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1. Our vision & values

UK Power Networks' vision is to be an employer of choice, a respected corporate citizen and sustainably cost efficient. We know that part of being a respected corporate citizen is to engage in an appropriate, timely and systematic manner with all of our stakeholder groups.



We recognise the right of every stakeholder to be heard and we are constantly thinking of new proactive ways of engaging with you. Over the past few years we have focused on putting you, our stakeholders, at the heart of our business. These efforts have been well received by our stakeholder community, giving us confidence that we are on the right track.

We know that while listening is important, it is by no means sufficient. Our aim is to ensure that we provide you with an

answer that is satisfactory to you. We strive to act on your feedback promptly and decisively, introduce changes to our business processes that reflect your preferences and report to you with the changes that we make (or plan to make).

In this document, we propose to illustrate how, through our numerous engagement activities, we have listened to your feedback, how we have addressed the issues you have raised with us to date and how we will continue to do so in the future.

Basil Scarsella

Chief Executive Officer, UK Power Networks

1.
An employer of choice

2. A respected corporate citizen

Sustainably cost efficient

We work to a vision defined by our core values. This vision drives us to ensure that we bring all of our 8 million customers a reliable service that delivers value, safety and innovation.

Our vision emphasises the aspiration for us to be a leading company in the electricity distribution sector. It recognises that this can only be achieved if our company objectives are aligned with the interests of all relevant stakeholders, including shareholders, staff, customers and regulators.

We are regularly talking to our customers and asking them what they think our priorities should be for the future. Stakeholder engagement is a fundamental part of our business.

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1. Our vision & values

Stakeholder engagement underpins our core values

INTEGRITY •···· We will do what we say we will do and build trust and confidence by being honest to ourselves, our colleagues, our partners and our customers CONTINUOUS **IMPROVEMENT** We are committed to learning, development, innovation and achievement values **DIVERSITY AND INCLUSIVENESS** We recognise and encourage the value which difference and constructive challenge can bring **RESPECT** We treat our colleagues Our values are the DNA of our business: and our customers the they will help us to deliver our Vision 'To way in which we would become and organisation which is an want to be treated Employer of Choice, a respected Corporate **RESPONSIBILITY** •• Citizen and Sustainably Cost Efficient.' We always act in an ethical, safe and socially/environmentally aware manner UNITY We are stronger together and this comes from a shared vision, a common

2. About us

UK Power Networks owns, operates and manages three of the fourteen regional electricity distribution networks in the UK. Our licensed distribution networks are in the East of England (EPN), London (LPN) and the South East (SPN).

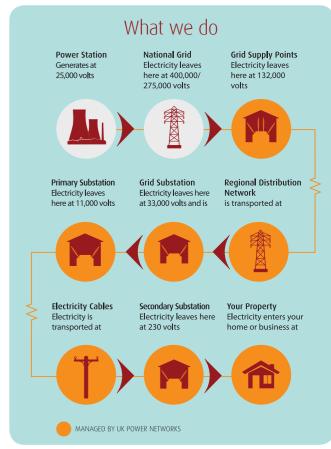
UK Power Networks is one of the largest Distribution Network Operators (DNOs) in the UK, covering an area of approximately 30,000km², extending from The Wash in the east, through London, to Littlehampton on the Sussex coast. Approximately eight million connected customers depend on us for their power.

Our job is to deliver electricity to our customers safely, to 'keep the lights on' and to connect new customers. We are responsible for maintaining and modernising our networks and ensuring that there is adequate capacity to support the needs of our customers.

We are not an electricity retailer; we don't bill end customers and we don't own the electricity flowing through our networks. Instead, we deliver electricity on behalf of the 'big six' and other energy retailers in our service area.

We are a monopoly and our distribution tariffs are regulated by Office of Gas and Electricity Markets (Ofgem).





Contact us



www.ukpowernetworks.co.uk/internet/ en/contact-us

www.twitter.com/UKPowerNetworks



General Enquiries 0845 601 4516 Connection Enquiries 0845 234 0040

IN THE CASE OF A POWER CUT

London: 0800 028 0247 or 01243 50 0247 East of England: 0800 783 8838 or 01243 50 8838 South East: 0800 783 8866 or 01243 50 8866

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purpose, supportive and collaborative working

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We have brought together a diverse group of stakeholders

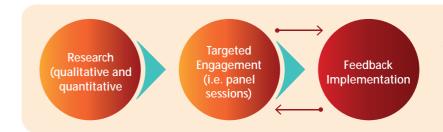


3. How we have engaged with you

Over the past two years, UK Power Networks has gone through the most extensive stakeholder engagement process ever undertaken by the organisation.

We have held over 50 hours of sessions with our stakeholders between October 2012 and the end of April 2013, as part of our on-going stakeholder engagement process.

