of expert partners and were certified to the British Standards Institute Standard BS18477, which specifies requirements for responding to customers in vulnerable situations.
61	Train staff to recognise the signs of vulnerability.	We provided specialist training to the Priority Services Register (PSR) teams and contact centre staff. Field staff are trained on registering customers to the PSR.

Improving the data held on the Priority Services Register

62	Contact vulnerable customers at least once every two years to check the details we hold on the Priority Services Register.	We contacted 1,019,836 PSR customers during 2020/21, which allowed us to update 22% of our records.
63	Improve the quality of Priority Services Register data by working with other agencies and sharing information.	We increased the number of referral partners that we work with to 118 in total. We added 12 new partners in 2020/21, with the aim of achieving a better balance in the types of agencies that we work with.
64	Co-ordinate meetings with suppliers to agree criteria for vulnerability.	29 'common needs codes' are now in use across the industry.

Improving the services provided for customers in vulnerable situations

65	Raise awareness of the Priority Services Register.	We worked with a range of organisations, including other utilities and fire and rescue services, to raise awareness of the PSR.
66	Make 10,000 crisis packs available.*	To date we have issued 8,044 crisis packs over the RIIO-ED1 period.
67	Contact all customers who depend on a power supply for medical reasons every three hours during power cuts.**	During power cuts we prioritise contacting customers who depend on a power supply for medical reasons. We called 79.2% of these customers within one hour of a fault and 96.2% in under two hours.
68	Continue to provide practical support through the British Red Cross and other organisations as appropriate.	We provided British Red Cross support during 11 prolonged power cuts, supporting 309 customers in total.
69	Ask for feedback from customers in vulnerable situations about our service.	We achieved customer satisfaction ratings of 9.45 out of 10 from customers on the PSR who had received a routine call to check their personal details.
70	Develop ways of sharing information with local resilience forums.	We worked with 19 forums across our four licence areas. For 2020/21 this included additional support for Covid-19 pandemic response issues.

* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

** Target to be achieved each year of RIIO-ED1



Social obligations Performance Summary 2020/21

Reducing fuel poverty by supporting customers to access help		
71	Build a database of regional agencies we can refer customers to for help.	There are fuel poverty projects in all our areas, working with a network of support agencies.
72	Work with partners to develop links to and from our website.	Details on our fuel poverty projects and links to partner organisations are available on our website.
73	Develop joint information and awareness campaigns, and co-ordinate with partners to provide customers with help.	We have six 'Power Up' fuel poverty schemes to support customers who are facing fuel poverty. We supported 8,603 customers to save over £3.4 million a year.
74	Provide fuel poverty training to our staff who have contact with members of the public.	We provide staff in our contact centre with customised training on fuel poverty and customers in vulnerable situations.
75	Use data analysis to help identify areas with a high concentration of vulnerable households.	We use data analysis to identify areas with a high concentration of vulnerable households. During 2020/21 the PSR hub was viewed 130,556 times.
76	Develop local outreach services.	'Affordable Warmth' and other outreach services helped 10,619 customers to save over £5.8 million a year.

* Targets are for the full eight year RIIO-ED1 period, not for a discrete year

** Target to be achieved each year of RIIO-ED1



Social obligations

Identifying and supporting customers in vulnerable situations

We review our consumer vulnerability strategy every year and we recognise that as we undertake DSO activities this may lead to new challenges for customers in vulnerable situations. As we focus on developing a smarter, more flexible energy system, we must make sure that we design our services in a way that makes it easy for all customers to take part in, and benefit from, the growth of flexible energy services.

During 2018/19 we introduced a new key aspect to our work for vulnerable customers: 'to leave no customer behind in a smart future'. The focus areas for this key aspect are:

- understand customer needs;
- help customers to lower their demand;
- deliver joined-up energy services with others; and
- enable participation in flexible energy.

We continue to make progress in these areas. In 2020/21 we have added the following outputs:

- published our Net Zero communities strategy;
- launched innovations projects to protect customers in vulnerable situations in a smart energy future; and
- created a new portal to assist Small and Medium Enterprises green recovery ambitions.

The success of our stakeholder engagement and consumer vulnerability strategies is tested through Ofgem's Stakeholder Engagement and Consumer Vulnerability (SECV) incentive. The documents we have submitted to Ofgem for 2020/21 highlight some of the 356 outputs and positive outcomes that we delivered for our customers during the year and look at the actions we have taken to deliver our new priorities.



