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Legal Notice

This paper forms part of Wales & West Utilities Limited Regulatory Business Plan. Your attention is specifically drawn to the legal notice relating to the whole of the Business Plan, set out on page 3 of Document 1 of WWU Business Plan Submission. This is applicable in full to this paper, as though set out in full here

| Al | Artificial Intelligence |
|--------|--|
| CAF | Cyber Assessment Framework |
| CNI | Critical National Infrastructure |
| DESNEZ | Department for Energy Security and Net Zero |
| DNO | Distribution Network Operators |
| DPLA | Digital Platform for Leakage Analytics |
| DSAP | Digitalisation Strategy and Action Plan |
| EDT | Energy Digitalisation Taskforce |
| GDPR | General Data Protection Regulation |
| LAEPs | Local Area Energy Plans |
| NESO | National Energy System Operator |
| NGO | Non-Governmental Organisations |
| NUAR | National Underground Asset Register |
| PSR | Priority Services Regulation |
| RESP | Regional Energy System Planners |
| SCADA | Supervisory Control and Data Acquisition |
| SIS | Strategic Infrastructure Steering |

1. Introduction

At Wales & West Utilities (WWU), it's our responsibility to transport gas to homes and businesses in Wales and the South-West of England, through our network of pipes. We don't sell gas. We own, operate, and maintain our pipes and assets to keep the gas flowing safely and reliably.

The area we serve is a mixture of cities, towns, villages, and open countryside. While much of our gas network is out of sight and underground, our services are easy to see in the everyday lives of our customers. Whether a safe and reliable gas supply heats a home or business, powers an oven to cook the family meals, or warms the water for a nice hot bath, we understand how important it is for our services to be there when our customers need them.

Here are some of our key facts:

- We own and maintain over 35,000km of gas pipes
- Supplying 2.5 million households and 100,000 businesses
- 680,000 homes are on the Gas Suppliers Priority Service Registers
- Serving 7.5 million people
- Operating from North Wales to South Cornwall, covering one sixth of the UK
- There for our customers 24/7, 365 days a year

2. Foreword

While we navigate the future of energy distribution, Wales & West Utilities' overarching strategy will continue to be underpinned by the strength of the ongoing digital transformation at the heart of our operations.

I'm pleased to present our final 2-year Digitalisation Strategy & Action Plan (DSAP) for RIIO-GD2, which contains a detailed vision for the work we will continue to undertake to deliver efficient, reliable, and safe products & services for our customers, whilst also continuing our progress towards the decarbonisation of energy and our operations.

This Digitalisation Strategy and accompanying Action Plan have our stakeholders - all those people and organisations with a vested interest in what we do - at their core. We have engaged widely - listening to a broad range of views that include customers, industry, government, local authorities, colleagues and charities. We commissioned a tailor-made artificial intelligence tool to help us analyse the depth of feedback that we gathered, identifying themes and conflicts to ensure we understand what our stakeholders want and need. This has shaped all areas of our strategy and plan.

The strategic focus of this strategy has been shaped in large part by the plans we set out in our <u>September 2023</u> application to Ofgem for Re-opener funding, received in <u>May 2024</u>. This reflected both our evolved thinking and requirements in digitalisation that were not known at the time of the RIIO-GD2 Business Plan, but which became necessary to meet the needs of stakeholders.

Importantly, delivering against our plans for the remainder of RIIO-GD2 will create the right foundation for our digitalisation strategy for RIIO-GD3. For example, the mass population of the data lake we'll build by 2026 will be critical to supporting the evolution <u>Data Sharing Infrastructure</u> (DSI) programme, the Government's <u>National Digital Twin Programme</u> (NDTP), as well as the National Energy System Operator's (NESO) related <u>Virtual Energy System</u>.

These and other programmes of work proposed in our <u>RIIO-GD3 Business Plan</u> will ensure we are well-positioned to lead the way in building an infrastructure fit for a cost-effective transition to net zero capable of providing secure and resilient supplies, whilst continuing to provide efficient, high-quality service and long-term value for money.

Finally, my sincere thanks to our employees, customers, and stakeholders for their commitment and contribution to our activities to date. We look forward to continuing to work together into the future.

David Robinson

Director of Business Services

3. Developing Our Digitalisation Strategy

3.1. Our Digitalisation Journey So Far

Over the past decade, we are incredibly proud to have delivered on every one of our output commitments across safety, delivering our workload, the reliability of our network, supporting vulnerable customers, and all this while continuing to innovate in supporting the move to net zero and improved sustainability.

We understand the significance of digitalisation in enabling the transformation to net zero, supporting consumers and the vulnerable, and sharing externally information on the performance and operation of the gas network. Indeed, we've already made great strides in this area since the publication of the first Digitalisation Strategy & Action Plan guidance. For instance, we've made effective use of our cloud capabilities to be able to deliver a multi-channel experience for colleagues and partners to optimise usage of our core business function. We have also implemented an integration strategy that allows us to remain flexible enough to adapt to our stakeholder requirements and to continue to exploit opportunities offered by emerging technology. Highlights of these and other achievements since 2019 include:

Data users

- Providing access to key datasets on our website and a channel for external data users to engage
- Creating a Local Authority Energy Plan team to support Local Authorities with their data needs and the use of our Pathfinder tool for scenario planning
- Producing and publishing a data asset log a log of data assets with owners and controllers
- Introducing a robust data triage process to balance protecting consumers, and security of our network with the need for open data
- Creating a centralised data request tracker to aid our analysis and profiling of stakeholder needs and helping to prioritise data for sharing
- Building an internet-based system for easy access to our network data, under agreement
- Building and launching a number of applications through our on-line mapping system to collect better data from the field, further improving asset health assessments and to inform the work on hydrogen conversion
- Automating street works noticing to assist our interactions with councils
- Developing an integration with our SCADA control system for fault management

Data governance

- Completed an independent Data Maturity Assessment to enrich our data strategy in line with best practice
- Improving governance through a Business / IT data & digitalisation steering group
- Assessing millions of data items to provide insight into data quality and feed our data improvement programme

This Digitalisation Strategy & Action Plan sets out how we intend to build upon our significant achievements to date and deliver against the Ofgem guidance and licence conditions, the Energy Digitalisation Taskforce (EDT) findings and, crucially, our stakeholder needs.

In addition to our commitment to publishing an update on the delivery of our plan on a 6-monthly frequency and a refresh of our strategy every two years, we are proactively taking the opportunity to provide this additional, out-of-cycle update to these documents in order to better align our activities for the remainder of RIIO-GD2 (2021-26) with the ambitious strategy we're setting out in our RIIO-GD3 Business Plan.

Feedback is critical in shaping our future strategies and we welcome views on the content, timelines and ambition. We look forward to hearing from you.

3.2. Our Stakeholder Engagement

Our Approach

We continuously strive to be a sustainable business, putting people and communities at the heart of what we do. We identify our stakeholders' wants, needs, perspectives and behaviours through appropriate engagement activities analysing and reviewing feedback alongside our own and external insight to inform business decision-making and shape the delivery of the services that matter to all our stakeholders.

