



Briefing

Your bi-monthly update and briefing

electricity
north west
Bringing energy to your door

26 September 2022

Our plan to reduce energy bills

The cost of living crisis, driven by increasing energy bills is incredibly difficult for many people in our region and across the country but we have a glimmer of good news.

As the network operator for the North West, our charges are added to bills to allow us to fund the billions that we invest in the network to keep the overhead lines and underground cables delivering power to homes and businesses.

We are proposing to reduce our part of the bill by 5.5% from April 2023 taking our part of bills down to less than £80 a year. We are committing to this at the same time as committing to increase investment by more than 30% - investing £1.8bn in the region by 2028.

We'd love your support in sharing this good news with constituents showing the value we provide to the region. A number of our engineers have been stopped while going about their essential jobs by members of the public asking why their bills are going up, but the reality is, our costs are reducing. It's important that this is recognised and that it is our investment that will enable renewable energy and new technologies like electric vehicles and solar to thrive in the North West for years to come.



New CEO, Ian Smyth, joins Electricity North West

Electricity North West has welcomed new CEO, Ian Smyth, to the business following the retirement of Peter Emery.

Prior to Electricity North West Ian was a member of the executive committee of London and the South East's power network, UK Power Networks. Ian led the commercial division serving some of the UK's largest enterprises including Ministry of Defence, Heathrow Airport, Network Rail and High Speed 1.

Previously Ian has worked with governments, regulators and utilities in electricity, water and gas across international markets. His leadership roles included Managing Director for Europe Middle East and Asia for Navigant/Guidehouse, Partner leading Energy Utilities and Regulated Industries for LCP and as consultant for Ernst & Young.

Ian will be setting up a number of meetings in the coming weeks and if you would like to meet, please let us know.



Top three news stories



Electricity North West launches Storm Arwen resilience fund



Electricity North West welcomes Chris Green MP



Power network operator issues safety message

Extra Care Register leaflet drop

As part of our preparations for winter, we're now delivering information leaflets about our Extra Care Register to all 2.4m homes and businesses in our area. The leaflets will help share advice about how to get ready for winter and what to do in a power cut. Our Extra Care register is free to join and those on it will also receive dedicated power cut updates, advanced weather warnings and much more. People can sign up by visiting www.enwl.co.uk/extracare or by calling us on 105.



Ongoing negotiations with Ofgem

Our investment plans including our bill reduction proposals are not yet fully signed off by energy regulator, Ofgem who will conclude their decision-making in December. Unfortunately Ofgem's draft determination, published as a consultation in July, proposed unexpected and damaging changes to our plan.

We have identified a significant number of errors of calculation, logic and methodology in the Draft Determination that require correction to achieve Ofgem's stated policy intentions.

We are pleased to see some of the specific requests of our customers and stakeholders reflected in the Draft Determination, however, stakeholders also tell us they are concerned about why the cost allowances in the Draft Determination seem to be severely cut, when there is little evidence that the cost base or unit costs are inefficient. Stakeholders fear that the cuts Ofgem are proposing will mean that core elements of our business plan will become unviable.

Stakeholders have also noted that several other strongly supported proposals are currently excluded from the Ofgem determination, placing particular emphasis on the need for ring-fenced funding to support decarbonisation activities. Elected officials in Greater Manchester, Lancashire and Cumbria have already written to Ofgem directly seeking a change. We would value your support in ensuring the North West's network gets the investment it needs over the next five years.

We have proposed a 5.5% reduction in our part of annual electricity bills bringing network costs down to less than £80 a year for NW bill payers.

Acceptability testing of our plan with customers shows 84% support

Draft Determination Key Stats	
Ofgem erroneous increases to ENWL Business Plan submission	£225m
Ofgem mathematical errors in Draft Determination	£54m
Ofgem errors of logic and methodology in Draft Determination	£200m

Upcoming events

3 October 2022

[Manchester stakeholder event](#)

Want to find out more? Get in touch

If you would like more information on our plans and how we can help, please get in touch with the Electricity North West team:



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For more information on our engagement visit www.enwl.co.uk/engagementhub.