You can read more about the outputs we have delivered on our website:
yourpowerfuture.westernpower.co.uk/ofgems-secv-incentive



Social obligations

Fuel poverty

We have an extensive programme of support schemes, working with expert agencies including Citizens Advice and the Energy Saving Trust, to provide practical support for customers living in fuel poverty, including help with switching energy tariffs and arranging funds for enduring energy efficiency measures.

Programme	No. of Customers	Savings
'Power Up'	8,603	£3.4m
'Affordable Warmth'	10,619	£5.8m
Energy Affordability Fund	2,454	£0.4m
Other projects	337	£0.4m
Total	22,013	£10m

Priority Service Register (PSR)

We have a PSR which records the details of customers in vulnerable situations who may need extra support during a power cut.

We aim to make sure that every eligible customer is given the opportunity to register and we have been working for several years to improve the accuracy of our PSR. As part of this work, we have created a network of trusted organisations that work with customers in vulnerable situations every day. As part of their work, they ask customers for permission to add their names to the PSR.

In 2020/21 we have:



Proactively contacted
1,019,836
PSR customers to
provide support or
update records



Set up 12 new
PSR referral networks,
taking the total to **118**



WPD's data cleanse
teams have contacted
789,289 customers
resulting in the removal
of **61,967** out-of-date
records.

Social obligations

Supporting customers during power cuts

Supporting customers during power cuts, particularly those who may be more vulnerable without electricity, is a key focus for us. We continue to look for opportunities to improve the service we provide.

During 2020/21 we collaborated with expert stakeholders to update our PSR messaging and awareness materials. We also embedded our vulnerability strategy by training all our frontline staff, apprentices and new starters on the PSR.

Using information to better support customers

The industry remains determined to achieve one-stop-shop for customers. WPD's Customer Panel encouraged us to take a lead by ensuring that we have processes in place to share and receive data, and proactively engage utilities in our region to initiate data sharing. When we register new PSR customers we also capture their informed consent to share data with other utilities.

During 2020/21, we became the first DNO to establish two-way data share agreements; recognising the importance of swift action and not content to wait whilst a fully-automated share solution is created, WPD has pushed ahead, developing a bulk-upload process, with trials currently underway with Welsh Water and Severn Trent Water



Case Study

When WPD's Priority Service Register team speak to customers they can identify vulnerable customers struggling to heat their homes. WPD works with partner agencies under WPD's Power-up scheme to provide help for those customers.

Mrs G is 81 and lives alone. She was referred for help with tariffs, energy efficiency and financial assistance.

The customer had not changed her energy tariff for over five years so was advised that she was likely to be on an expensive variable tariff. Mrs G was keen to look into switching as this would result in a typical saving of £200 per year. In addition she may also be eligible for the Warm Home Discount with some suppliers.

Mrs G has an electric shower, so the advisor explained the appliance's high running costs and recommended ordering a free shower timer. The customer then disclosed that she felt nervous about showering as she had recently had some falls. She uses a walking frame when outside of the house but had not left the house regularly since the start of the pandemic, which had further limited her mobility and independence. The advisor felt that Mrs G would be eligible for Attendance Allowance and she was happy to be referred to Homemaker South West for assistance with the application and further support.

In July Homemaker South West confirmed that they had successfully helped Mrs G claim the higher rate of Attendance Allowance which will increase her income by £4,680 per year and she also received a backdated payment of £717.



Costs

Tracking our costs

In the RIIO-ED1 Business Plan we proposed to spend £9.2 billion over the eight-year period.

£7.1 billion of this was related to costs under our control, referred to as Totex (which includes capital spending, network operating costs and business overhead costs).

The remaining £2.1 billion covers costs such as rates, licence fees and transmission charges which are not included as Totex because they relate to costs that DNOs do not have control over.

Our spending at the start of the price control period was higher than

expected, but we now see these costs levelling out. During 2020/21, our spending was lower than Totex allowances and we are 2% below Totex allowances for RIIO-ED1 to date.

We forecast that costs will remain slightly under the allowances set for the eight-year RIIO-ED1 period as a whole.

We continue to look for more efficient ways of working while delivering the work programmes and commitments set out in our business plan.