Guiding Principles

Three high-level principles support our engagement objective, informing our engagement approach, and reflect our business' values. In identifying these principles, we have considered the AA1000SES 2015 engagement standard:

Transparency: Consistently demonstrate that openness, honesty, and accountability guide the organisation's decisions and are embedded within initiatives and outputs.

Inclusivity: Encourage a wide range of diverse customers and stakeholders to co-determine priority issues and engagements, as well as voice opinions on business initiatives.

Continuous improvement: Aiming to identify key stakeholder issues before they arise and proactively and effectively resolving them when they do; making the most of and acting on stakeholder opportunities; and communicating all outcomes to stakeholders.

Engagement Approach

Ultimately, our engagement approach sets out how we identify the actions we will take based on stakeholders' priorities, to demonstrate how their voices inform our business decisions and actions.

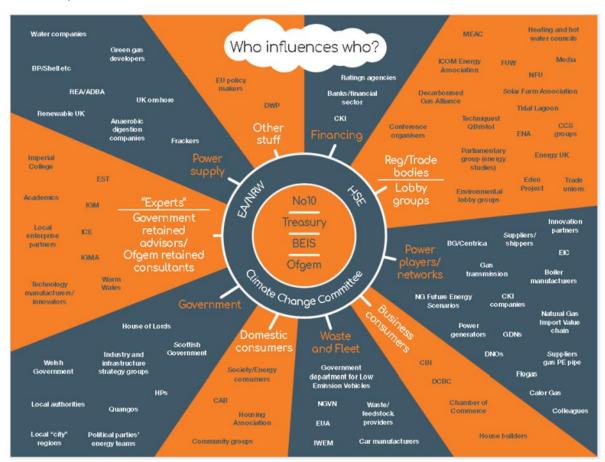
We have used multiple methods to engage widely including online stakeholder workshops, feedback panels, facilitated group discussions, surveys, qualitative and quantitative research and consultations.

These approaches have enabled us to engage with a wide range of stakeholders on topics related to data and digitalisation. These stakeholders include:

- Independent Stakeholder Group (ISG)
- Local authority representatives
- Regulators and government bodies
- Industry experts from various sectors such as energy, technology, and environmental services
- Utility companies

- Academic institutions, including researchers and academic experts specialising in energy, sustainability, and innovation
- Non-Governmental Organisations (NGOs), including environmental and community-focused organisations providing input on sustainability and social impact
- Community groups
- Customers, both residential and commercial, providing feedback on service expectations and financial concerns
- Technology developers, including companies and startups involved in developing innovative technologies for energy efficiency and emission reductions
- Automotive companies
- Fuel suppliers
- Policy makers
- Sustainability consultants
- Critical friends panel members

The wheel below is an illustration of our stakeholders and their relationships with each other and the themes they cover:



These engagements have taught us that stakeholders see data and digitalisation as fundamental to advancing environmental sustainability and addressing energy transition challenges. They emphasise the importance of accurate data collection to identify and support vulnerable customers on the Priority Services Register (PSR), using data analytics to understand customer needs and presenting information in accessible formats.

Stakeholders have competing motivations around data access, cybersecurity, and data protection. Our Critical Friends Panel and Energy Industry representatives have fed back that they expect WWU to provide transparent and accessible data but are concerned about security risks and potential misuse. Consumers also seek more information on how cyber-attacks could impact gas distribution networks, highlighting a general low awareness of specific cyber threats. Additionally, there are differing views on data interoperability and security, with some advocating for cautious data-sharing practices. These conflicting views highlight the balance WWU must strike between transparency, cybersecurity, cost management, and stakeholder concerns.

Whilst we implement structured engagement plans, we are also aware that our people interact with many of our stakeholders on a daily basis. Quarterly, we carry out an internal survey to collate the contacts made relating to data, the data shared as a result and any requests for data we were unable to action.

This combination of formal engagement plans and events, day-to-day contacts and collaborative projects has given us an excellent understanding of the types of data and specific data sets that could add value.

3.3. How We're Responding

To help us better understand the needs of the various stakeholder groups and consumers we continue to engage with, we commissioned Sirio Strategies to develop an engagement and insight tool using Al. The tool streamlined the process of triangulating and synthesising stakeholder feedback. This improvement enhanced the overall quality of the analysis by removing the potential for human error and interpretation. Additionally, it enabled us to create and improve a catalogue of digital products and services that generate value, matching the needs of end users and their evolving expectations.

The table below provides some examples of the projects and initiatives we've already delivered or created based on what our stakeholders have told us:

| Stakeholder Name | Response |
|---|---|
| We spoke to our vulnerable consumers to understand what they want from the Priority Service Register (PSR). They told us they want personalised support that addresses their specific needs during gas emergencies. This includes frequent updates in accessible formats. Stakeholders, including consumers and charities, engaged with us to express significant concern about the growing number of fuel-poor customers and the complexity of support schemes. Stakeholders such as energy networks and charities have fed back the need for data highlighting the impact and benefits of the Vulnerability & Carbon Monoxide Allowance (VCMA) from beneficiaries' perspectives. | We're using data, such as off-gas, fuel-poor customer mapping and PSR data to reinforce our services. We will proactively use this data to identify vulnerable consumers, deliver support schemes such as the VCMA, collecting case studies to demonstrate its impact and steer the direction of future engagement. |
| | |

We have engaged with other energy networks, industry representatives, local authorities, and independent public bodies to understand the support they will need for the future. They stress the importance of strategic planning, significant investment, and innovative approaches to manage future demand growth and network reinforcement.

We collaborated with consultants working on Local Area Energy Plans (LAEPs) and local authorities to understand their expectations for various projects in their communities. We discovered a universal need for comparative project analysis and data integration to support planning and decision-making.

Engagement with other energy networks, local authorities and topic-specific data mapping companies showed us that they generally see the value in joint electricity and gas mapping data for better coordination and planning. The consolidation of pipelines and mapping projections are seen as positive steps towards more integrated energy planning.

Energy networks and various representatives of associated organisations recognise the importance of accurate data and improved measurement technologies for network emissions, shrinkage, and leakage.

Engagement with local authorities and our consumers provided evidence that they see benefits to data relating to future asset interventions as it can support early communication, impact on the environment and future collaboration opportunities.

Stakeholders including other energy networks, environmental organisations and environmental charities have provided constructive feedback aimed at improving the clarity, transparency, and effectiveness of environmental performance reporting.

A wide variety of our stakeholders have emphasised the importance of accessing data to understand the network and predict future needs, which is crucial for informing growth aspirations. However, there were concerns about security risks and the potential misuse of data, indicating a need for a cautious approach regarding data handling.

Ofgem engaged with networks in its Sector Specific Methodology Consultation (SSMC) on evolving regulatory reporting to more efficient processes, which relevant stakeholders broadly support.

We've created a dedicated Local Authority engagement team to increase our collaboration with these stakeholders. We support with data and the use of our Pathfinder tool to facilitate strategic decision-making on future energy strategies. We will continue to support the development of LAEPs from a whole systems approach, sharing data about future demand growth and associated network reinforcement plans.

'Digital Platform for Leakage Analytics (DPLA)' is a project to identify new technologies in methane detection and sophisticated analytic techniques with a view to further improving emission estimates and giving us more insight to plan investments to maximise emission reductions. We are anticipating improving our data and analysis on methane leakage in RIIO-GD3.