We acknowledge the right of our stakeholders to be heard and we recognise that, as an organisation that is seeking to achieve more equitable decision-making, we have a responsibility to listen to them.



At times the engagement and feedback implementation phases overlapped. This allowed us to give issues raised in early sessions further attention in subsequent sessions

We hope that this thorough approach has given most, if not all, of our numerous stakeholders an opportunity to contribute to the future direction of UK Power Networks.

We sent over 2,000 invites between September 2012 and April 2013. We have been delighted with attendance at our panel sessions.

'Panel events have been a powerful way for us to seek feedback from a diverse stakeholder audience and to do so in a transparent and interactive manner.'

Nazrin Mehdiyeva Head of Stakeholder Engagement

We have modified our practice in response to stakeholders views. In undertaking stakeholder engagement we have been guided by two aims:

Aim 1. Inform our stakeholders

- We did our best to answer as many of your questions as we could during the sessions.
- When and where more detailed answers were required, we have followed up with written responses to the panellists.

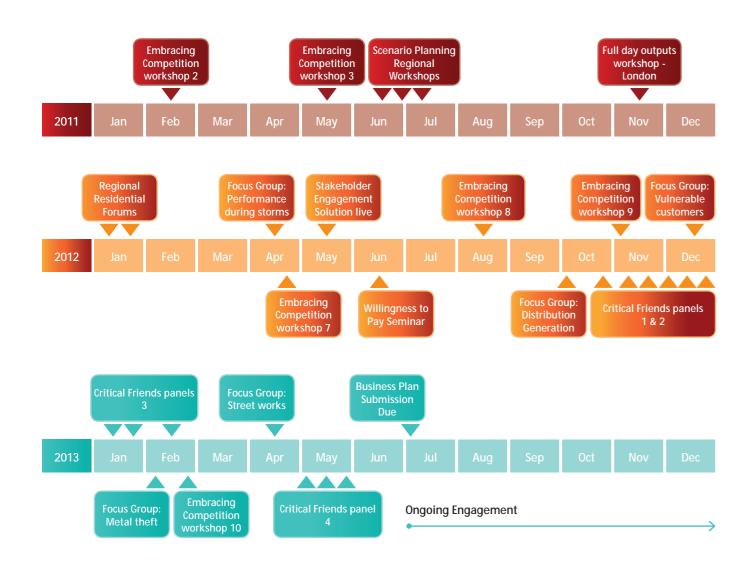
Aim 2. Evaluate and implement feedback

- We have acted immediately on the feedback that is practical to implement in the short term.
- We have used longer-term ideas to inform our business plan for 2015-23.
- Where it has not been possible to act on the feedback from stakeholders we have provided the rationale for this.

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Our Engagement Timeline

Your engagement with us



We recognise that not all our stakeholders can attend events so we use a range of techniques to inform them and capture their feedback. This includes:

- Publishing all our presentations for stakeholder events and transcripts of the past sessions;
- · Encouraging people to write to us with feedback;
- · Using social media; and
- Promoting and distributing information about UK Power Networks at industry events and through daily interaction with our customers.



Through our sessions and online feedback we have had direct engagement with over 100 stakeholder groups.





ou can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

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4. Critical Friends Panels:

What key themes did we identify?

What is Critical Friends?

- · After initial research, we developed our Critical Friends Stakeholder Engagement Panels. The first one was held in October 2012.
- · Discussions and feedback from the panels have led to new, topic-specific, engagement sessions such as vulnerable customers, metal theft and street works.
- · We planned twelve panel sessions between October and May - four panels held in our three DNO areas. The panels focused on a range of different subjects and were tailored to the needs of each of network
- · In our sessions, we have opted for an interactive format. At each event, we present on key issues and then hold an open forum to gather stakeholder feedback.
- · We seek to address most questions on the day by having relevant members of the senior management team present at the event. All unanswered questions are followed up separately in an Actions Report or in one-to-one discussions with stakeholders.



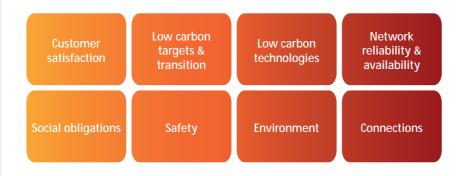


Critical Friends Panels have been at the core of our stakeholder engagement

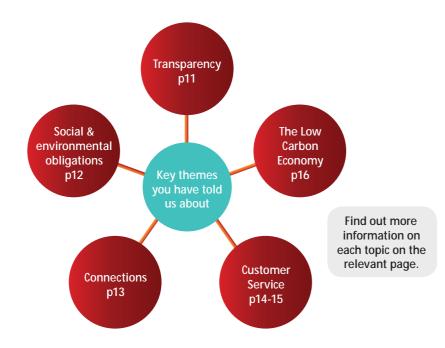
In our Critical Friends panels, we have sought to create a 'core' of panellists who would attend all four panel sessions. Yet as the panels covered an array of subjects, we also aimed to invite new stakeholders to the table to contribute their views on their specialist subject.

