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Annex

SP Energy Networks 2015–2023 Business Plan

Customer service and
social obligations strategy

SP Energy Networks

June 2013

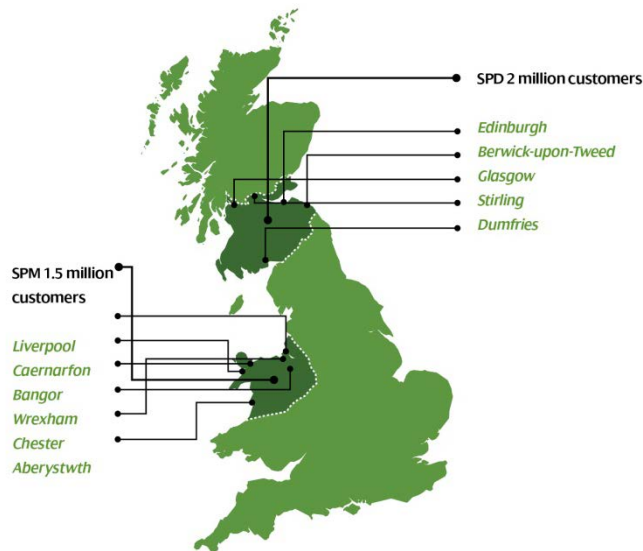
Customer service and social obligations strategy

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Introduction

SP Energy Networks are responsible for the distribution of electricity to our customers via our network of pylons, sub stations, cables and power lines. We serve 3.5 millions homes and businesses across Central and Southern Scotland, Cheshire, Merseyside, North Shropshire and North Wales.



Our people work round the clock to make sure our customers have power and ensure the service we deliver exceeds expectations. We are investing heavily in our electricity network to make sure the power stays on for our customers. In addition to the £5.5 billion invested in our Transmission and Distribution Network over the last 10 years, we're now managing a £1.8 billion investment programme until 2014 involving hundreds of engineers. For the period of ED1 (2015 to 2023), we are looking to deliver a programme of activity that will exceed £4bn.

To deliver this huge programme of work and make sure our customers maintain an excellent level of service, we need highly skilled people who put our customers first and have the right skills and attitude, to deliver this every time.

This document sets out to explain our strategy for Customer Service, our approach to our Social Obligations and how our People will be developed to enable us to deliver our commitments.

Our values

A customer service focused company, trusted by our communities and stakeholders.

- *We listen, learn and act on the feedback we receive*
- *We have a proactive approach to all customer management.*

An engineering company with strong stewardship of assets and world class safety credentials.

- *We invest strategically to ensure a safe, efficient, secure quality of supply is delivered for our customers of today and tomorrow.*

- *Embracing innovation and enabling low carbon solutions*

A company that attracts and develops skills for the future from the communities we serve.

- *Working with local colleges, contractors, universities and across sectors to recruit and train our future workforce.*
- *Develop the new skills and behaviours to meet our changing landscape*
- *Leverage our Power Wise Schools program to make maths and science attractive.*

Our customer & stakeholder views

At SP Energy Networks we recognise our customers are our business and feel strongly that, along with our stakeholders, they should help us shape the service we provide. Our customers tell us what they want from us every day.

- *If I contact you make it easy*
- *Make it easy for me to speak to someone*
- *Tell me what is happening and keep me updated*
- *If my power goes off restore me quickly*
- *Restore my power when you say you will*
- *Fix any problems on the network first time.*
- *Deliver my new connection quickly when I need it*

These are very simple things but to deliver them consistently to every customer every time we need a team of people who are fully engaged, trained, motivated and able to engage with our customers. We need people who put our customers first in every interaction.