We already successfully collaborate with local authorities on sustainable management of natural resources in our network and with commitments to build on this in RIIO-GD3 enhancing GIS capability.

The digitisation of waste data as a UK Government policy directive will enable us to increase resource efficiency and the minimisation of waste.

We recognise the importance of balancing risk and benefit when sharing sensitive information. In line with Ofgem's Data Best Practice Guidance and recommendations from a recent independent data maturity assessment, we will ensure that all information is subject to a robust triage and risk assessment process. This ensures that our system data remains available and accessible where appropriate while maintaining the highest standards of security and compliance.

Several of the technology investments we're making during this price control period, such as building a centralised repository for our data, will support greater efficiency producing Regulatory Reporting Packs

3.4. How We Collaborate

Coordination and collaboration across our sector are fundamental to our stakeholder engagement approach. In doing so, we continually seek feedback and ideas from our partners and industry peers to evolve our strategy as we continue our digitalisation journey. We value this approach and have invested time in building relationships with organisations that can either support us in our digitalisation aims or benefit from data sharing agreements.

The following examples of our track record and forward-looking commitments illustrate how this approach enables us to deliver greater benefits to our stakeholder sooner, and supports our collaborators in doing the same:

- We are active participants in the Gas Data & Digitalisation Collaboration Group (G-DDCG) and
 continue to engage regularly with the Chair of the Energy Networks Association to ensure we
 deliver significant benefits from collaboration across sectors. We see these contributions as a
 real step forward in making data available in a common format that will benefit the transition to
 the energy network of the future.
- We have instigated the formation of and chair a Strategic Infrastructure Steering (SIS) Group with
 Welsh Water, Transport for Wales, Western Power Distribution, Welsh Government and Local
 Authorities. The aim is to share investment plans and asset data to ensure collaboration with
 street works and limit disruption to the public. This has resulted in the National Underground
 Asset Register (NUAR) coming to Wales as the next area of the UK for their programme. This will
 offer a one-stop service to stakeholders that need to know the location of all utilities in our region
 to support plant protection and safe delivery of work.
- Another outcome of the SIS group is use of the Welsh Government's '<u>Data Map Wales</u>' tool. We
 now publish forecast work data onto this platform to help utilities and Local Authorities
 understand future plans and help with collaboration to minimise both costs and disruption to the
 public.
- We work with the other utilities on Priority Services data to ensure we collaboratively support those most in need. Recently, all <u>Priority Services Register</u> additions were shared between gas, electricity and water and in RIIO-GD2 we are looking to find ways around GDPR challenges to make this data more freely available for the benefit of those most vulnerable.
- We have committed to actively participate in the Welsh Government's newly formed Energy Data in Wales group.

While stakeholder requirements related to several major industry changes expected to be the focus of our RIIO-GD3 digitalisation strategy remain unclear, we will continue to actively collaborate across the sector, seeking feedback and ideas to evolve our strategy as we continue our digitalisation journey. One example of how we're working proactively to set ourselves up for success is our plan to hire a team of six people in RIIO-GD3 to ensure successful collaboration with the National Energy System Operator (NESO) and the Regional Energy System Planners (RESP). This is critical in development of digital twins and ensuring data to support the energy transition is available and can be digested in the most efficient way.

3.5. Our Digitalisation Strategy Framework

Whilst much of our gas network is underground and out of sight, our services play a central role in the daily lives of all our customers. Whether it's a safe and reliable gas supply for heating your home, making

the family dinner or for a nice hot bath, we understand how important it is for our services to be there when our customers need them.

Our work will continue to be underpinned by the strength of the ongoing digital transformation at the heart of our operations. Our digitalisation ambition is to meet the evolving needs of our customers and communities by building on the adaptive, data-driven, digitally enabled shift in our business. With decades of experience in tackling industry changes, we're committed to transforming processes in new ways with digitised, centralised information, and workflows that improve our operations and enhance our high-quality of service, from supporting vulnerable consumers to managing our assets.

The framework below has been developed to align our work to both the customer and community needs identified through our stakeholder engagement, as well as Wales & West's corporate strategy and priorities. These include, for instance, our <u>Priorities & Values</u> and RIIO-GD2 Business Plan, as well as the Government's <u>Modernising Energy Data</u> programme and Ofgem's <u>Data Best Practice</u> Principles.

Our in-progress and planned activities are aligned to our Digitalisation Strategy Framework - featured in the diagram below - which helps to visualise the 'building blocks' of our strategy and ambition statements. The People and Process elements form the foundation of our strategy, followed by the Technology platforms and capabilities needed to deliver our target Business Outcomes.

| WWU Ambition | Trusted to expertly serve customers and communities with safe, reliable and affordable energy services today, whilst investing wisely to create a sustainable, greener future. | | | | | | | |
|--|--|----------------|---------------------------------|--|--------------------------------|-----------------------------------|---|----------------------|
| DSAP Our Ambition | To meet the evolving needs of our customers and communities by becoming an adaptive, data-driven, and digitally enabled busi provide digital products & services that support equitable access to safe, reliable and affordable energy services today, with the udriving decisions and innovations in the journey to a Net Zero energy system. | | | | | | | |
| Business Outcomes | Advancing our Data and Analy Capabilities | ytical | Building the 'Digital Utility' | | Upholding Regulatory Standards | | Delivering Safe and Value-for- money Products & Services for our Stakeholders | |
| Building Blocks Technology | Consumer Database Solution | Data Lakehouse | | | tics Reporting form | Open Data Platforn | n | Digital Applications |
| Building Blocks People & Processes | In-house Expertise | Enhai | nced Digital & Data Literacy | | Success and mprovement | Robust Digital & Da Governance | ta | Secure by Design |

To make clear the link with our Digitalisation Strategy, we've aligned the in-flight and planned activities described in this document's supporting Action Plan with our framework's building blocks and the digital products & services we provide to our stakeholders.

4. Building Blocks | People and Process

The foundational building blocks of this Digitalisation Strategy are our people and processes. We believe that realising our ambition for digitalisation is fundamentally dependent upon having the right people and processes in place that will enable us to make the best use of technology to deliver our target business outcomes

By focusing on these foundational elements, we will develop essential skills and processes to create high-quality, secure, and well-governed data. In turn, this will enable our employees to derive information with which to better support them in their roles and to create greater value for our customers and communities.

To this end, we have already made significant investments in our people and processes and are continuing to do so in the remainder of the RIIO-GD2 period. Our achievements to date, ongoing and planned activities cover a wide range of key focus areas, including:

- Building an appropriate operating model and investing in in-house expertise
- Enhancing digital & data literacy
- Setting, sharing, and tracking measurable goals to drive continuous improvement
- Establishing robust digital & data governance
- Ensuring the security and reliability of our digital products & services

Collectively, these activities will contribute to the digitalisation of data processes within our business, enabling us to enhance operational efficiency, ensure regulatory compliance, and support net zero strategic decisions and the ongoing transformation needed to achieve a decarbonised network.

4.1.In-house Expertise

Investing in an appropriate, agile, and responsive operating model will enable our organisation to respond more effectively to the ever-greater pace of change in our society and in the commercial and regulatory environments in which we operate.