The interactive format that we adopted led to stimulating discussions. The Open Forums that we held after every presentation intended to give you the opportunity to ask more detailed questions and comment on issues that may not have been covered during the presentations.

We consulted stakeholders on the following topics:



From these sessions we have identified the following key themes:



4.1 Critical Friends Panels:

Key theme – Transparency

We are taking steps to ensure we are more open with our stakeholders

Across panels and topics, our stakeholders have consistently asked us to become more transparent in our reporting, processes and decisions.

We have addressed this issue not just in this section but throughout this document, for example our response to requests for greater transparency around the connections process on page 13.

We know that we need to do more. However, we hope that our continued engagement with you, our endeavour to give you more of the information you want and our continued publishing of documents such as this are the first steps in the right direction.



Here is a snapshot of the feedback you have given us, how we have acted on it, and how we will continue to act on it:

You said

We want greater transparency around Connection charges, particularly where upfront customer contributions are required for upstream reinforcement.

We would like to be better informed during and after power cuts.

We did

UK Power Networks' Common Charging Methodology is available on its website and was explained at the Critical Friends Panel session that focused on connections.

We have changed our business process to include a post-quote call to customers in which we offer to explain our charges.

The consensus from our stakeholders was that text updates should be offered throughout the day rather than stop at 22:00. In response to this feedback, we have modified our practice to introduce text updates 24 hours a day, 7 days a week. The service is expected to become available in late May.

We now ensure messaging information is updated every hour. We will also inform anyone who has contacted us about their outage through Twitter.

We will do

UK Power Networks recognises that this issue remains a concern for stakeholders and that there is still more work to be done.

The current process for major quotations and ways to improve visibility of costs and offer more information about the basis for calculating customer contributions continues to be examined.

UK Power Networks will implement a process whereby customers are notified when power is restored via an automated telephone service and/or by an adviser.

More broadly, UK Power Networks will seek to generate positive awareness about the initiatives on how customers can be kept informed during power cuts using customer research that is currently underway.



You can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

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4.2 Critical Friends Panels:

Key theme – Our Social and Environmental Obligations

We will continue to ensure our social behaviours exceed regulatory requirements

Social obligations

We currently use two criteria to measure our social obligations to customers:

- · Worst served customers defined as those customers who experience on average at least five higher voltage interruptions per year, over a three year period, subject to a minimum of three in each year.
- Provision of Priority Services Register and associated services to customers - a list of customers who are particularly vulnerable to the loss of the electricity supply and the precise nature of their needs.

As a DNO, we have legal and regulatory responsibilities towards the general public and the more vulnerable members of society. Our aspirations go further than just meeting the requirements set by Ofgem. We seek to make a difference to our stakeholders. Recent initiatives have led to close cooperation with local authorities, suppliers and the police.

'We are not only committed to building strong relationships with everyone who uses our services but we have a responsibility to the broader community and the environment.'

Matt Rudling

Director of Customer Services

Our work with the British Red Cross received a Business in the Community Big Tick award in 2012.

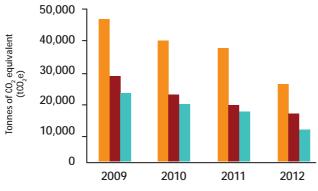
Please see page 19 for more information on our partnership with the British Red Cross.

Environmental performance

We also have the responsibility to reduce the environmental impact of our electricity networks

As a DNO, we are committed to the low carbon transition. In addition to playing our role in facilitating a low carbon economy, we are also reducing our own CO₂ emissions. We have reduced our business footprint significantly we are committed to reducing it further.

Current business carbon footprint reductions across our networks



- EPN business carbon footprint SPN business carbon footprint
- LPN business carbon footprint

You have told us that safety should be an essential component of a DNO's function. We agree.

Zero harm and increased public safety awareness are the two key outputs that we aim to deliver to our customers.

Since the summer 2012, the Public Safety Team has been implementing a pro-active public safety strategy.

For useful information and help sheets, please visit:



www.ukpowernetworks.co.uk/internet/ en/safety

www.ukpowernetworks.co.uk/internet/ en/help-and-advice/help-sheets



ou can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

4.3 Critical Friends Panels:

Key theme – Connections

We are taking steps to improve the connections process

Throughout our panel sessions and online feedback, connections came up as one of the top-ranking issues.