Our vision

New connections

Provide first class service to customers requesting a new connection

Our commitment for faster connections

- *We will meet our connections guaranteed standards of service 100% of the time*
- *We will always try to work with customers to deliver a fast track quotation when they need it – not just within the guaranteed standards*
- *We will always try to work with customers to deliver a fast track connection when they need it – not just within the guaranteed standards.*
- *We will use innovative solutions to meet the uptake of low carbon technologies*
- *We will connect 4.5GW of distributed generation by 2018 with the potential for up to 6GW of generation connections to our network by 2013 – to meet the needs and demands of our customers*

Provide first class customer service for connection customers

- *We will actively engage customers and stakeholders through events, monthly surgeries, surveys and one to one meetings to understand their ongoing needs and build our business, operating and improvement plans around those needs*
- *We will ensure our customers are kept informed of the connection process throughout every stage*
 - *We will be proactive in our approach minimising the need for customers to have to contact us – we will contact them first*
 - *We will communicate with our customers through their media channel of choice*
 - *We will develop communication plans tailored to meet individual needs*
 - *Through our communication we will remove any uncertainty*
- *We will continue to work with our major customers to further improve the service we offer*
- *Where we fail to meet any of our promises we will pay our customers £10 compensation*
- *We will ensure our average time to deliver a connection is in the top group of DNOs*

Facilitation of the competitive market

- *We will work hard to ensure our connections quotations are tailored to our specific customer needs.*
- *We will lead the way in promoting competition in connections*
- *We will work proactively with Third Party groups wishing to connect to our network to facilitate these connections.*
- *We will work with Ofgem and ICP's to extend the boundaries of contestability.*

Customer service

Provide first class service to all of our customers

The service we will provide

- *We will achieve a 20% improvement in our average scores in the Broader Measure of Customer Satisfaction by the end of 2023*
- *We will continue on our journey with the Institute of Customer Service to benchmark across the service industry, sharing best practice and continually putting the needs of our customer's front of mind.*
- *We will invest in our people at every level, developing and motivating them to deliver fantastic service to meet the needs of our customers and in line with the Institute of Customer Service quality assurance standards.*
- *We will continue to offer hot meals and accommodation to vulnerable customers after 12 hours during exceptional events.*
- *We will offer hot meals and accommodation to all customers if we have an exceptional event where customer supplies will be interrupted for over 48 hours.*
- *Where we have less than 200 customers impacted we will offer hot meals and accommodation if customers have had their supplies interrupted for 30 hours.*
- *Where we fail to meet any of our promises we will pay our customers £10 compensation*

When you call

- *We will continue to answer calls in less than 10 seconds and will never force disconnect calls.*
- *If a customer wants to speak to one of our team they will always have that option.*
- *We will ensure abandoned calls are less than 1%*
- *We will never transfer a call when a customer calls us (unless they specifically ask). If the person they are speaking to can't help they will always take details and the customer will be called back.*

How we will communicate

- *We will continue to provide a restoration time for every outage*
- *We will contact all customers impacted by an outage to keep them informed during the outage, through multi channel options.*
- *We will write to all customers in advance of planned interruption and will text them the day before to remind them the outage is taking place.*

- *We will be proactive in our approach and make the first contact with customers using multi channel options.*
- *We will use Smart Metering Data proactively to help customers understand what is happening on the network and with their supply, particularly during fault conditions.*

When something goes wrong

- *We will respond to all customer complaints quickly and resolve complaints to the satisfaction of the customer, first time, every time.*
- *We will continue to reduce the number of complaints we receive by understanding the root cause and minimising the impact to our customers*
- *It is not always possible to resolve customer complaints within one day but we will work proactively with customers to agree a course of action to resolve every complaint to their complete satisfaction.*

Social obligations

Working in our communities to deliver our social obligation

Improving the data held on our Priority Services Register

- *We will always ensure our people are trained to recognise and deal with vulnerable customers sensitively*
- *We will proactively contact all Priority Service Registered customers at least every 2 years to make sure the information we hold is accurate.*
- *We will continue to establish mechanisms to share information on vulnerable customers with other agencies and authorities.*

Improving the services provided for vulnerable customers

- *We will send a welcome letter and information pack to every new customer joining the Priority Services Register.*
- *We will contact our vulnerable customers during an unplanned outage at least every 4 hours*
- *We will contact all vulnerable customers in advance of planned power interruptions and review their individual supply requirements.*
- *We will continue to produce winter packs and make them available to all of our vulnerable customers*
- *We will continue to work with Emergency Planning Officers to provide support to our vulnerable customers during outages*
- *We will continue to work in local communities impacted by outages to ensure they have access to hot meals and drinks.*

Working in collaboration with our communities

- *We will continue to build a database of agencies and work with them to understand how we can work together to best support our customers and communities.*
- *We will deliver initiatives that will help the fuel poor by working with agencies such as Energy Action Scotland, National Energy Action, Scottish Government Fuel Poverty Group etc.*
- *We will develop and deploy targeted initiatives in our fuel poor areas*
- *We will target initiatives to our most vulnerable areas, where they are both fuel poor and off gas grid.*

Our People

Build a customer focused workforce who treat each customer individually.