Given the present lack of clarity around many of the requirements associated with major programmes of work forecast to begin in RIIO-GD3, such as the aforementioned National Digital Twin Programme or the Energy Digitalisation Taskforce's proposed 'digital spine', we must ensure that our organisation is well set-up to deliver against revised, new, and even unforeseen requirements.

While we will continue to collaborate closely with industry experts as needed to maintain our alignment with industry best practices, we recognise the importance of building resilient in-house expertise through upskilling our existing employees, proactive succession planning, and targeted recruitment. This will ensure we're able to respond flexibly and sustainably to new demands on the organisation.

One of the ways in which we're building our in-house expertise to better deliver for our stakeholders is by funding part-time graduate degrees in Data Science for two of our employees, enabling them to significantly enhance their skills alongside their roles here at Wales & West Utilities.

Over the next 18 months we also plan to hire a range of roles aligned to the Government's <u>Digital</u>, <u>Data and Technology Profession Capability Framework</u> to manage and operate an open data platform,

engage and respond to stakeholder needs and facilitate provision of newly requested data assets; as well two dedicated roles to lead on our growing digitalisation strategy and data governance responsibilities. The specific roles included in our hiring strategy over the next 18 months are closely linked to delivering for our stakeholders and meeting new licence conditions around data and digitalisation.

In addition, we're also engaging with an organisation called <u>Grayce</u> that recruits graduates in this field. Their aim is to develop skills in this space with a particular focus on diversity and inclusion. They employ and mentor graduates, placing them in organisations such as ours to give them real life experience whilst delivering for the company. There is a large demand for skills in this area and we plan to recruit at least two graduates via this route in RIIO-GD2 to help deliver our digitalisation strategy with a view to expanding this number in the next price control period if this pilot proves successful.

4.2. Enhanced Digital & Data Literacy

Enhanced digital and data literacy is critical for realising our ambitions for digitalisation and delivering value to stakeholders. We know our staff already demonstrate an awareness of the importance of data as a strategic asset, supported by a strong commitment to operational excellence and stakeholder outcomes. However, we wish to improve upon this foundation by ensuring that every team member has the right skills and knowledge to fully utilise data and digital tools in their given roles.

As such, we are implementing a comprehensive programme to embed digital and data literacy across WWU. This programme will support the principles of identifying the roles of stakeholders, ensuring data quality, and enabling accessibility as outlined in the Data Best Practice Guidance. It will include the development of interactive and role-specific training modules that focus on understanding metadata, maintaining data quality, and effectively using digital tools. In parallel, we are launching a peer mentorship initiative to connect experienced data users with colleagues who are less familiar with these tools, fostering a collaborative learning environment that supports both individual and organisational growth.

Moreover, we will produce a comprehensive data literacy handbook by February 2026. This resource will serve as a central repository for best practices, metadata standards, and actionable guidance, enabling all teams to understand and adopt consistent approaches to managing data assets. By ensuring data is described accurately and metadata is captured in line with industry standards, we aim to support both discoverability and usability of our data assets, as outlined in the guidance.

To ensure these initiatives are sustainable, digital and data literacy will be embedded into our existing learning and development programmes. This includes establishing a network of departmental data champions who will act as advocates, providing hands-on support to colleagues and driving adherence to governance principles. By reinforcing a culture of continuous improvement and ensuring that all data users can access clear, actionable information, we are aligning with the principle of meeting both current and prospective data user needs.

As part of our approach, we will celebrate success stories that highlight the tangible benefits of improved data literacy and digitalisation through our growing data community. These efforts showcase our commitment to moving beyond isolated best practices to creating an organisation-wide culture of innovation, transparency, and excellence.

These initiatives will make a significant contribution to building a workforce that is not only proficient in using data and digital tools but also better-equipped to foster a data-driven culture. By aligning our actions with Ofgem's Data Best Practice Guidance, we ensure that our organisation is well-positioned to deliver outcomes that benefit stakeholders and uphold evolving regulatory standards.

4.3. Measurable Success & Continuous Improvement

To demonstrate that we are delivering on our strategic goals which underpin our ambition statement we are implementing a robust measurement framework directly aligned with our digitalisation strategy building blocks.

This measurement framework will provide a robust and transparent platform to influence and motivate continuous performance improvement, working towards and pushing beyond our stated goals and stakeholder needs.

Ensuring a structured and strategically aligned measurement framework is in place offers a number of direct and indirect benefits:

- Allows our organisation to set challenging but attainable targets: Set ambitious targets for key results that motivate teams to perform.
- Provides a consistent platform for regular tracking and monitoring: consistency supports clarity, collaboration and communication. By using an established framework and getting broad buy-in behind it the organisation will work together towards the same aims.
- Encourages open and honest communication: Where performance issues are evident this facilitates team working to solve targeted problems.
- Inspires data-driven decision making: Whilst the metrics themselves represent data-driven decision making, often further drill down analysis is required to identify the root cause of unsatisfactory performance trends.

In our evolving technology landscape, our ability to drive greater efficiency in our reporting suite is a target outcome in itself. We are however committed to continually improving and democratising actionable insight, in an appropriate and timely fashion, to support our staff. Using our measurement framework, they will make improved data-driven business decisions to support our strategic direction.

We will establish regular performance governance reviews which allow us to identify where we are over and underperforming enabling us to learn not only what works but also from what does not.

4.4.Robust Digital & Data Governance

Robust digital & data governance is vital in achieving our digitalisation ambitions and delivering meaningful value to our stakeholders. Governance is not just a regulatory requirement; it is a cornerstone of our commitment to operational excellence and trust. Whilst our current framework provides a solid foundation for compliance and oversight, we are committed to enhancing it to address emerging challenges and unlock further opportunities to build trust and drive innovation.

We are evolving our governance framework to go beyond compliance and risk mitigation, embedding more rigorous data standards and practices that ensure consistency and alignment across the organisation. For example, as part of our efforts to strengthen data quality and usability, we are introducing enriched data validation processes. These processes will ensure that data is accurate, reliable, and contextually relevant, enabling decision-making supported by high-quality, actionable insights. Additionally, we are deploying tools and dashboards that allow us to monitor data quality in real-time, fostering a proactive approach to maintaining and improving standards.

Accountability and clarity around roles & responsibilities are central to this transformation. We are establishing and formalising roles such as Data Custodians and Data Stewards, ensuring clear accountability and support is in place for each of our key data assets. This initiative aligns with our

broader efforts to define a future Data Operating Model that optimises how people, processes, and data interact. By empowering employees at all levels to understand their roles in data governance, we are fostering a culture where data management is seen as a shared responsibility. This clarity and structure will drive consistency, transparency, and alignment with stakeholder needs, whether for regulatory compliance or improved organisational decision-making.

Our commitment to open data is a key pillar of this governance transformation. By embedding open data principles within our framework, we aim to make data discoverable and usable wherever possible, whilst safeguarding confidentiality, security and sensitivity when necessary. This commitment is operationalised through the establishment of a Data Triage Office, responsible for managing the open data process and ensuring alignment with regulatory requirements. By striking the right balance between accessibility and security, we are supporting transparency and collaboration across the organisation and with stakeholders.

