

# Power for life



A Western Power Distribution publication

**SPRING 2010**



**Welcome to Power for Life, a publication designed to give the 2.6 million people across South West England and South Wales who depend upon Western Power Distribution for electricity an opportunity to learn more about our business.**

Put simply, our role is to ensure the power network of poles and pylons, cables, wires and substations – the infrastructure that we all rely upon to live our lives to the full – delivers electricity to our homes and businesses around the clock.

This publication highlights the scope and scale of our operational responsibilities, and explains our spending plans for the future. It illustrates our investment in people and equipment and shows

how world-class standards of customer service coupled with technical excellence and innovation have shaped our business – making it one of the most efficient service providers of all the UK's electricity distribution companies.

But equally importantly, this publication is designed to encourage your input and feedback, and we hope that you will take the opportunity to have your say and help shape our investment plans for electricity distribution over the coming years.

You'll find much more information on our website at [www.westernpower.co.uk](http://www.westernpower.co.uk) and if you would like to get in touch directly you can call us on 0800 028 6229, email us at [info@westernpower.co.uk](mailto:info@westernpower.co.uk) or write to us c/o Corporate Communications, Avonbank, Feeder Road, Bristol BS2 0TB. We look forward to hearing from you.

## **Robert Symons**

Chief Executive, Western Power Distribution



# Who we are, what we do

For many people the distinction between electricity supply and electricity distribution businesses is often blurred which creates a degree of confusion.

Supply companies sell us electricity, read our meters and send us our bills. Distribution companies own and look after the infrastructure like the wires, poles, transformers and substations. They do not sell electricity but charge supply companies for delivering it.

Distribution companies' prices are set by the Office of Gas and Electricity Markets (Ofgem) every five years. When Ofgem sets our prices it takes into account our need to replace old infrastructure and our efficiency, and will only allow prices to rise to the extent that they believe the money we get will be spent efficiently.

With our responsibility for a network that stretches from the Isles of Scilly in the South West to the middle of Wales, we

currently employ over 2,000 people. Our staff range from highly trained network operators to the professional, clerical and administrative staff needed to support them.

We operate enough network for our circuits to go around the world twice – this includes over 85,000 km of lines and cables and 90,000 transformers. More than half of our network is overhead.

It is vital that we provide a safe and secure power supply to the homes and businesses we serve and Ofgem sets demanding targets to ensure that we do so. But in doing so we have to provide value for money as well as having as small an impact on the environment as we can.

## WORLD-CLASS CUSTOMER SERVICE



Our customers are at the heart of everything we do for distributing power to homes and businesses impacts on all our lives. We are guided by the simple philosophy of treating people the way we would wish to be treated – ensuring, as far as possible, that they receive a consistently high level of service.

Around the clock, our own state-of-the-art customer contact centre provides a focal point where well-trained and motivated staff can depend upon the latest communications technology.

Our industry is highly regulated and it demands that rigorous performance targets be met – and not least in customer service. But, like all other areas of activity, we seek to exceed those standards by establishing additional skills and measures that are innovative, enhancing the way we serve people.

For instance:

- The average speed of response to customer calls at our contact centre is under two seconds compared to an industry average of over 30 seconds;
- We proactively contact known vulnerable customers as a priority during extreme weather and call back customers who may have been without power for over an hour;
- We can provide a hot meal or drink for customers without power for longer than four hours through our partnership with the Women's Royal Volunteer Service (WRVS).

Outstanding service provision has helped to reinforce our position as one of our industry's leading performers and we have been able to:

- Maintain zero customer complaint referrals to the new Energy Ombudsman and its predecessor energywatch – the top position in our industry. We have had no referrals for five years;
- Retain the government's Charter Mark for customer service excellence – the only energy business to have done so continuously since its launch in 1992.

We are proud also to be singled out year-on-year as part of the Ofgem regulatory reward initiative. In the latest deliberations we were recognised and rewarded for providing exceptional service in terms of our priority customers and our corporate social responsibility.

# The power to innovate

It's a fact that all electrical apparatus wears out over time and that much of our network asset base was installed between 1950 and 1970 – one reason why we are committed to massive investment in the years ahead. However, if we had to replace all our equipment in one go it would cost an incredible £8 billion.

So to keep our network in tip-top condition we are investing many millions of pounds every year – around £240 million in the last three years alone – to ensure our customers receive the same world-class service wherever they may live and work.

Of course, investment in equipment means nothing without a highly skilled and motivated workforce to help make it work reliably and safely for our customers long term – which is why our commitment to recruiting and training the right calibre of people also continues at pace.