Our people

- *Everyone within SPEN from the CEO through the organisation will understand what we stand for.*

- *We will continue to engage with an independent agency to measure how effectively we deliver against our commitments.*
- *Our people will treat each customer as an individual and understand their needs.*
- *We will act quickly on customer feedback to improve the service we offer.*
- *We will make promises to our customers and make sure we keep them – where we don't – we will pay them £10.*
- *We will train our people to deliver a First class service and recognise vulnerable customers in our communities.*
- *We will manage our people through performance management to ensure the behaviours and attitude of our teams are exceptional and allow us to deliver a first class service to our customers.*
- *We will create an environment where ideas can flourish and are encouraged so every member of our team can make a difference.*
- *We will recognise exceptional service & commitment from our people.*
- *As an organisation and with our people we will continue to support Cancer Research UK and other affiliated partners in our fundraising activities.*

Delivering our vision

Our commitment for faster connections

We will continue to work stringently to our Guaranteed Standards targets for New Connections. As an organisation and individually we will focus on any areas we could improve the service to our connection customers and always seek feedback to understand how we can improve the service we deliver.

We recognise that customers need a new connection at a time convenient to them and we will build our business processes to deliver our connections as quickly as possible and most importantly when it suits our customer. We will aim to meet the customers requested deliver date 95% of the time.

Through the introduction of new technology we will deliver a Customer Relationship Management System (CRM) we will enable our customer to make contact with us through their preferred channel such as phone, text, web, social media and web chat.

For customers seeking a new connection we will develop the services available on our web to allow customers to request a quotation for a new connection as well as track their delivery once they have agreed to go ahead. They will be able to talk to a member of our team as well as chat to us on line at their convenience.

To make the process as simple as possible we will also give our customers the facility to make a payment on line as we recognise customers want to be able to progress with work without having to talk to us. We also recognise that we need to tailor our service to our individual customers and we will always make sure our customers can talk to a member of our team.

We will continue to develop our skilled in house labour force and work with contract partners to deliver new connections to a high standard when our customers want them.

By 2016 we will develop the capability on our web site for customers to check the capacity of our network at a glance for new connections at 11KV.

Providing first class customer service for connection customers

We will build on the improvements made to our web site to simplify the language used and to further advance the ease of use for our customers. We will develop a facility to allow our Customers to obtain quotations via the web, make on line payments and track the progress of their project from enquiry through to final connection. We will engage fully with our online community and our stakeholders during its development

We will providing a dedicated Customer Account Manager to our major customers, this will be a single point of contact to ensure we deliver exactly what our customers need and offer a tailored service. We will make sure

new projects are discussed at the early planning stage to make sure communication with our customers is excellent throughout the process and we deliver on our customers expectations. We will compensate our customers where we have failed to deliver on our commitments.

We will ensure our customers are updated through the connection process and will deliver the connection to them as quickly as possible. To ensure we deliver this every time will do the following:-

- *We will agree on first contact each Customer's preferred communication channel.*
- *We will contact our customers within 1 working day of receiving their application to provide a single point of contact to manage their project through our quotation process.*
- *We will contact our customers within 2 working days of receiving their payment to provide a single point of contact to manage their project through our delivery process and where possible provide a date for connection.*
- *We will contact our customers on completion of the connection to ensure they are fully satisfied with the service received.*
- *We will seek feedback proactively and use it to identify areas of potential future improvements*
- *We will connect in excess of 5GW of distributed generation by 2023 to meet the needs and demand of our customers*

Facilitating the competitive market

Our quotations will be tailored to suit our customer's requirements and we will continue to ensure that our customers fully understand the content and price structure of our quotations. We will minimise the potential for hidden surprises by making sure our quotations are clear and we communicate clearly through the process. We are industry leaders in the development of competition in the connections. We will continue to:

- *Work proactively with 3rd parties groups wishing to connect to our network*
- *Promote competition in every way we can*
- *Engage with OFGEM and ICPs to extend the boundaries of contestability.*

Delivering first class customer service.