For example, a recent request from DEFRA sought detailed asset spatial data along with consumer numbers fed from gas assets. The aim was climate change impact mapping to highlight at-risk sites. The plan was to then publish openly the results of analysis showing spatial representations of our assets and their criticality and risk. To support this analysis, we agreed to share the data on assets, but said we could not allow open publication of high-risk sites for security reasons. We came to an agreement formalised in an NDA. The result was the data user being supported whilst balancing security risk to national energy infrastructure.

The governance framework also extends to the lifecycle management of digital products and services. Building on our current oversight, we are introducing structured practices to ensure digital tools remain fit for purpose and adaptable to evolving organisational needs. For example, we are exploring the concept of a Data Product Owner—a role designed to ensure that digital products and services leverage data effectively and deliver consistent value. These lifecycle practices will help us align our digital assets with Ofgem's principles of ensuring sustained benefits and interoperability across systems.

To further support these efforts, we are implementing mechanisms for feedback loops and trend insighting. By regularly reviewing how data is used and identifying opportunities for improvement, we aim to create a governance model that is dynamic and responsive. This iterative approach not only strengthens governance but also ensures that our practices remain relevant to both organisational goals and stakeholder expectations.

As a Critical National Infrastructure (CNI) provider, we recognise the importance of balancing risk and benefit when sharing sensitive information. In line with Ofgem's Data Best Practice Guidance and recommendations from a recent independent data maturity assessment, we will ensure that all information is subject to a robust triage and risk assessment process. This ensures that our system data remains available and accessible where appropriate whilst maintaining the highest standards of security and compliance.

By February 2026, these enhancements will result in an open governance framework that is more integrated, transparent, and aligned with stakeholder priorities. Through structured roles, improved data quality practices, and robust lifecycle management, we will continue to uphold evolving regulatory standards whilst delivering measurable benefits to our organisation and the communities we serve.

4.5. Secure by Design

To address and mitigate the risks posed to our business operations as a Critical National Infrastructure (CNI) provider, we're continuing to invest in best practice digital security measures. We have a responsibility to UK householders to take every step to ensure our systems are safe and to protect our services and data from interruption or attack. The re-openers mechanism in RIIO-GD2 has allowed us to reach a baseline Oyber Assessment Framework (CAF) profile, and we have already started building towards achieving an Enhanced CAF profile by 31 December 2027. Alongside these and other measures, we've increased the headcount in our cyber and IT departments, with plans to significantly increase this in RIIO-GD3 to respond to the greater and growing demand for resilience and availability in an uncertain world.

It's vitally important that our staff and stakeholders can rely on the privacy, safety and security of the digital products & services we provide. This is why we proactively incorporate cybersecurity considerations into the design of new solutions, guided by our architecture framework which includes a comprehensive set of design principles aligned to National Cyber Security Centre best practice. For example, the following security principles are among those governing the design of our systems, products & services:

- Zero Trust: Always authenticate and authorise based on all available data points, including user identity, location, device health, service or workload, data classification, and anomalies.
- Single Sign On: All users will be authenticated seamlessly using WWU's existing directory services.
- Local Administrator Accounts: All server applications will use specific service accounts and not the local administrator account.
- Encrypted Network Communication: All communicate across a network will be conducted using encryption with strong cryptographic ciphers.

To support security in the management and operation of these systems, products & services, we are committed to developing a high minimum level of data and digital security skills across our workforce. We will achieve this by continuing to deliver company-wide training programmes and regularly conducting employee awareness assessments throughout the year to track our progress.

Going forward, we will ensure our organisation continues to maintain an adaptive and robust cybersecurity framework by working closely with Ofgem and implementing appropriate best practice, such as the recommendations outlined in the Energy Digitalisation Taskforce (EDT) report which emphasises the adoption of digital security measures that meet increasingly stringent demands around cascade impacts, zero-trust principles, and fostering a culture of information sharing.

5. Building Blocks | Technology

As we turn to more digital technology to achieve outcomes for our customers, stakeholders, and staff, it is important to ensure that we maintain focus on deriving value. Making appropriate decisions around investing in digital solutions is crucial for WWU as we engage with the energy sector's move towards net zero and deliver safe, reliable, and efficient services for our customers by investing in the correct solutions at the right cost for the desired outcomes. We have established clear Enterprise Architecture Principles to guide the design of our digital platforms and technology solutions, supported by a framework of standards and design patterns. These measures will help ensure that our services are consistent, interoperable, and reusable, and are designed to support our business goals and regulatory obligations. Our Technical Design Authority ensures adherence to these principles and guidelines through a process of design review and assurance.

The strategic focus of this strategy has been shaped in large part by the plans we set out in our <u>September 2023</u> re-opener application, which sought funding from Ofgem to invest in several key technology components required to respond to requirements in digitalisation that were not known at the time of the RIIO-GD2 Business Plan, but which became necessary to meet the needs of stakeholders.

This investment serves as a foundational enabler for these areas in future: the data lakehouse, analytics tool and open data platform collectively would form a central capability for ingesting, transforming and sharing data for interoperability. This capability would also underpin innovations such as digital twin modelling, as well as creating immediate benefits for our stakeholders in the form of dashboards, apps and fewer manual processes.

The elements of our target infrastructure for sourcing, ingesting, processing data to serve end users described in the above re-opener will be fully in place by the end of RIIO-GD2.

5.1.Data Lakehouse

Implementing a centralised repository for data by the end of RIIO-GD2 is a critical enabler for our digitalisation strategy and the ambitious plans we've set out in our RIIO-GD3 Business Plan.

In GD2, we will lay the foundational elements of our Data Lakehouse, laying the groundwork for significant advancements in GD3. The Data Lakehouse will serve as a unified platform that provides a single source of truth and digital capabilities for all our data needs. The Data Lakehouse will be a cornerstone of our data strategy, providing a robust and scalable foundation for future growth. By investing in this initiative we will enhance our data capabilities, drive operational efficiencies, and support informed decision-making across the organisation.

Data Practitioner benefits

The Data Lakehouse enables everyone in the organisation to work with the same, up-to-date information by centralising all data into a single repository. This eliminates discrepancies and enhances decision-making accuracy. The Data Lakehouse will streamline data storage by eliminating redundant data copies. This not only reduces storage costs but also simplifies data management and improves data quality. With a centralised system, we can enforce consistent data processing and business logic across the organisation ensuring that all data transformations are standardised, leading to more reliable and comparable results.

Our data community will benefit from access to data that is dynamic, streamlined and continuously updated and not limited to one-off snapshots. It will provide the capability for repeatable analysis of data and support a reduction in manual effort required in the processing, combination, summarisation of data. Moreover, this investment will provide a common home to access and analyse data from disparate

systems and data sources, which are not aligned and can be based upon a wide range of propriety and or open technologies.

Scalability

The architecture of the Data Lakehouse allows for scalable storage and processing capabilities. As our data needs grow, we can easily expand the system without compromising performance. By integrating various data sources into a single platform, the Data Lakehouse enables more comprehensive and sophisticated analytics. This will empower our teams to uncover deeper insights and drive innovation. Consolidating data infrastructure into a single platform reduces the need for multiple systems and tools, leading to cost savings in both hardware and software investments.