Our stakeholders made a range of comments about the lack of understanding of the process. They have also asked us for greater transparency and emphasised the need for our continued support of competition to ensure improved customer service

In 2012, over 86,000 new connections were made to our electricity network. Our connections business is tightly regulated by Ofgem and our compliance with their standards exceeded 99% during 2012.

Despite this we have introduced a programme to further enhance our customer service culture throughout our connections activities. The programme has three aims:

- · reduce the time that a customer waits for a connection;
- · put the customer at the centre of our business processes; and
- · reduce the cost to our customers.

Here is a snapshot of the feedback you have given us, how we have acted on it, and how we will continue to act on it:

You said

We do not understand the process for new Connections.

We did

UK Power Networks has launched a service called 'Ask the Expert' which provides guidance to customers completing a new connection application or requiring information about the connections process.

The service currently operates by email and feedback to date shows high rates of approval for the service.

Email: AsktheExpert@ ukpowernetworks.co.uk

You have asked us to improve resourcing in Connections to reduce lead-times.

We have allocated additional resources to examine existing processes and develop improvements in customer

To speed up the process, we have also reallocated the responsibility for enquiries of generation connections under 50kW to a larger resource pool.

We will do

UK Power Networks will develop the 'Ask the Expert' service further based on an assessment of customer needs. Next steps will likely include a phone service and live chat.

UK Power Networks will promote customer awareness with regard to the options they have when obtaining estimates and quotations to make them more relevant to their needs. For example, if a customer requires quidelines for planning purposes, a budget estimate provided on a much shorter turnaround time might be more useful than a quotation.

We have recently brought the delivery of small service works in the South East in-house. We will continue to look at delivery options that reduce timescales and/or charges to our customers, and we will assess whether bringing selected services and teams in-house delivers a more efficient process.



You can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

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4.4 Critical Friends Panels:

Key theme – Customer Service

Stakeholders have asked us to improve customer service and we have developed a Customer Charter which summarises our commitment to you going forward

Your needs drive what we do - we run our network for our customers

- · We will take the time to understand your personal situation and requirements
- · We will do everything we can to give you an appointment time that suits your needs

We make things easy for you

- You can contact us 24 hours a day, 7 days a week
- We will always keep you updated on the progress of your request in the way that best suits you
- We will help you with any preparatory activity that you need in order for us to successfully complete our work

We are honest and upfront with you

We will provide easy-to-understand useful information about the services we provide and the options available to you, including telling you about other companies that can help with your request

We run a safe and reliable network

- We will get the lights back on for 90% of power cuts within 2 hours
- We will give you multiple ways to stay regularly updated on the estimated time to get your electricity back on and we will tell you as and when this
- · If you are one of our registered vulnerable customers, we will proactively call you to offer support if you are without power

We continually improve our service to you

- Your satisfaction with the quality of our service will be a key part of how we reward our staff
- · We will listen to your feedback and act upon it
- · We will proactively engage with communities and stakeholders

ou can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

4.4 Critical Friends Panels:

Key theme – Customer Service

Customers are at the heart of our business

Customer service is one of our highest priorities. We recognise that as customers ourselves, we all want better service delivered in the way we choose to receive it.

During our Critical Friends sessions we have made commitments to improve customer service. The Customer Charter summarises our commitments to you. In response to your positive feedback and explicit request, we are now considering developing a Business Charter.

'Many thanks for building strong cohesive bridges on both sides with a true clarity of purpose.'

Customer feedback

Here is a snapshot of the feedback you have given us, how we have acted on it, and how we will continue to act on it:

You said

Contacting us by telephone:

Can we have a cheaper number from mobiles?

Is a single national DNO contact number feasible?

Can you implement a process for calls that come from outside the footprint of **UK Power Networks?**

Can you develop a customer database?

UK Power Networks should look at offering an account manager service for larger customers.

We did

We have introduced regular numbers for each DNO area that customers can call in case of power outages. These can be found on page 5 of this

It has been agreed with other DNOs that the Energy Networks Association will coordinate a group of DNO telecomms experts to consider this.

We have ensured that our telephony systems currently redirect phone numbers from landlines outside of our licence area to the relevant DNO.

We have committed to developing such a database as part of the overall business transformation programme. As a minimum, a temporary solution for faults will be implemented by the end of 2013.

We are currently assessing whether the account management process used in the connections team could be extended to large customers and those with frequent interactions with us. A number of our larger customers consider this could improve service delivery and customers' satisfaction.

We will do

UK Power Networks will update our stakeholders with the progress going forward.

UK Power Networks will install a new telephony platform, which will provide us with the ability to recognise and answer numbers from landlines outside our licence area.

UK Power Networks expects to test, if not launch, the Customer Portal by the second quarter of 2014.

UK Power Networks will consider the benefits and costs of this approach and we will report back to the Critical Friends Panel on the outcome of our assessment.



