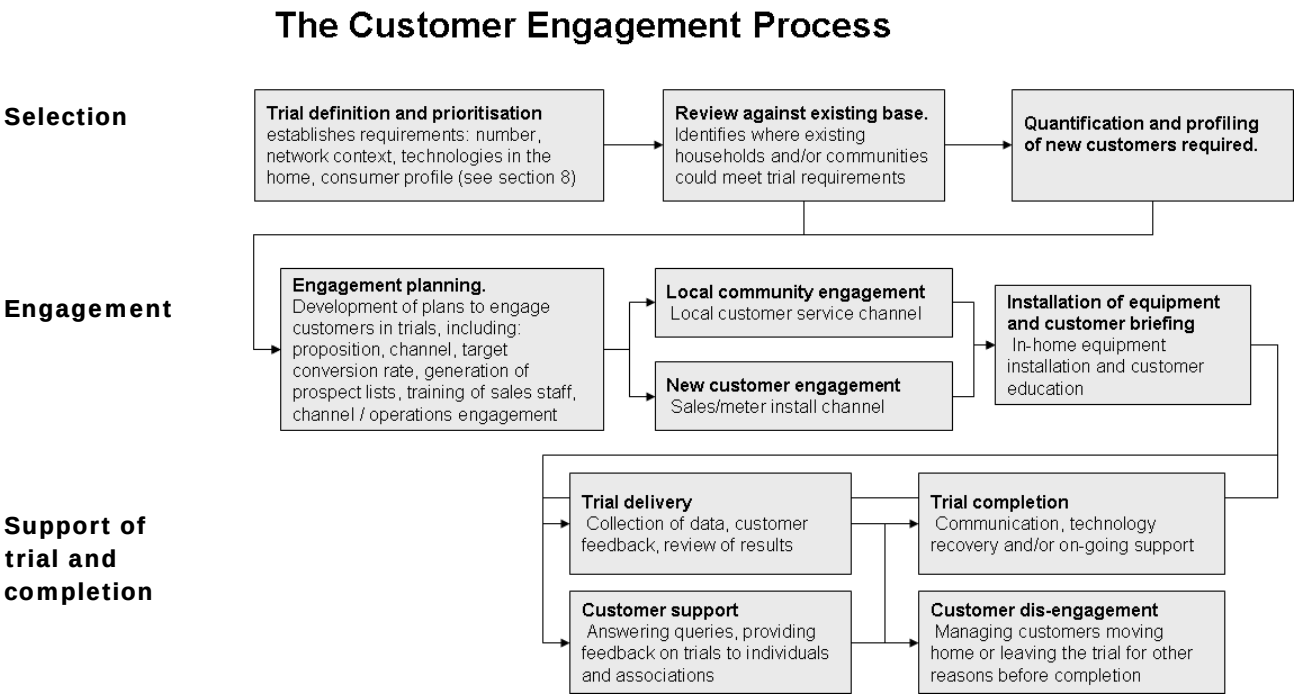
2 Customer engagement

2.1 Introduction

1 This section explains how we will select and engage consumers and then maintain engagement through the cycle of the programme. Our plan is that wherever we identify a need for customer involvement with the programme we first check whether we have access to customers with existing installed equipment in order to minimise programme costs. LCNF funding will not be used to encourage consumers to change their energy supplier.

2 Customer engagement includes all aspects of customers' involvement with the programme:

- Establishing which customers need to be engaged
- Planning customer selection and approach
- Developing and implementing initial engagement plans
- Bringing customers into the programme
- Keeping customers engaged in the programme
- Managing customer issues and questions
- Managing customers who are leaving the programme



2.2 Definition of which customers are needed to deliver trials

2.2.1 Trial definition and prioritisation

3 Planning and prioritisation of trials will result in a prioritised list of the profile of customers we want to engage in the delivery of each trial. This will also identify where more than one trial can utilise data from an individual household.

4 Key criteria for customer profiling include:

- Type of customers required by a trial: households, small businesses, communities of households, larger industrial/commercial customer:
  - Demographic profile
  - Average and peak consumption
  - Whether clustered or dispersed
- Number of households / businesses
- Technologies existing or to be installed in the home, including:
  - Smart meters;
  - Micro-generation e.g. Photo-voltaic, Combined Heat and Power Fuel Cell boilers;
  - Air-sourced heat pumps;
  - Electric vehicles;
  - Energy management systems;
  - Smart appliances; and
  - Demand management equipment.
- Non-network solutions to be applied, including tariffs and commercial propositions designed to encourage the take-up and use of demand management

5 See section 4 for more detail on how requirements for customers are established and prioritised.

2.2.2 Examples of consumer analysis used in selection groups

6 As a result of its Smart Meter programme British Gas has developed a statistically robust profile of energy use against a range of demographic profiling information. The volume of information and the demographic and geographic spread of consumers is a core strategic asset to the business and is at present unique in the UK. We will use it to plan robust test cells and also to use test data derived in the North East to inform tools which will be useable by all UK distribution network operators.

7 As this data is anonymised its use does not threaten any infringement of personal data privacy regulation, or of British Gas's own Smart Meter data charter.

2.2.3 Review against local community base

8 Through engagement of local partners such as Community Energy Solutions and Kirklees Council (see Section 2) we will have access to a range of communities and customers who are keen to take part in trials or who already have equipment installed (and therefore have an established energy consumption profile). These partners are generally involved in initiatives involving the installation of low carbon technologies throughout a local community and so will, together with customers taking part in British Gas's CESP projects in the region, be the source of customers for trials that require clusters.