Data Governance

The Data Lakehouse will provide robust data governance capabilities, including data lineage, auditing, and access controls. This will help us comply with regulatory requirements and protect sensitive information. We will embed comprehensive data lineage facilities, allowing us to track the flow of data through various stages of processing and transformation. This will improve our ability to audit data usage and ensure compliance with regulatory requirements.

Data Democratisation

This investment will also make it far easier for us to meet the data sharing needs of our stakeholders. In many cases we need to apply a different set of logic for external sharing compared to internal needs for running the business.

The Data Lakehouse will enable WWU to develop in-house applications by providing a centralised data model. This centralised model ensures that all applications access consistent and accurate data, fostering innovation and efficiency in application development. Furthermore, the Data Lakehouse will serve as the backbone for our open data sharing platform, facilitating seamless data exchange with external partners and stakeholders. It will also be the primary source of data for all reports and dashboards, ensuring that our analytics and business intelligence tools are powered by reliable and upto-date information. By using a unified data model across all systems, we will significantly enhance data quality, streamline data usage, and improve overall data management.

Stakeholder Value & Engagement

To ensure that stakeholders fully understand and benefit from the Data Lakehouse, we will implement a phased approach that delivers early wins and iterative improvements. By prioritising key functionalities and delivering them in stages, we can provide immediate value while continuously enhancing the platform. Stakeholders will be able to see the tangible benefits early on, such as improved data quality and streamlined data usage, which will build confidence and support for the project. Regular updates and communication will keep everyone informed about the status of ongoing projects, ensuring transparency and alignment with organisational goals.

5.2. Consumer Database Solution

One of several key projects that we will deliver by the end of RIIO-GD2 is the implementation of a new Consumer Database Solution. Unlike the system that we currently operate to manage meter point and consumer demand data, which has significant limitations in terms of both reporting and integrating with other systems, the new, interoperable solution will be capable of integrating with our network analysis system and will be configured to capture logged data to enable Real Time Network management. This

allows us to benefit from the Real Time Network innovation project completed by SGN and DNV and productionalise the benefits of real time network management.

This project will also support our ambition for increased intelligence from the field utilising dataloggers and better meet the needs of data users. For example, as part of our ongoing engagement with stakeholders, we continue to receive feedback and data requests from local authorities and the Department for Energy Security and Net Zero (DESNEZ) that require consumer energy demand data at regional levels. We will do this by working with the vendor to develop a bespoke solution to facilitate data sharing in formats and granularity required by stakeholders and to enable network management improvements from real time monitoring data from the field.

5.3.Data Analytics Platform

A key measure of the success of our digitalisation strategy will be our organisation's ability to derive actionable insights from our data with which to make evidence-based decisions to improve our operational performance and enhance the value we can create for our customers and communities.

Over the next 18 months, we will implement a collaborative, connected analytics platform. Several options have been considered for this and we have selected the strongest offering for cost, capability and support, facilitating critical languages for data analytics, R and Python. This capability offered in a cloud product allows the data team to work together seamlessly. We plan to purchase 5 licences for building workflows and scripts, and then have 100 named user licences for connecting to the data products and web apps we develop, again increasing collaboration on data in line with Data Best Practice. The tool enables automatic posting of analysis results to a data lakehouse which in turn enables simple posting of data to an open data sharing platform.

This new advanced analytics capability coupled with our continued focus on improving our business intelligence dashboards will support a broader and deeper understanding of our business. The connected digital data capabilities will help us to identify and solve performance issues, highlight opportunities to create more value for our customers and communities, and fuel the culture of continuous improvement.

We are committed to advancing our maturity in this space as we firmly believe that enabling evidence-based decisions is critical to achieving our strategic business outcomes.

5.4. Open Data Platform

With our existing capabilities, we can provide stakeholders with access to data at a point in time, but there are challenges in providing regular updates as the process to obtain, combine, process and publish this data is manual. This medium provides limited insight into who is digesting data and why. There are also limitations in how we collect feedback from data users on quality, general queries and potential improvements to data sets.

The range of data requested is varied, significant and sits across many systems in WWU as well as in external websites and data sources. This provides challenges in consistency of data shared. Our understanding of these challenges and how they impact our stakeholders has influenced our vision for an analytics or information hub. This strategy has been developed to help deliver against that.

In line with the Data Best Practice guidance, the ability to share our data assets as presumed open with our stakeholders will be a key measure of success in the continued digital transformation of our business. Accordingly, one of our most important investments over the next 18 months will be in an open data platform with the ability to post data for external consumption in an accessible and timely way.

Our proposed solution will meet the following key criteria to ensure it meets the needs of our stakeholders:

- Integrate with our Data Catalogue so that metadata can be published and shared with the various datasets.
- Simplify the publication and sharing of content from our Data Asset Register to different stakeholders with discrete access permissions as required.
- Provide a mechanism for users to log data quality issues, with the ability to respond with detail
 how these issues were, or will be, resolved; which in turn will offer us valuable insight into who is
 digesting our data and how it's being used.
- Integrate workflows aligned to our enhanced digital & data governance to monitoring and fulfilment of user data requests.
- Reduce manual intervention where possible, reducing delays in processing data requests.
- Comply with Security, Privacy and Resilience (SPaR) best practice and the WWU IT Security standards.
- Improve data quality through adherence to the Dublin Core Metadata standard and enhanced metadata management; datasets published for consumption should have associated metadata captured and stored that will allow effective change management for the publication of the dataset.

Fulfilment of these criteria will establish a strong foundation for meeting future license requirements as set out by the <u>Energy Digitalisation Orchestrator</u>. Moreover, it will equip our data users and other stakeholders with a significantly enhanced capability to find, access and understand the data assets; meet their business goals, innovate, and plan for a net zero future.

5.5. Digital Applications

The focus of our technological investments during RIIO-GD2 has been on establishing the necessary foundations for an ambitious programme of work set out in our RIIO-GD3 business plan. We have remained attentive to opportunities to improve our Products & Services and to deliver benefits early to our internal and external stakeholders by exploring the potential of a wide range of digital applications.

WWU undertakes numerous IT projects annually, ranging from system upgrades to the implementation of new systems, all aimed at advancing our digital transformation. To expedite this journey, we are establishing an in-house application development team leveraging Microsoft PowerApps. This strategic move will enable us to deliver smaller projects on behalf of the business more efficiently, reducing overall costs associated with design, delivery, and ongoing support.

The in-house team will operate in an agile manner, allowing us to deliver benefits early and iteratively. This approach ensures that we can respond swiftly to business needs, providing more value for our investment. By investing in our in-house expertise to develop applications internally, we will reduce our reliance on third parties and can better create custom solutions tailored to our specific requirements, without being limited by the functionality of off-the-shelf products. This capability is enabled via the new Data Lakehouse project, which provides a robust and scalable foundation for our data needs.

Having this capability means we can implement tactical solutions that allow us to meet legal and regulatory obligations effectively. In the face of ever-changing demands for more and more data, this setup allows us to adapt and respond swiftly. It is important to note that we do not intend to replace large systems such as SAP; instead, this initiative is aimed at delivering tactical solutions around the business that add significant value but may otherwise have not been delivered due to the high costs associated with the current market.