We will continue to build on our Customer Service Improvement Plans through to 2023 and beyond, to drive further improvements in our Customer Satisfaction scores. SP Energy Networks aims to be market leading and improvement plans will be delivered to target areas our customers tell us we should and could improve in. We will also focus on areas we feel we could offer a better service which would enhance the overall customer experience.

We have engaged with the Institute of Customer Service and will work with them to independently review our business from a customer viewpoint to identify areas for improvement. We will also use them to understand how embedded our Customer Service culture is across our business to make sure the service we provide delivers what our customers want from us and where it doesn't we are in a position to change it quickly.

We recognise that often we are only contacted when something goes wrong and so want to make sure this experience is as positive as possible and causes as little inconvenience as possible. When a customer contacts us we will answer the call within 10 seconds and we will always give an option to speak to a member of our customer service team. For convenience we will provide the most up to date information on any power cuts so a customer doesn't have to talk to us if they don't want to. We fully recognise different customers want different things from us and part of our strategy is to build technology to enable us to offer a tailored service.

We will also give our customers the opportunity to log a power cut in our automated service if they wish to just leave us details and let us get on with fixing the problem.

Once a customer has reported a power cut to us or if we know already because we have equipment on our network to tell us there has been a problem, we will make proactive contact to give an update and advise when they can expect to have their power restored. We will ask our customers how they would prefer to be contacted and we will always aim to contact them in that way. We will offer our customers the ability to contact us or for us to contact them through different channels such as phone, e mail, web, text, web chat and social media.

To enable us to deliver a tailored service to our customers we are investing in a Customer Relationship Management (CRM) system to make sure whatever we are called about we can offer a service tailored to the needs of each customer.

We will regularly survey our staff to ask them how they felt they dealt with our customers and we will survey our customers to gauge whether our staff fully understand the service they are delivering to them. We know that sometimes expectations are different to our view of the service we delivered and it is important we check how we are really doing.

Where we identify areas for improvement we will act on these quickly and coach our staff to deliver the service our customers want. We will regularly take our staff into learning sessions in our Call Centres, our Field Teams and our Control Rooms to look at real examples of the service we have delivered and discuss as a team at how we could improve that service. Our teams are encouraged to work together across our business to look for ways of making the customer experience the best it can be.

We make a commitment never to transfer a customer call when they phone, unless they specifically ask. If a customer needs to talk to another department we will take their details and get the right person to call them back. We will also make sure we explain the situation to them in advance so customers don't have to repeat themselves. We know how frustrating that can be.

Where a customer has to contact us to report a problem or complain about a service we have provided we will work hard to understand the root cause of the problem experienced to ensure we remove this in the future.

Our teams will all understand what drives excellent service and poor service and will make sure they are monitoring this performance through an Operational Excellence framework. By doing this they can sort problems before they happen and before a customer experiences any impact in the service we are aiming to deliver.

Where we see customers are experiencing less than excellent service we will work hard to adapt our plans to make improvements quickly and where we fail to deliver a commitment we will pay compensation for our mistake.

Given the huge amount of investment on our network to improve the service our customers receive we will work hard to communicate clearly to tell them what will happen in their area, why this is happening and how this will improve the service they can expect to receive from us in the future.

We will write to our customers through a newsletter at least once every year to update them on the work we are doing and to make sure they always have our contact details if they need them. We will write to customers personally if work is planned to improve the network that impacts individual properties.

If a customer supply needs to be interrupted for a planned piece of work as part of any improvement work, we will aim to minimise the time they are off supply and we will write to them at least 1 week before. To make sure they don't forget we will text the day before as a reminder, if we have been given a mobile phone number. We will make sure we talk to customers if we need to go onto their land to carry out any work.

We know how frustrating it can be when things don't go to plan so we will make sure our work is delivered when we say it will be. If we say we are going to interrupt a supply at a certain time, we will make sure we stick to this to minimise any inconvenience.