Total costs (Totex) for RIIO-ED1 to date (based on 2012/13 prices) £ million

Licence area	Totex actual costs ED1 to date (£million)	Totex allowance ED1 to date (£million)	% of allowance spent
West Midlands	1,556.4	1,561.0	99.7%
East Midlands	1,568.2	1,573.5	99.7%
South Wales	783.6	845.3	92.7%
South West	1,251.9	1,275.7	98.1%
WPD Total	5,160.2	5,255.6	98.2%

Where we spend money

Load related capex – costs related to providing extra capacity on the network.

Non-load related capex – capital investment in the network, two-thirds of which relates to replacing and refurbishing assets which are in poor condition.

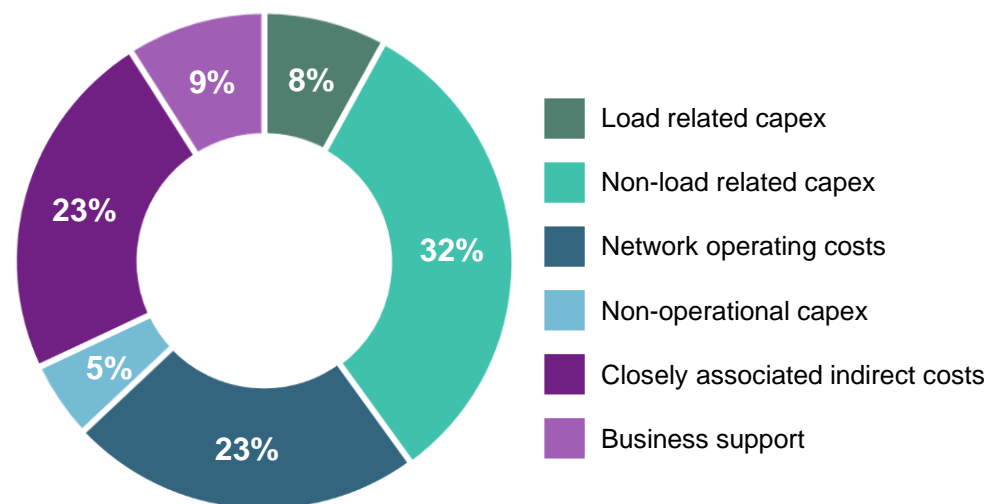
Network operating costs – includes inspections, repair and maintenance, faults and tree cutting.

Non-operational capex – includes buying new IT systems, property, vehicles and equipment.

Closely associated indirect costs – the costs of staff and systems that allow us to carry out work on the network, such as network design activities.

Business support – teams such as Human Resources and Finance.

RIIO-ED1 to date costs – split by type



Green Recovery

Working alongside Ofgem and the industry we have drawn up plans to unlock early investments in our network to support the Government's transition to net zero.

We are proposing over 70 Green Recovery projects which have been targeted at parts of our network where there is current and historic interest in connection of Low Carbon Technologies (LCTs). These priority areas have been established utilising our knowledge of the network combined with stakeholder engagement during February and March 2021. From this call for evidence we received 200 submissions from a variety of organisations and local authorities.

These projects will lead to 1,206MW of additional capacity. This includes 617MW of demand capacity, which will help prepare the network for the rise in LCTs, and 589MW of generation capacity, benefitting a large number of potential distribution generation connections across our licence areas.

Our projects will not only support new connections, including green projects between 2021-2023, but will also enable green energy and green jobs across the South West, South Wales and the Midlands.



£59 million
of investment
providing
1,206MW
of additional
capacity



70
projects
supporting
40
priority areas



617MW
of demand capacity,
equivalent of
approximately
385,000
Electric Vehicle Charge
Points

Our Green Recovery map shows the parts of the network we plan to upgrade as part of our proposed Green Recovery projects. Details can be found on our website at: www.westernpower.co.uk/green-recovery



Future challenges

Net Zero

To support the Government's commitment for the UK to become "Net Zero" by 2050 means that existing ambitious plans to decarbonise, focussed on low carbon transport and the electrification of heating, have further increased. This will see significant increases in demand on the existing electricity network.

Digitalisation of the energy system is key to WPD's transition to become a smarter and more efficient energy system which will enable us to facilitate the UK's net zero ambitions within our regions.

The fast-paced nature of digitalisation and data means that we will need to evolve solutions to meet emerging needs throughout RIIO-ED2. We will continue to engage stakeholders to co-create our strategies and action plans to address these whilst ensuring a organisational-wide approach continues.

Our approach to this remains consistent around our three core principles, [Data Management](#), [Insight and Operation](#) and [Delivering for Stakeholders](#). A key function of delivering

our digitalisation and data commitments is governance, centred on people, processes and technology to facilitate optimised outcomes for all.