By consolidating data infrastructure into centralised platforms, we reduce the need for multiple systems and tools, leading to cost savings in hardware, software and application support. This approach of using a unified data model across these solutions will significantly enhance data quality, streamline data usage, and improve overall data management. This will lead to more reliable insights and better decision-making throughout the organisation.

6. Business Outcomes

We will realise our ambition for digitalisation by continuing to invest wisely in technologies, people, and processes that will best equip our organisation to create and deliver the right outcomes for our customers, communities, and other stakeholders. On this journey, we are committed to upholding regulatory standards by continuing to provide digital products & services that support equitable access to safe, reliable, and affordable energy services today; while contributing to the ongoing construction of a carbon neutral energy system that will power a sustainable future.

The ongoing digital transformation of Wales & West Utilities is vital to the realisation of our organisation's overarching ambitions. The projects and initiatives we're currently undertaking – and will continue to undertake into RIIO-GD3 – aim to digitise legacy processes and deliver significant advances in both our organisational agility and responsiveness to shifting market and regulatory demands, as well as in our inhouse data & analytical capabilities. These advances will enable us to continually trial and implement the right technologies and ensure that we continue to deliver accessible, cost-effective, inclusive, reliable, and secure products & services in response to the evolving needs of our stakeholders.

6.1. Advancing our Data & Analytical Capabilities

Digitalisation will play a critical role in driving business excellence and best practices across our organisation. Our achievements to date have been underpinned by significant advances in data collection, quality, sharing and analysis in RIIO-GD2. By continuing to build our in-house expertise, enhancing our colleagues' digital & data literacy, emphasising the importance of measurement and continuous improvement, establishing robust digital & data governance, and ensuring the digital products & services we provide are secure by design, we aim to become an organisation in which data flows as readily, safely, securely and reliably as the gas in our network does to homes and businesses.

To achieve this, we will continue to evolve our organisation's data operating model, modernise legacy processes, and invest in the right skills and digital tools to extract the most value from our data to the benefit of our stakeholders and society. We have initiated the Data Lakehouse project, which will serve as a unified platform combining the best features of data lakes and data warehouses. This project will provide a single source of truth for all our data needs, ensuring data consistency and accuracy across the organisation. Additionally, we are upgrading our advanced analytics capability and establishing an inhouse application development team. These teams will enable us to deliver smaller focussed projects more efficiently, reducing overall costs and providing custom solutions tailored to specific requirements. By developing advanced analytics and applications internally, we can implement tactical solutions that allow us to meet legal and regulatory obligations effectively and respond swiftly to the ever-changing demands for more data driven solutions.

By consulting with our stakeholders, we've understood the importance of having a well governed, interconnected and agile data infrastructure. We are responding to their needs by implementing these initiatives over the next 18 months. This will help to lay the foundations for further projects and initiatives in the next price control period, where we will focus on enhancing our capabilities and solutions further. In summary, our commitment to advancing our data and analytics capabilities through projects like the Data Lakehouse, advanced analytics and the in-house applications team will drive significant improvements in data quality, streamline data usage, enhance overall data management and ultimately lead to faster and better business decisions. This holistic approach will ensure that we continue to deliver value to our stakeholders and support the organisation's strategic goals.

6.2. Building the 'Digital Utility'

The pace of change in our society and in the commercial and regulatory environments in which we operate is continuing to increase. Becoming an organisation that is more able to adapt and respond effectively to these changes is a critical business outcome to support our ambitions. The 'Digital Utility' is our name for the type of business that exemplifies these characteristics.

Our approach to building the Digital Utility is as much about re-thinking the business and challenging existing business processes as it is about the technology. After all, the modern workforce is a generation of technology consumers born into an already-digital world; their expectation is to be able to operate at work in the same way they manage their personal lives, managing finances with online banking, communicating with colleagues using social media, locating qualified tradespeople for maintenance jobs, ordering goods for fast delivery and organising tasks and events seamlessly.

Similarly, our engagement with stakeholders has made clear that our customers also expect a simple and efficient experience when engaging with us, and the modern utility must be able to provide a multichannel experience to interact with customers in the most appropriate manner, whether it be online, by telephone, email or post.

Our investments in People & Processes will enable us to continually develop our capabilities in response to or even in anticipation of evolving external demands. Our Digital Technologies Governance and Data & Digitalisation Steering committees are overseeing the design and implementation of investments to ensure we maintain a robust, flexible technology roadmap to support ongoing regulatory compliance and our continued provision of cost-effective, safe and reliable products and services that meet the needs of our communities and vulnerable customers.

6.3. Upholding Regulatory Standards

Wales & West Utilities continues to adhere to the highest standards of safety and regulatory requirements to maintain public trust and operational reliability. We've taken significant strides as a company in this respect since the publication of our first strategy in 2019, as attested by Ofgem's recent Data Best Practice Review – Request for Information. We will continue to make clear progress towards the goal of upholding regulatory standards by delivering the projects and initiatives set out in this digitalisation strategy, which align with Ofgem's expectations related to Data Best Practice, Interoperability, and the National Digital Twin Programme; while meeting the requirements of our license conditions and other legal mandates.

As set out in our section on <u>how we're collaborating</u> with the wider energy ecosystem, we will continue to work closely with our industry peers to participate in the data sharing infrastructure and other initiatives to achieve greater system efficiencies and the decarbonisation of the energy sector.

Compliance with regulation, however, will not in and of itself deliver our ambitions for digitalisation or the visions of our regulator, industry peers, and other stakeholders; rather, it is an enabler of the vision and it sets the foundations. We will therefore continue to optimise our operating model and ways of working to ensure that we're able to leverage an agile, digitally-enabled approach to allow future changes and refinements to be addressed rapidly.

6.4. Delivering Safe and Value-for-money Products & Services

Building trust by providing excellent service, listening and taking action on what our customers tell us is fundamental to our customer-first approach. We embody this commitment by developing and continually improving safe, value-for-money products and services in response to the feedback we gather from our stakeholders.

