

« *Making life easier
with energy* »

2015 - 2020 STRATEGIC PLAN

Introduction

We are especially happy and proud to present our strategic plan for 2015-2020. Today, at the end of 2014, this plan encapsulates the outcomes of thinking conducted with all of our partners. It is a clear statement of the business's vision and strategic aims for the next five years.

Since the eight mixed intermunicipal distribution companies merged on 31 December 2013, ORES Assets and the limited liability co-operative ORES srl form a close-knit group that operates under a single identity, ORES, an identity that we intend to turn into a strong «brand».

Given the many challenges that must be taken up – energy, technological, and human issues – ORES is reasserting its legitimacy as a distribution grid operator. It aims to work as a market facilitator and to position itself as a recognised, legitimate partner and prime interlocutor of the public authorities in charge of energy policy.

A basic step was taken in 2014, that of setting a clear vision shared by all the men and women who work for ORES and make

it what it is today. Based on this achievement, strategic objectives were set. This dynamic reveals the determination of our shareholders, especially municipal entities, to take on the task, under the Walloon plan, of guiding an energy distribution sector to benefit our fellow citizens and businesses.

The aim of this brochure, which also takes stock of our identity, is to walk you through these objectives, to have you discover our values, challenges, and missions as we see them today, in a context of unprecedented change in the energy distribution sector.

ORES is changing. ORES is evolving. ORES is looking to a future of sound prospects...

With a leitmotiv :
«[Making life easier with energy.](#) »
Enjoy!



Cyprien Devillers, Chairman of the Board of Directors of ORES Assets srl
Fernand Grifnée, Managing Director of ORES srl
Didier Donfut, Chairman of the Board of Directors of ORES srl



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I.

ORES,
Wallonia's leading distributor

General overview

ORES, which was created in 2009, is currently the main manager and operator of the power and natural gas distribution grids in Wallonia. It is a team of more than 2,300 people – managers, technicians, and administrative staff – serving the residents of 198 municipalities and society at large.

Our staff monitor daily the supply of energy to more than 1.3 million households and businesses across 75% of the region's territory (plus the municipality of Fourons in Flanders), or no fewer than 2.8 million people.

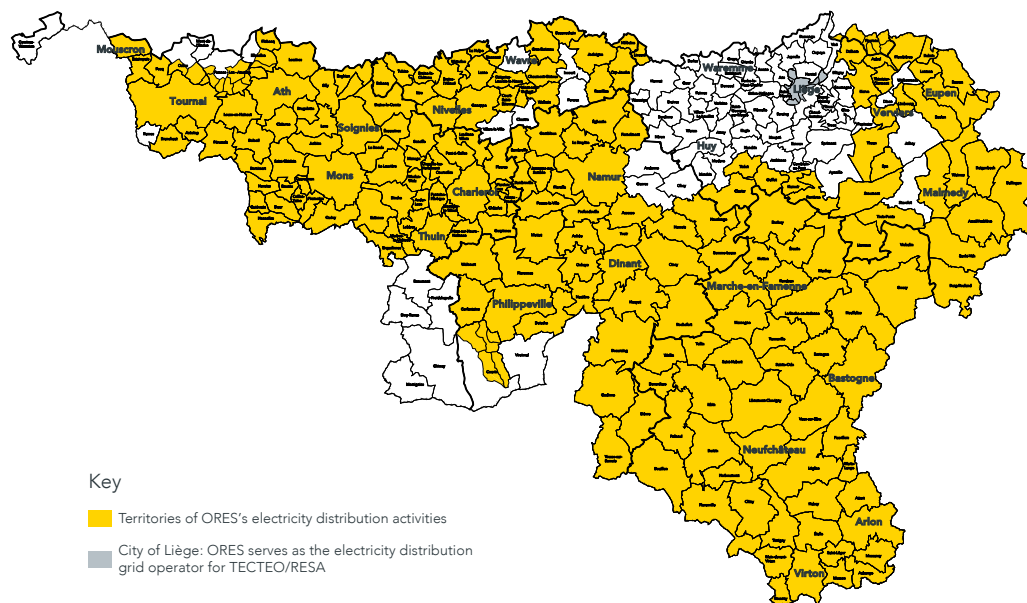
ORES is thus in charge of the daily operation of electricity, natural gas, and municipal public lighting distribution grids. That likewise means all the interactions with the other energy market players that these missions entail.