9 When planning the delivery of trials these customers will be prioritised in order that:

- We reduce the cost of trial delivery, and
- maximise the opportunity to engage local communities.

10 This approach should also allow us to leverage CESP plans for local community engagement and to make the most of the opportunity presented by engagement of Durham University and its affiliated organisations.

2.2.4 Quantification and profiling of new customers required

11 Having made the most of the opportunity to engage customers who already have low carbon technologies (LCTs) installed, local communities etc we will in most cases still need to recruit customers who have yet to install LCTs and encourage them to do so. Our customer engagement plans will therefore include a mix of both sources.

2.3 Engagement planning

12 Each trial will require a range of technology and non-network solutions to be applied to customers and to the local low-voltage grid.

13 Once the profile of customers and their planned engagement (through a combination of British Gas service and sales channels and through links with local organisations) has been established, we will develop the proposition to be presented to customers as well as the operational delivery of that approach.

2.3.1 Proposition and customer material development

14 Potential components of the proposition: energy supply tariff (including time of use tariffs), demand response subsidy, feed-in tariff, rental/repayment for equipment, service charge.

15 Proposition development will require integration of these components in quarterly / monthly billing and into customer service systems so that online bill management and phone service recognise the combination of propositions. This is likely to require the development of interim systems to avoid disruption to BAU service delivery.

2.3.2 Channel, Target conversion rate, Prospect list

16 Customers will be selected through one of British Gas's New Energy promotion, BGas Smart Meter installation, BGas outbound and/or field sales, community engagement, local above-the-line promotion

17 Level of participation – no direct engagement (baseline data), prop based, tech based

18 Product, proposition, target customer selection and channel mix will determine target conversion rate and prospect list development.

2.3.3 Sales staff training development

19 As above, this will be determined by channel mix, target customer numbers and timeline.

2.3.4 Channel management

20 Includes: target setting and tracking, adjustment of propositions and quality monitoring.

2.4 Engagement and installation

21 As above, engagement of British Gas's consumers in trials will leverage British Gas's customer communication, sales, installation and support infrastructure. As we intend that the trial will be explained to customers and associated with our brands we have proposed partial funding of these activities, as part of the contribution by British Gas and CE Electric to the delivery of the bid.

22 Exisiting and potential customers, including those engaged through communities and/or CESP projects, will have the purpose and structure of our project explained to them as part of the engagement process and we will ensure their understanding and agreement to data sharing before completing their engagement.

23 Propositions (see section 3) will build upon existing consumer tariffs and equipment financing deals but will be modified to reflect the potential structure of Demand Response programmes. The temporary nature of these modifications will of course be explained as part of the sales process.

Illustrative proposition

2.5 Trial delivery and on-going customer support

24 We understand that maintaining engagement with customers over lengthy trials is key to ensuring the delivery of results and to demonstrating the core tenet of our proposal – that successful engagement of customers will be critical to deployment of technologies required for the success of the Low Carbon Transition Plan.

25 Customer engagement with British Gas customers and with those involved through British Gas's CESP programmes will leverage British Gas's experience as both a consumer brand and also as a deliverer of significant community programmes. Key messages and content will include:

- progress against objectives
- technology and local community highlights
- progress of Smart Metering and the UK's Low Carbon Transition plan
- feedback of results
- customer support services, such as home-moves

Example British Gas community programme: Green Streets

Green Streets in a nutshell

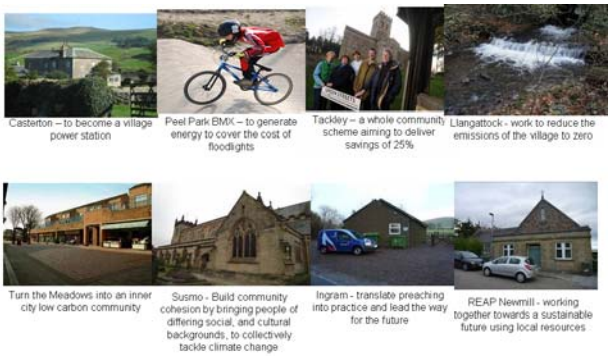
A British Gas brand & innovation initiative…

…Providing £2 million & British Gas project management skills to 14 communities…

…In order to run projects that save energy, generate energy and engage their local community…

…And compete to win an additional prize of £100,000

1. Casterton
2. Peel Park community BMX
3. The Village of Tackley
4. Richmond 'Solariham"
5. The Meadows
6. Transition Town Horncastle 'Green Babies
7. Ingram Village
8. SusMo
9. Climate Friendly Bradford on Avon
10. REAP Newmill
11. Eilean Eisdale
12. Llangattock
13. Friends of Beccles
14. Hyde Farm CAN



Casterton – to become a village power station

Peel Park BMX – to generate energy to cover the cost of floodlights

Tackley – a whole community scheme aiming to deliver savings of 25%

Llangattock - work to reduce the emissions of the village to zero

Turn the Meadows into an inner city low carbon community

Susmo - Build community cohesion by bringing people of differing social, and cultural backgrounds, to collectively tackle climate change

Ingram - translate preaching into practice and lead the way for the future

REAP Newmill - working together towards a sustainable future using local resources

2.6 Trial completion and management of customers leaving trials early

26 Consumers who are engaged in trials will leave before the completion of our test programmes for a number of reasons – moving home, changing supplier, changes of circumstance. Customer selection planning will ensure that we have sufficient volumes of households engaged to deliver robust results given expected levels of churn.

27 Whether a customer leaves individually or because we complete our trial, we will establish processes and terms for their transition to standard tariff agreements and for on-going support or return of equipment deployed. Where customers have purchased equipment as part of the trial these terms will be included as part of their initial engagement contract.