You can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

4.5 Critical Friends Panels:

Key theme – The Low Carbon Economy

Smart Meters

The new meters

Smart meters are the next generation of gas and electricity meters and they can offer a range of intelligent functions.

How does a smart meter work?

A smart meter works by communicating directly with your energy supplier

Benefits of smart meters

Smart meters bring a wide range of benefits. For example:

- · No-one has to come round to read your meter.
- The end to estimated billing you will only be billed for the energy you actually use
- Smart meters give you near real time information on energy use expressed in pounds and pence.



Smart Grids: The road to DSO?

As we move into a low carbon economy, with increased customer interaction to manage the network, our role may change. The traditional role of a DNO is to passively distribute electricity along its networks to customers. A DNO does not generally have the tools to manage demand and generation flexibly. We must adapt our networks to facilitate this new flexible system. This gives rise to the concept of 'Smart Grids'.

As we potentially move towards new and innovative smart technologies, we should consider if moving to become a Distribution System Operator (DSO) would be of benefit. A DSO would provide a highly flexible network to adapt to responsive demand, by using electrical storage and controllable generation.



What is a DSO?

A Distribution System Operator (DSO) has access to a portfolio of responsive demand, storage and controllable generation assets that can be used to actively contribute to distribution system operation. A DSO builds and operates a flexible network with the ability to control load flows on its network. The combination of a highly flexible network and access to demand and generation response allows the DSO to contribute to the increasing UK-wide challenge of system balancing.

By contrast, a **Distribution Network Operator (DNO)** continues to build in response to growth in maximum or peak demand. A DNO does not have the ability or desire to influence demand and generation, and tends to introduce flexibility only to the extent that it supports existing regulatory priorities (such as to reduce supply interruptions and the risk of catastrophic asset failure).





ou can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events/



5. Priority Issues

How do they relate to our key commitments to customers

The priority issues you have identified fit closely with our key commitments

We have discovered that there are five 'Priority Issues' that are of concern or special interest to our stakeholders.

These issues were identified through our research and Critical Friends panels. We then set up dedicated sessions

This approach ensured we could consult our stakeholders in a targeted manner before developing solutions. In

many cases, we have worked with local authorities, the police and our partners, such as British Red Cross to deliver

Our engagement timeline (page 8) shows when the Priority Issue sessions were held.

The following pages provide a snapshot of what has been discussed and agreed in each session.

Our key commitments

Customer satisfaction



We strive to ensure a high-level of customer satisfaction and service, and undertake effective engagement with our customers and other stakeholders.

Safety



We seek to ensure that all our customers have access to affordable electricity including those who are vulnerable to supply interruptions (vulnerable customers).

Network reliability & availability



We aim to promote the long-term condition and resilience of the networks, provide customers with long-term reliability and minimise the number and duration of supply interruptions.

You will see from the following pages that the topics that you have identified as priority issues are intricately linked to our key commitments.

Priority Issues	Page
Vulnerable Customers	19
Metal Theft	20
Our performance during storms	21
Infrastructure development and distributed generation	22
Street works	23



You can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

5.1 Priority issue in focus:

Looking after vulnerable customers?

We will continue to protect vulnerable customers

During our Critical Friends' sessions, it quickly became clear that how we support vulnerable customers on our network is of utmost importance to our stakeholders. We engaged representatives from community groups including Age UK, British Red Cross and National Energy Action to discuss this further.

This page offers a snapshot of how we support our vulnerable customers. More initiatives are under way.

Our plans for the future

Our stakeholders asked us to work more closely with local authorities and community groups.

In response to this feedback, we have set up a pilot with six boroughs to pro-actively notify their Emergency Planning Teams about power cuts. We are working closely with local authorities to develop triggers and response mechanisms to power cut emergency situations.

We will soon report to our stakeholders on the progress we have made with this important initiative.



An example of an action we have already taken

We operate a community support partnership with the British Red Cross.

- Our partnership allows us to provide information and practical support to customers on their doorstep, in the rare event of our customers experiencing a long power
- We work with British Red Cross volunteers to provide the latest information on how the work to restore power supplies is progressing and can provide hot drinks and torches to those who need them.

In addition, we notify the relevant Local Authority emergency planning team when we activate either the BRC or Customer Champion in their areas.

Who are Customer Champions?

Customer Champions are volunteers from within UK Power Networks who assist our field teams in electrical emergencies by providing practical support to customers

Our stakeholders have found this service helpful. Today we have over 80 trained Customer Champions.

Information for customers with special needs

If you are dependent on medical equipment, chronically sick, disabled or have other special needs, we may be able to offer you extra support, please get in touch: psr@ukpowernetworks.co.uk



0800 169 9970

(This is an answer phone service - please leave your details and we will call you back)

Priority Services Co-ordinator, UK Power Networks, Fore Hamlet, Ipswich, IP3 8AA.