We've clearly set out below a list of our most important digital products and services to promote awareness and accessibility:

| Our Products and Services | Description |
|--|--|
| Pathfinder | We have shared our future of energy modelling tools such as the unique Pathfinder model with interested parties under licence at no cost. This includes Local Authorities, other utilities including GDNs and DNOs, universities and other organisations that can play a role in delivering an energy network that supports net zero. We have ambitious plans set out in our DSAP for sharing Pathfinder and supporting its use further in RIIO-GD2. |
| | We maintain a log of our data assets for data users understanding and who to contact for further information on each data asset. |
| Priority Services Register | We are undertaking leading work in data sharing agreements, with the aim of aligning the gas, water and electricity sectors into a virtual working common Priority Services Register (PSR) while working towards a single PRS for all utilities. |
| National Gas Transmission Data Portal | This source provides current and projected information on the status of the national gas system balance. |
| | We share information on our innovation projects, such as those linked to the <u>Strategic Innovation Fund</u> (SIF). |
| Causeway one.network gas roadworks map | We provide information to the public on our works in the highway. |
| Mapping service | We share asset data readily. Interested parties can log onto an internet- based system and within minutes have access to our mapping data. |
| Crack the COde game | We created a game to raise awareness of carbon monoxide (CO) dangers in children. |
| Get Connected | We offer an online system to automate the new connection application process for today's and future consumers. |
| Online Quotation Portal (wwutilities.co.uk) | We provide an on-line system for connection quotes – so that anyone who requires a gas connection can receive a quote through a simple internet-based process. |
| | We publish overviews of our annual performance to provide transparency for our consumers and stakeholder. |
| Ten-year statement | We publish our long-term development statement to support future planning and resilience of the energy network. |

| TD13 calculator | We contribute to a tool that supports gas network operators and our own operatives in calculating safe pressure settings for pressure reduction installations. |
|---------------------------|---|
| Gridwatch | We contribute to this external source for electricity balancing hourly data which is available for download. |
| Future of Energy Projects | We publish details and results of <u>Future of Energy Projects</u> both completed and in-flight. This allows others to implement the learnings from our research projects in future work. |

7. Delivery and Governance

7.1.Our Approach

Many senior managers across the business have contributed to and reviewed our strategy. The Strategy is owned by our Director of Business Services who provides executive approval for its publication.

The projects and initiatives described in this strategy have been developed in accordance with the principles of our Digitalisation Strategy Framework. Aligning our efforts to the associated Building Blocks and target Business Outcomes ensures our achievements translate into creating value customers, communities, and other key stakeholders.

The delivery of these key initiatives will be governed by our Digital Technology Governance (DTG) committee, chaired by our Chief Information Officer. This group will play an important role in shaping how we respond to new and evolving requirements identified as part of our ongoing Engagement Approach throughout the remainder of this price control period and into RIIO-GD3. We will also continue to monitor policy developments to consider whether future applications for re-opener funding may be required to respond to unforeseen changes. Accordingly, the evolution of our response in future Digitalisation Strategy & Action Plans (DSAP) will thereby help us to ensure our organisation's digitalisation journey remains on track, while taking full advantage of opportunities to deliver benefits early and to iterate improvements to our digital Products and Services.

The delivery of this strategy and its supporting Action Plan will be tracked through both the DTG and our Data & Digitalisation Steering Committee every month. The strategy and plan will be updated every two years, based on feedback received.

As part of our six-monthly refresh to our Action Plan, we will be providing updates on a range of success measures aligned to our <u>Digitalisation Strategy Framework</u> such as the following:

| Objective | Description | Key Result | |
|---------------|---|---|--|
| Adaptability | Becoming an organisation that is more able to adapt and respond effectively to change is a critical business outcome to support our ambitions. | We will continually develop our capabilities in response to or even in anticipation of evolving external demands, such as those related to interoperability. We will maintain a robust, flexible technology roadmap to support ongoing regulatory compliance and our continued provision of cost-effective, safe and reliable products and services that meet the needs of our communities and | |
| | | vulnerable customers. | |
| Collaboration | Coordination and collaboration across our sector are fundamental to our stakeholder engagement approach. In doing so, we continually seek feedback and ideas from our partners and industry peers to evolve | We will continue to invest time in building relationships with organisations that can either support us in our digitalisation aims or benefit from data sharing agreements. | |

| | our strategy as we continue our digitalisation journey. | |
|--------------------------------|--|---|
| Customer- first approach | We are engaging with and listening to our stakeholders to ensure we are delivering the products and services they need in the way they need them. | In line with our customer-first approach, we will regularly assess customer satisfaction, provide details of our stakeholder plans, the events held, feedback received and our resulting plans. |
| Compliance | Robust digital & data governance is vital in achieving our digitalisation ambitions and delivering meaningful value to our stakeholders. | We will continue to update and report on our compliance to demonstrate how we are upholding regulatory standards, such as the Data Best Practice principles. |
| | We are evolving our governance framework to go beyond compliance and risk mitigation, embedding more stringent data standards and practices that ensure consistency and alignment across the organisation. | |
| In-house expertise | We are investing in our people to ensure they have the right digital and data skills to deliver the right outcomes for our stakeholders and organisation. | We will review and update our organisational operating model based on an analysis of the likely future demands on our organisation. |
| | | We will continue to grow our team through sustainable hiring and targeted upskilling of existing staff. |
| | | We will share information on our plans for communication, training, and development pathways for our staff, along with updates on progress. |
| Open data sharing | We are facilitating access to Energy System Data where appropriate to meet the needs of stakeholders and support the decarbonisation of the energy network. | We will maintain a transparent, robust triage and risk assessment process to facilitate the sharing of data requested by our stakeholders. |
| | | We will build an open data platform to better meet the needs of our stakeholders in RIIO-GD3. |

Further information about the delivery status and associated actions of these projects, initiatives, and associated digital products & services can be found in our Action Plan.



7.2.Looking Ahead

Our Business Plan for RIIO-GD3 seeks to build upon our achievements and ongoing work in the current price control period with funding to undertake several key initiatives which have been identified based on known industry ambitions as well as evolving customer expectations. For example, we will:

- Build a digital twin of our network in collaboration with NESO, this will be connected to our real-world counterpart by a two-way flow of right-time data, copying it in all aspects. This will enable us at WWU and the teams at NESO, test decisions before we make them and understand how different actions might affect the real world.
- Create an interface between our data infrastructure and the UK <u>Data Sharing Infrastructure</u>
 (DSI) to enhance our data management and digital capabilities to better meet the needs of
 internal and external data users.
- Develop our digital Disconnections Platform to more effectively manage the process of disconnecting homes and businesses from the gas supply.
- Improve timeliness and efficiency of regulatory reporting to streamline reporting processes to Ofgem.
- Develop the above ground assets of the future by employing sensors, data recorders and communication systems to better understand condition and performance, optimising investment and maintenance costs.
- Explore opportunities to use AI, large language models and machine learning to drive efficiency and support our consumers and the most vulnerable.
- Use satellite imagery and movement sensors to improve protection of our assets from third party damage.
- Invest in methane detection technology and analytics to revolutionise the way we deliver reductions in our business carbon footprint.
- Continue investing in new and emerging skill requirements around data and digitalisation.

Many of these initiatives will be made possible by the plans set out in our latest Digital Strategy and Asset Plan (DSAP) for the remainder of RIIO-GD2. For example, the mass population of the Data Lake we will begin building in 2025 will be critical to supporting the UK Data Sharing Infrastructure (DSI) programme,

the programme from the National Energy System Operator (NESO) <u>programme of digital twins</u> of the UK energy network and improved efficiency in regulatory reporting.

Overall, the delivery of these initiatives will help to ensure we are well-positioned to lead the way in building an infrastructure fit for a low-cost transition to net zero capable of providing secure and resilient supplies, whilst continuing to provide efficient, high-quality service and long-term value for money.

7.3.Feedback

We are committed providing stakeholders with the opportunity to share their opinions on our strategy, action plan, projects and initiatives. Any feedback and suggestions will be gratefully received and can be sent to the mailbox engagement@wwutilities.co.uk.

Specific enquiries requesting data or about open or previously shared data should be directed to data.requests@wwutilities.co.uk.