How we will communicate

We will make sure when a customer makes contact with us by telephone they don't wait longer than 10 seconds for us to answer the call no matter what you contact us about. We will also make sure our people have the most up to date information available. If our customers are calling to report a power outage, we will always provide an estimated restoration time to allow them to make plans. We will also update customers where we have any more information so they know how things are progressing whilst we are working on a fault.

If we know customers are impacted by a power interruption we will proactively contact them to let them know before they need to contact us and we will keep them updated if we have their contact details. We will offer a variety of channels for contact to allow customers to get in touch with us in the easiest way for them.

Smart metering will be rolled out by Energy Supply Companies across the UK by 2019. This technology will give the Network companies such as ourselves information we have not had before. We will use this information to identify quickly when our customers' power is interrupted and will use this to proactively contact customers to update them on the situation and tell them when their supply will be restored. Our aim is that our customers will not need to contact us in the future; we will recognise the problem, resolve it quickly and tell them what is happening via their preferred method of contact.

Our web site will be developed to allow customers to contact us for information and log enquiries without going to through our call centres.

In addition to this we will keep customers updated through social media and allow them to contact us directly to ask a question or log an enquiry. We will introduce a web chat facility to allow customers to e mail us questions and give the opportunity to see a member of our team to chat to them via the web if they prefer this method of contact.

We know some of our customers can experience more than one power cut and we work hard to make sure this does not happen. We will focus on the parts of our network which cause multiple interruptions for our customers and we will reduce the number of times our customers go off supply. In addition to this we will reduce the length of time it takes us to restore our customers supplies. We will do this by making sure we utilise technology on our network to allow us to restore supplies quickly without our field staff having to be dispatched. Where our field staff do have to be dispatched to fix the problem we will make sure we deploy people who are closest to the fault to make sure power supplies are back on as quickly as possible.

We will also look at solutions to restore supplies whilst the repair is being carried out so our customers are not inconvenienced longer than necessary.

If a customer contacts us about a general enquiry relating to another service we provide other than and emergency interruption or a new connection we will visit within 2 days of the contact to assess the situation or complete the work. If further work is required we will complete this within 6 days of the initial contact.

We will make sure our business is efficient and delivers to a high standard by monitoring the quality of all of our processes. We will make sure any issues are proactively identified through rigorous quality checks and action taken immediately.

Delivering our social obligations.

We are a responsible company and work hard to do the right thing for the communities we serve. We recognise that some customers within the communities we serve depend on their electricity supply due to illness or vulnerability and it is important that we know who our more vulnerable customers are and make sure we offer them the support and service they need.

We will build on the staff training we have already carried out to make sure all of our staff know how to recognise vulnerable customers and ensure they receive support. We will actively promote our Priority Services Register to ensure our customers are aware of it and will encourage vulnerable customers to register with us so we can make sure they receive the right support.

We will proactively write to all of our Priority Services Customers at least once every 2 years to confirm we hold the correct details and check that nothing has changed. Although we have already engaged with charities and agencies in our communities who support vulnerable customers we know we could do more and we will roll out a campaign of engagement to build new partnerships. We will work with our partners to ensure that vulnerable customers are directed to us and registered. We will also share services with other agencies to jointly support our most vulnerable customers and communities.

When a new customer joins our Priority Services Register we will send a welcome letter and information pack to make sure our customers understand how to contact us and what we will do for them. If we have a power cut which impacts a customer on our Priority Services Register we will contact them proactively to understand any support they may need. We will contact our Priority Services customers every 4 hours as a minimum throughout the interruption or at a time convenient to them.

If we have to carry out a planned supply interruption to improve our network we will contact our Priority Services customers in advance by letter to inform them of the work but also by telephone or by a visit to their property to make sure we understand their needs in advance.

We will provide winter packs and make them available for our Priority Service customers, this is an emergency pack for customer which includes an analogue phone which means our customers can contact us any time.

During power interruptions if an outage is going to be prolonged we will arrange facilities within our communities and will work closely with local authorities and other agencies to open community centres and other local buildings. We will offer hot food and drinks to our customers and make sure they have the most up to date information.

We recognise in severe weather where supplies can be lost for longer periods we need to do something different. Where we have vulnerable customers off supply for 12 hours we will offer and arrange hotel accommodation for them. If we have a significant storm and any customers are off supply for more than 48 hours we will offer and arrange hotel accommodation.