You can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

5.2 Priority issue in focus:

Metal theft

We are doing more to prevent metal theft

Over the last five years, metal theft in electricity substations has led to the death of 20 people across the UK.

Our Willingness to Pay research as well as the feedback collected through Critical Friends Panels highlighted widespread awareness of metal theft. Our stakeholders felt something had to be done.

We hosted a dedicated session on this issue in February 2013.

Attendees included representatives from:

- Met Police
- · British Transport Police
- · Network Rail
- Environment Agency
- · Kent Police
- Transport for London



'The panel was an excellent opportunity to benchmark our strategies to reduce the impact of metal theft on our network and customers. We will be pushing ahead with our programmes to reinforce the security of our assets and support law enforcement agencies to deter and apprehend perpetrators of this crime that can put our network, customers and the general public at risk.'

Lee Craddock Head of Security, UK Power Networks

Here is a snapshot of the feedback you have given us, how we have acted on it, and how we will continue to act on it:

You said

Have you considered marking your assets?

Can we increase public awareness of the location of substations?

Are there any other ways to make it harder for thieves to gain access to assets?

We did

We already mark or brand many of our products, including cables and are continually exploring opportunities to improve marking of our assets to deter or evidence theft.

We have encouraged many community vigilance initiatives, such as our substation watch initiative, which educates the public about staff identification. This has resulted in a number of calls from the general public to report suspicious behaviour.

Metal theft is a global issue and UK Power Networks are pro-actively looking for ways to prevent the removal of our assets as well as the ways by which we would be notified once thefts occur.

We will do

UK Power Networks will continue to engage with industry and other utilities to develop marking best practice and products, including the use of signage, all of which have been proven to reduce theft.

UK Power Networks will continue to monitor the situation.

UK Power Networks will engage utility companies from other countries to share knowledge and best practice. We will share our findings from these conversations with our stakeholders.

5.3 Priority issue in focus:

Our performance during storms

We are working hard to support our customers during outages

Following damage to overhead cables during storms in the South and East of England in 2012, we reached out to our residential stakeholders in the most affected areas. Shortly after the storms we held two regional forums to review our performance and allow them to tell us what we can do better

The customers invited had had their power supplies affected by the high winds and were able to give feedback about how their power supplies had been restored and their expectations of UK Power Networks in the future.

As we engaged on this early, a number of themes have been reiterated in subsequent sessions, this has enabled us to collect the 'second round' of stakeholders' views and amend our actions accordingly.

Attendees included representatives from:

- British Red Cross
- · Ofgem
- · Disabled Advice Bureau
- Individual Domestic Customers

We run a safe and reliable network

- We will get the lights back on for 90% of power cuts within 2 hours
- · We will give you multiple ways to stay regularly updated on the estimated time to get your electricity back on and we will tell you as and when this changes
- · If you are one of our registered vulnerable customers, we will proactively call you to offer support if you are without power

'On behalf of my mum I would like to take the opportunity to say thank you for your recent communication on power cuts accompanied by a glow in the dark sticker.'

Customer feedback

In response to your feedback that it is difficult to find the number to call in a power cut we have produced glow-inthe-dark stickers that feature UK Power Networks' contact details for Priority customers. We have distributed them to 2,000 people on our Priority Service Register (PSR) as a

The response we have received has been overwhelmingly

We are now looking to distribute Welcome Packs to all new PSR customers, which will contain useful information and items, such as a corded phone and torch, that come handy during power outages.

'Thanks for my daughter's priority customer glow in the dark info sticker! Great idea!'

Customer feedback



You can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

You can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

5.4 Priority issue in focus:

Infrastructure Investment & Distributed Generation

Investment in Infrastructure

Whilst the major driver for stakeholders is connection of new load, there is some acknowledgment that the growth in renewable generation will require investment in the network. However, there seems to be an assumption that it is in this area that UK Power Networks could do more to avoid/defer expenditure through, for example, the use of Smart technologies and Demand Side Response.

We want to be recognised as the best DNO provider of connections to the Distributed Generation community in the UK

We started our engagement on this issue in 2011. A comprehensive plan has been developed with input from our stakeholders. We have also established a Distributed Generation Steering Group that will deliver our cross-Company improvement plan.

The Connections department has made significant improvements to many aspects of its business recently but acknowledges that the journey is not yet complete and this is reflected in feedback that has been received from stakeholders who have highlighted areas that still require some focus.



Here is a snapshot of the feedback you have given us, how we have acted on it, and how we will continue to act on it:

You said

We want improved customer service for distributed generation enquiries.

How will you measure customer satisfaction?

DG awareness levels vary depending on who we speak to within the organisation

The website needs to be improved.