To enable the delivery of our programme of outcomes we have an ambitious delivery roadmap in place for systems and platforms. These investments will ensure that we can build our data and digitalisation capability to deliver solutions meeting our users' needs.



Our Digitalisation Strategy and Action Plan can be found on our website at the following link:
www.westernpower.co.uk/smarter-networks/digitalisation-and-data

Digitalisation actions taken

During 2020/21 we have begun to implement our digitalisation action plan by:

- Completing our real-time power flow data access initiative which aimed to enable generators and community energy groups to understand real-time power flow data on our network, so they may make informed decisions in relation to their own activities. The live data viewer now provides live and historic data for demand, import and generation across all four licence areas.
- We shared our network asset and connectivity information in a standard format, via the Energy Data Hub, using the Common Information Model (CIM). The freely available, web based CIM tools enables customers to utilise our network data.

Need

Net Zero
Decarbonisation and
Decentralisation

Drivers

Customers
Employees
Infrastructure
Smart & Flexible

Governance

People
Process
Technology

Approach

Data Management
Insight & Operation
Delivering for
Stakeholders

How to contact us

Working with us

If you have any questions about our work, or you would like to take part in future stakeholder events, please contact us.

Email: rallcock@westernpower.co.uk

Write to: **Richard Allcock,**
Stakeholder Engagement Manager,
Western Power Distribution,
Pegasus Business Park,
Herald Way, Castle Donington,
DE74 2TU

To find out more about our programme for involving stakeholders and how you can have your say, please visit:
yourpowerfuture.westernpower.co.uk

Reporting a power cut


POWER CUT?
CALL 105

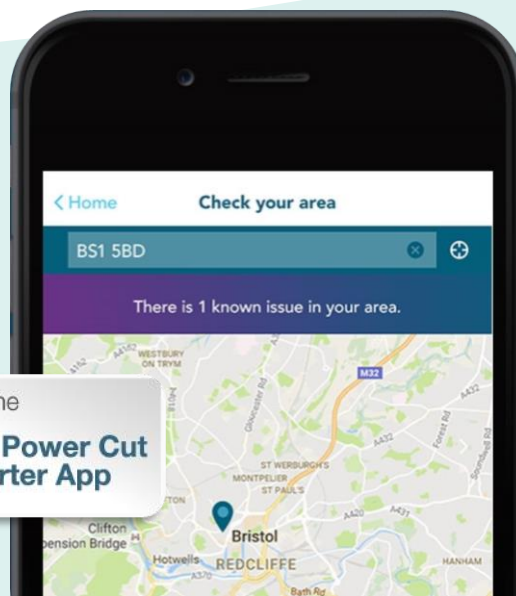
If you have a power cut, please call us on 105 (available on landlines and most mobile providers).

You can also call us on **0800 6783 105**.

Or, download our free power cut reporter app from the App Store and Google Play onto a smart device.

You can then register for severe-weather updates.

Download the
 **WPD Power Cut Reporter App**



Making a complaint

We're committed to providing you with excellent customer service. We want to know if something goes wrong so that we can sort out any problems as quickly as possible. If you need to make a complaint you can contact us in the following ways.

Please call us free on: **0800 0556 833**

Visit our website at: www.westernpower.co.uk/contact-us/complaints

Email us at: complaints@westernpower.co.uk

Write to us at: **Complaints Department,**
Information Centre,
Western Power Distribution,
Avonbank, Feeder Road,
Bristol BS2 0TB

Please include your address and postcode and provide a phone number.

Find out more

There is more information on our performance against each of our 76 commitments in our detailed Business Plan Commitments Report, which is available at:

yourpowerfuture.westernpower.co.uk/business-plan-commitments-report-2021

Copies of previous reports are available at:
yourpowerfuture.westernpower.co.uk/performance-reporting-riio-ed1/previous-performance-reports



Glossary

Affordable Warmth	WPD outreach scheme which offers fuel poverty support through a network of partner organisations.
AONBs	Areas of Outstanding Natural Beauty.
Automation	Remotely controlled devices which allow electricity supplies to be quickly rerouted without the need to send a person to the site.
Behavioural safety	An approach to safety which goes beyond setting rules and making sure people keep to them. It focuses on changing attitudes so that staff take responsibility for their own safety and that of others.
Broad Measure of Customer Satisfaction BMCS	An incentive scheme made up of a customer satisfaction survey, an assessment of how complaints are dealt with and a review of stakeholder engagement.
Bund	A containment wall built around items of plant which contain large amounts of oil, to prevent oil leaking into the environment.
Business Carbon Footprint (BCF)	A calculation which represents the effect our work has on the environment. We measure and report BCF using equivalent tonnes of carbon dioxide to express the effect of energy use in offices, emissions from vehicles and the release of greenhouse gases.
Capacity	The amount of power that can be distributed through an asset or the network.
Contestable work	Other organisations can carry out connections work in competition with the DNO. Work that can be carried out by a competitor is referred to as contestable.