Our dispatching services oversee these distribution grids 24/7. Emergency repair teams are on duty day and night, 365 days a year, to repair breakdowns, technical failures, and gas leaks and odours. Calls concerning odours of gas are always handled with absolute priority.

We read the meters of 1.3 million facilities and dwelling units, validate these readings, and manage these data under conditions of strict confidentiality.

« Our staff monitor daily the supply of energy to 2.8 million people. »

Territories of activity - electricity





« Each year for the past five years we've invested 250 million euros, on average, in the distribution grids. »

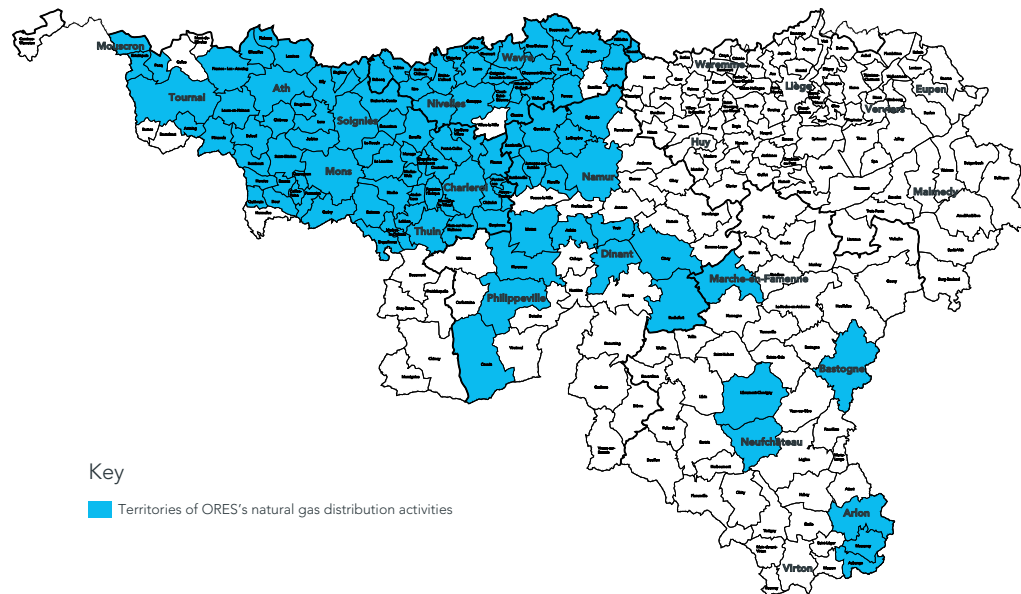
We keep close to 2 million pieces of data up to date in the access register. This register contains the technical and administrative data for each connection point in the distribution grid along with the data of the corresponding energy supplier.

We also ensure the supply of energy to protected customers who wish to be supplied through their grid manager. We install prepayment meters at the suppliers' request on the premises of customers who are in arrears on their payments. We take charge of running and maintaining municipal public lighting as well as promoting energy efficiency in lighting infrastructure.

ORES is aware of its economic, social, and societal responsibilities and commitments. That being so, it plays a very real role in the community's welfare and Wallonia's economic and social development. Each year for the past five years we have invested 250 million euros, on average, in the distribution grids and have contracts with some 300 subcontractors and suppliers totalling more than 400 million euros in turnover.