We did

We have committed additional specialist resources to the design and quotation service to shorten timescales. We are also committed to reduce the average quote time by 25% from the 2012 level.

We have nominated a clear point of contact for customers.

We have set up an independent month customer satisfaction survey, targeting a score in the upper third of DNOs by July 2013.

We have refocused, trained and up-skilled 20 members of our staff to handle DG enquiries and assess applications.

We have updated the UK Power Networks DG website to be more flexible and user friendly.

We have also provided more documentation to support the application process.

We will do

UK Power Networks will review our operating model to ensure best practice.

UK Power Networks will host regular workshops for customers and industry stakeholders.

UK Power Networks will look into recruiting non-technical support to deal with the growing volume of DG queries and organise regular DG open forums.

UK Power Networks will ensure key account managers know staff training requirements.

UK Power Networks will continue to review feedback and update our website accordingly.

You can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

5.5 Priority issue in focus:

Street works

Reducing the disruption of street works

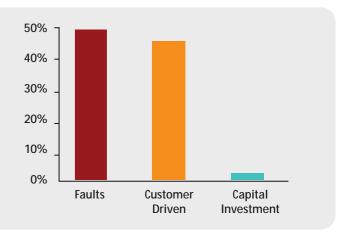
We recognise that street works can be frustrating for our customers. To mitigate these essential works we have implemented a range of initiatives and performance indicators to ensure street works cause as little disruption

Our aims are to:

- · Reduce works duration
- · Increase stakeholder satisfaction
- Ensure timely communication
- Improve performance reporting

Why do we have street works?

Our work is split between customer driven connections, accounting for some 47% of work in the highway, network maintenance and fault response which accounts for 49% of which 90% is response to loss of supply. The remaining 4% is the capital work associated with network



What are we doing to tackle this?



You can read the full reports on our sessions @ www.ukpowernetworks.co.uk/internet/en/have-your-say/our-events

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6. Your feedback: What we can't do

Although we have done our best to take your suggestions on board there are some areas where we cannot make changes

In certain cases, it has not been possible or suitable to implement the recommendations from stakeholders. However, we have considered the feedback for inclusion in later initiatives and business plans. In our action reports and review sessions, we have explained the reasons for not adopting certain suggestions.

Below are two examples of what we cannot do in the short term.

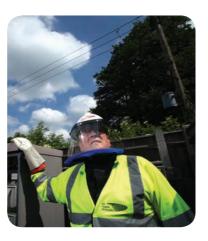
Fuel Poverty

Alleviation of fuel poverty was raised by community groups.

We are committed to working with suppliers, community groups, local authorities and Ofgem on policy options to alleviate fuel poverty through our work with vulnerable customers.

However, as our prices are fixed by Ofgem this is an area where UK Power Networks can play a supporting, rather than leading, role.

We will, however, continue to explore options with suppliers and our partners, such as the British Red Cross.