We know in these tough economic times some of our customers can be more vulnerable due to hardship and poverty. Customers spending 10% or more of their disposable household income on energy costs are deemed to be in fuel poverty. We will understand our fuel poor areas and target specific initiatives to support customers in these communities.

In addition to this we know some of our most vulnerable fuel poor customers also may not have a mains gas supply and recognise that for these customers an interruption to their electricity supply has a significant impact. For that reason we will understand where we have off gas grid customers in our fuel poor areas to identify our most vulnerable communities and prioritise our initiatives in these areas.

We will develop partnerships to help us to deliver these initiatives such as that established with Energy Action Scotland. We will be working with EAS to roll out an initiative targeted at our off gas grid fuel poor areas. This initiative will look to work with MP's and MSP's to identify community buildings in their areas for energy efficiency improvements. EAS will survey the buildings and facilitate the work to help us to improve community buildings. This will ensure the building is improved for the community and will demonstrate the benefits of energy efficiency. In addition to this we will host education sessions in the community buildings to show our customers how they could transfer this into their own homes to save money.

We will work with Suppliers to encourage them to host drop in sessions for customers to give advice on reducing their energy bills. We will encourage our field staff to promote the services offered in the community buildings we have enhanced if these will help our customers and make sure SP Energy Network staff are working at the heart of our communities.

We will develop partnerships with other agencies and bodies to roll out initiatives tailored to the communities we serve.

We will also develop partnerships with Suppliers and Social Housing Providers to deploy energy efficiency initiatives in off gas grid fuel poor areas through the use of Distributed Generation and Heat Pumps. We will actively promote the roll out of photovoltaics to social housing providers in these areas to deliver benefits directly to fuel poor customers.

With smart metering we will utilise the data obtained from this new technology to understand the capability of our network to maximise the use of photovoltaics. By better understanding the full capability of our network through this data we will avoid the need for costly reinforcement and therefore reducing energy costs for our customers.

Whilst this initiative will deliver benefits for our fuel poor customers by reducing energy consumption, it will also deliver benefits to the Social Housing provider who would benefit from the government sponsored feed in tariffs.

We will allocate funding to the Energy People Trust to target initiatives to support vulnerable customers in our community and fuel poverty. We will actively encourage the generation of ideas from our communities and allocate funding to those initiatives which will benefit the most vulnerable customers in our communities.

Building a customer focused workforce

It doesn't matter how good our plans are, we know the most important part of delivering them is our people and without them we will not succeed. If we are going to make sure we deliver exceptional service every time to all of our customers we need every member of our team right across the organisation to fully understand our vision, where they fit into this and their responsibilities. Every member of our team from the CEO through our organisation needs to understand what we stand for and put our customers at the heart of everything we do every day.

To make sure we understand how we are measuring up we have engaged with the Institute of Customer Service to independently assess our business and tell us how successful we are now. We will use this information to target improvements across our business and deliver training and coaching where it is needed.

We will continue to engage with a market research partner to work with our employees to drive improvement ideas for our customers so that our staff are fully engaged in our improvement solutions.

We want each customer to be treated as an individual and we are introducing technology to allow our people to be able to deliver a tailored service to each customer. In addition to this we will hold regular learning sessions in every team to look at how service has been delivered and how it could have been improved or made more personal for our customers.

We will track our promises and make sure we keep them. We will be introducing a promise tracking system to make sure that we have a robust way of making and keeping our commitments to our customers every time.

We will conduct tailored Customer Service Training to all of our staff across the business to meet the needs of their role and where we have front line and call centre staff we will coach them regularly in recognising and dealing with vulnerability in our communities.

Our people are all managed through a performance management framework to make sure we deliver against our commitments. As part of this we measure the behaviours and attitude of our people as well as their performance to build an organisation capable of delivering exceptional service to all of our customer every time.

Our teams are encouraged to generate ideas and initiatives to improve the service we deliver and we award our staff for great ideas which we deploy.

As a business we support Cancer Research UK to support our communities. We will work with Cancer Research and other partners in the future to build on this work. We encourage our teams to hold fundraising activities which build team spirit whilst also supporting the communities we serve.