With over 100 new adult starters in the last year alone, and more to come, in addition to the 40 apprentices who join our training scheme annually, we are well placed to meet customer expectation and the regulatory demands placed upon us.

Operational innovation too is of paramount importance. For instance:

- Live line working helps us maintain our network with the minimum of inconvenience for customers – while our unique Target 60 initiative aims to restore customer supplies within the first hour following a power interruption;
- State-of-the-art IT equipment enables our control centre engineers to monitor and communicate accurate network information to operational teams around the clock – while remotely operated automated equipment on our underground and overhead power networks, linked to our control centre, improves response times when faults occur and provides up-to-the-minute network information;
- Extensive tree trimming – we invest £14 million annually – helps maintain supplies especially during storms, and meets the demands of tougher new legislation;
- The £1.3 million investment to expand our purpose-built training centre provides the right learning environment for our people and for those from other businesses and organisations who turn to us for their training needs;
- And because safety is of such paramount importance in our industry we are continuing to seek out and develop new and improved equipment and techniques that eliminate or reduce risk.

**2.6 million**

the number of customers

Over **2,000**

the people who work for us

Under **2 seconds**

our average response speed to customer calls

Over **140**

new adults and apprentices taken on in the last year

**£14 million**

the amount we spend on tree trimming every year

Over **£500 million**

what we'll spend in the next five years on our network



In the next five years, many hundreds of kilometres of new power lines and cables, and large pieces of equipment like the one illustrated left will be commissioned at locations across our operating region. These include transformers and switchgear on our 132kV, 33kV and 11kV networks.

Areas to benefit in the South West will include: Bristol, Avonmouth, Plymouth, Exeter, Weston, Barnstaple, Lynton, Bridgwater, Radstock, Taunton, Chard, Bodmin, Totnes, Bude, Launceston, Saltash, Penzance, Mevagissey, Camborne, Hayle, Falmouth and St Ives.

And in South Wales: Cardiff, Newport, Swansea, Barry, Tredegar, Wattstown, Briton Ferry, Tonypany, Milford Haven, Llanelli, Pembrokeshire, Port Talbot, Creigiau, Usk, Crickhowell, Lampeter, Mountain Ash, Ebbw Vale, Bridgend, Dowlais and Margam.

# Investing in the *future*

**Every five years our industry's regulator Ofgem conducts a price review to establish how much money distribution businesses like ours are entitled to and what they have to deliver for that money over the coming five years.**

As part of the latest review – which began in March 2008 and concluded in December 2009 – we consulted a range of stakeholders to gauge opinion on network investment and presented hundreds of pages of facts and figures in our formal discussions with Ofgem. Stakeholders ranged from energy suppliers, generators and developers, those representing vulnerable and special interest groups, elected representatives and opinion formers, large businesses and environmental and land-owning bodies.

This next review period – 2010 to 2015, which begins in April – presents a series of significant challenges for us to meet as a business moving forward.

An important outcome of the review is that it sets the level of revenue we can recover from the electricity supply businesses that use our network. The distribution element accounts for less than one fifth of the total of an average domestic electricity bill.

Over the next five years we will be spending an extra 30% on our network, taking our total network investment during that period to over £500 million.

This is needed to maintain and upgrade the network to meet increased demands from customers and new generation, and to protect it against the impact of climate change and security risks. We also have a responsibility to minimise our impact on the environment in relation to greenhouse gases.

The feedback from stakeholders has been crucial in helping us to prioritise areas where it is felt there is impetus for investment like:

- Safeguarding network security and reliability, at a reasonable cost;
- Delivering a range of environmental obligations – from undergrounding schemes in specially protected areas and flood mitigation plans to taking measures that monitor and reduce our carbon footprint;
- Continuing to push forward the boundaries of customer service excellence in key areas – from providing more information, particularly on how well we are performing, to meeting more rigorous targets for power supply losses and interruptions, complaint handling and connections.

## CONSULTING all our stakeholders

You can see that stakeholder communication and consultation plays an integral part of our business planning processes. We have consulted people representing many different bodies and organisations as part of our deliberations for the recent regulatory price review, and these consultations continue. Recent workshops have explained the outcome of the review, its impact on prices and our subsequent business plan going forward.

It is our intention to maintain and indeed develop these links further for we are keen to know how customers would like us to keep them updated with our progress and what elements of our business are important to them.

If you would like to know more or if you have any questions about anything specific regarding our business then please

call us on **0800 028 6229**

email us at **info@westernpower.co.uk**

or write to us c/o **Corporate Communications, Avonbank, Feeder Road, Bristol BS2 0TB.**

You'll also find more information on our website at **www.westernpower.co.uk**