Customers In vulnerable situations	Customers who are vulnerable for various reasons, including those who depend on electricity for medical reasons, have special communication needs or who struggle to afford to pay for energy.
Distributed generation	Electricity generation connected to the distribution network. It includes wind turbines, domestic solar panels, large-scale photo-voltaic farms, hydro-electric power and biomass generators.
Distribution Network Operator (DNO)	A DNO is a holder of an electricity distribution licence. There are 14 DNOs which are owned by six different ownership groups.
Distribution System Operator (DSO)	A development from the role of DNO, the DSO will be responsible for forecasting energy production and use, along with identifying which parts of the network require extra capacity.
ENA	The Energy Networks Association – the industry body for Distribution Network Operators.
Engagement	The process by which an organisation involves people who may be affected by the decisions it makes, or can influence the way in which actions are delivered.
ESQCR	Electricity, Safety, Quality and Continuity Regulations 2002. The ESQCR specify safety standards, which aim to protect the general public and customers from danger.
Flexibility Services	Techniques used to provide more capacity in the network or reduce demand. These are provided by third parties through contractual arrangements. They can offset the need for reinforcement work.
Fuel Poverty	Circumstances where customers struggle to afford electricity.



Glossary

Guaranteed Standards of Performance (GSOPs)	Minimum service levels which DNOs must meet across a range of activities covering supply interruptions, appointments and connections.
Health And Safety Executive (HSE)	The Government organisation responsible for enforcing health and safety legislation.
Incentive on Connections Engagement (ICE)	An incentive mechanism which drives DNOs to improve communication and interaction with major customers. Penalties can be imposed where DNOs fail to demonstrate sufficient engagement with major customers.
Low Carbon Technology (LCT)	Devices that reduce the amount of carbon being used for heating, transport and generating power. LCT includes electric vehicles, heat pumps and solar generation.
Power Up	Our referral service which arranges for a partner organisation to provide help for customers who are struggling to pay for energy.
Powering Improvement	An industry strategy which aims to achieve continuous improvement in safety and occupational health in the energy generation and network sectors.
Price control	We are a regional monopoly – our customers are our customers because of where they live and work. We are regulated by Ofgem to make sure that we provide a high level of service for the money we are allowed to charge. The money we can earn is set for a specific period of time, referred to as a 'price control'. The current price control period (RIIO-ED1) runs from 1 April 2015 to 31 March 2023.
Priority Services Register (PSR)	A database that records details about customers in vulnerable situations so that we can provide extra support if needed.
Protection batteries	Most circuit breakers on the network rely on batteries to provide the power to monitor the network and initiate tripping and reclosing actions. These batteries are separate to SCADA batteries that provide the power for communication systems between sites and central control centres.
Reinforcement	Providing more network capacity by installing extra assets or installing higher rated assets.
Resilience	The ability of the network to withstand extreme events such as storms and flooding and have the ability to recover quickly from widespread power black outs.
RIIO-ED1	The price control period that runs from 01 April 2015 to 31 March 2023.
RIIO-ED2	The price control period that runs from 01 April 2023 to 31 March 2028.
SCADA batteries	Batteries which provide the power for system communication between sites and central control centres.
SF₆	Sulphur hexafluoride – a greenhouse gas which is used as insulation in some types of switchgear.
Switches/ Switchgear	Devices on the network can be turned on or off and are used to alter the routing of electricity. Some can be operated remotely by central control engineers. Others need to be operated manually on site by authorised staff.
Transformer	Converts electricity from one voltage to another.
Worst served customers	Customers who experience 12 or more higher voltage power cuts over a three-year period, with at least three in any one year.





Serving the Midlands, South West and Wales

Western Power Distribution (East Midlands) plc, No2366923
Western Power Distribution (West Midlands) plc, No3600574
Western Power Distribution (South West) plc, No2366894
Western Power Distribution (South Wales) plc, No2366985

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