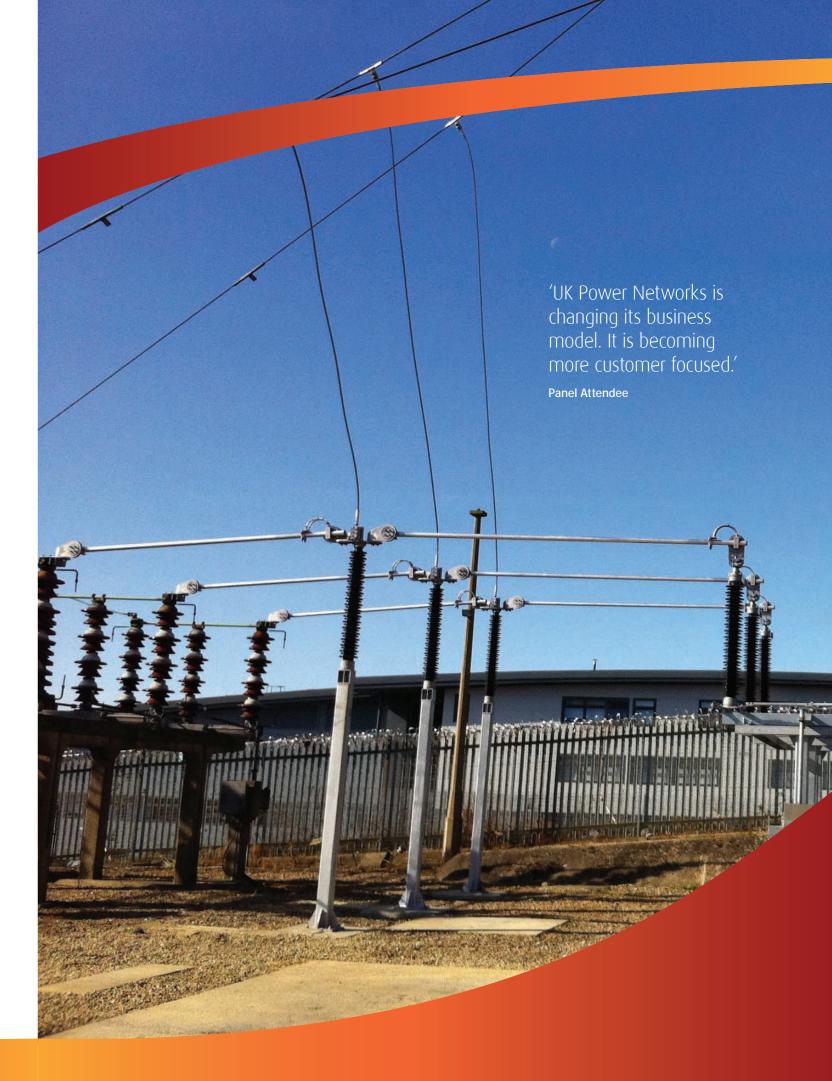


System Losses

System losses are the biggest carbon contributors. Our stakeholders asked if there could be an incentives for DNOs to reduce them and requested that we forecast technical losses.

Upon further consultation within the business, we established that we are unable to specifically forecast technical losses, as at present it is impossible to disaggregate actual technical and non-technical losses (metering errors, theft etc) from the data available.

However, in developing our investment solutions we will consider whether it is cost effective to deploy low-loss equipment on a cost-benefit basis. If deployed such equipment would reduce technical losses.



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7. Continuing our journey of engagement

We hope you can see that as a company we have taken significant steps towards improving the way we engage with you.

Encouraged by the positive response that we have received about our Critical Friends Panels, the senior management of UK Power Networks has decided to make the panels an enduring feature of our stakeholder engagement activities. We expect Critical Friends Panels to run at regular intervals on an on-going basis and we welcome your thoughts on the subjects that you would like to see addressed.

We will also continue to identify the topical subjects that are of interest to some of our stakeholders and we will organise round-table discussions to address them.

In conclusion, I would like to encourage you to get in touch with us and voice your suggestions and feedback on any issue that is of concern, of interest to you or that you believe would help us provide improved customer service.

We are here to deliver your electricity without a hitch. But we are also here to listen to you and act on your suggestions to make sure that in tomorrow's world, we still deliver a service that you want. A service of which we can all be proud.

Strategy, Planning, Preparation and Issue Identification Testing Issues &
Developing &
Implementing Actions

Key Outcome for Business Plan

Ongoing Engagement

The feedback that we have provided in this report is only a snapshot of the rich wealth of data that you have shared with us

In the fourth panel sessions in May, we will be reviewing progress that we have made in acting on your feedback. We are also preparing to publish details in our Business Plan which we will be submitting to Ofgem on 1 July.

After the submission of the Business Plan, our engagement with you will continue uninterrupted. Encouraged by your positive feedback, we have decided to hold Critical Friends Panels at regular intervals.

The next sessions are currently being planned for September. If you would like to get involved, please get in touch with our dedicated Stakeholder Engagement Team.

Contact us



ONLINE

www.ukpowernetworks.co.uk/internet/en/contact-us

TWITTER

www.twitter.com/UKPowerNetworks



PHONE

General Enquiries 0845 601 4516 Connection Enquiries 0845 234 0040



If you want to find out more, or attend future events please email us @ stakeholder.engagement@UKpowernetworks.co.uk

95% of the stakeholders who attended our events **felt engaged** and **96% expressed confidence** that UK Power Networks will answer their questions.

The level of service provided by customer champions was excellent.

The opportunity to speak directly with newer UK Power Networks' representatives was most valuable.

Very impressed with you taking the time to set the glow-in-thedark sticker scheme up.

It is positive to see UK Power Networks engage with stakeholders.

There is a strong commitment to improve the customer experience.

UK Power Networks provided a good environment to discuss real issues ... well done!

It was very useful to speak to other interested parties and discuss common issues.

UK Power Networks are a forward thinking organisation.

UK Power Networks are dedicated to improve in the future.

UK Power Networks are

very keen to improve to

be best in class and want to work with stakeholders

to achieve this.

UK Power Networks are listening which is great.

This type of engagement is very worthwhile UK Power Networks is changing its business model. It is becoming more customer focused

Enjoyed the event, very interesting presentations – more of the same please! The opportunity to speak directly with newer UK Power Networks representatives was most valuable.

UK Power Networks are working hard to THINK about future developments many years ahead.

Good to hear more about UK Power Networks plans & outlook.

Looking forward to the next session!

The wide range of stakeholders invited gave insight into unknown areas of business.

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