ORES operates in more than 75% of Wallonia's municipalities. Our activities take place in all of the municipalities shown on the coloured parts of the two maps on this page. One shows the electricity distribution grid, the other shows the natural gas distribution grid. ORES's teams do not work in the municipalities shown in white, unless special agreements to the contrary exist.

Territories of activity – natural gas



ORES in a few figures

DISTRIBUTION GRID OPERATION ACTIVITIES

198

Total number of municipalities served

1.445.660

Electricity supply points (active and inactive)

1.352.693

Customers connected to the grids operated (E)

523.065

Natural gas supply points (active and inactive)

444.254

Customers connected to the grids operated (G)

11.648.435 MWh

Total amount of electricity distributed in 2013

13.932.346 MWh

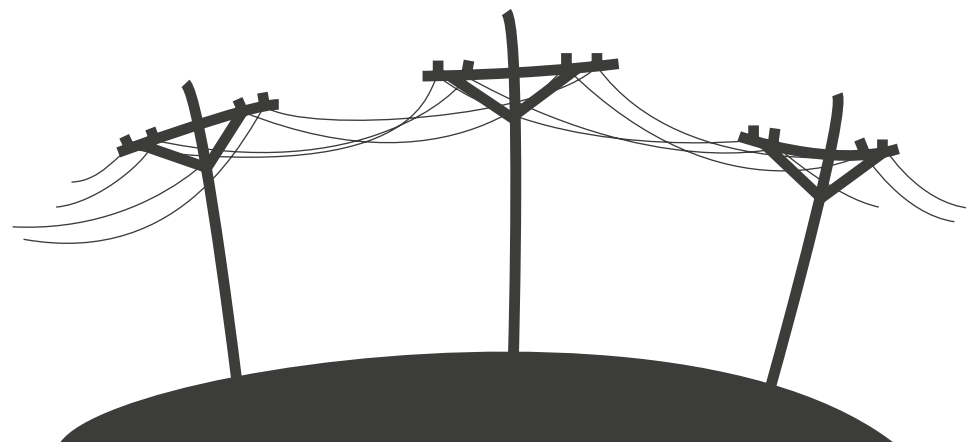
Total amount of natural gas distributed in 2013

A natural gas grid of

9.003 km

An electricity grid of

50.757 km



PUBLIC SERVICE MISSIONS

17.471

Protected customers supplied with electricity

7.807

Protected customers supplied with natural gas

7.962

Customers «under supplier X»
(i.e., supplied by ORES following a problematic removal or termination of a contract with a commercial supplier)

42.511

Active prepayment electricity meters
(of a total of 96,884 installed)

14.981

Active prepayment natural gas meters
(of a total of 26,945 installed)

440.538

Municipal public lighting points
managed by ORES

FINANCIAL AND PAYROLL FIGURES (end 2013)

992 M€

Turnover

3.609 M€

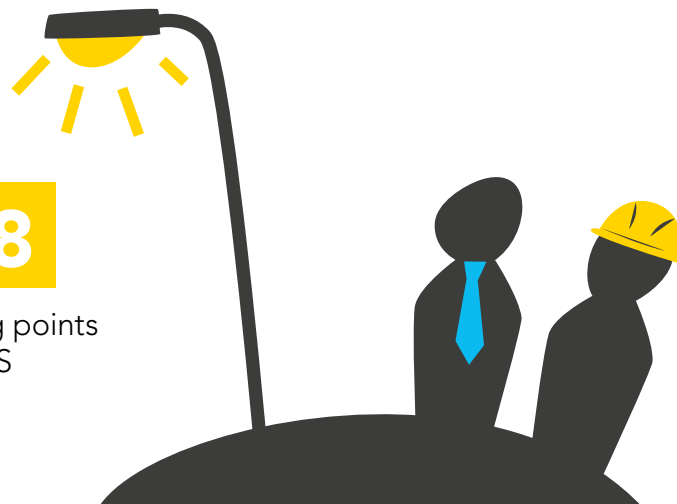
Total P&E

246 M€

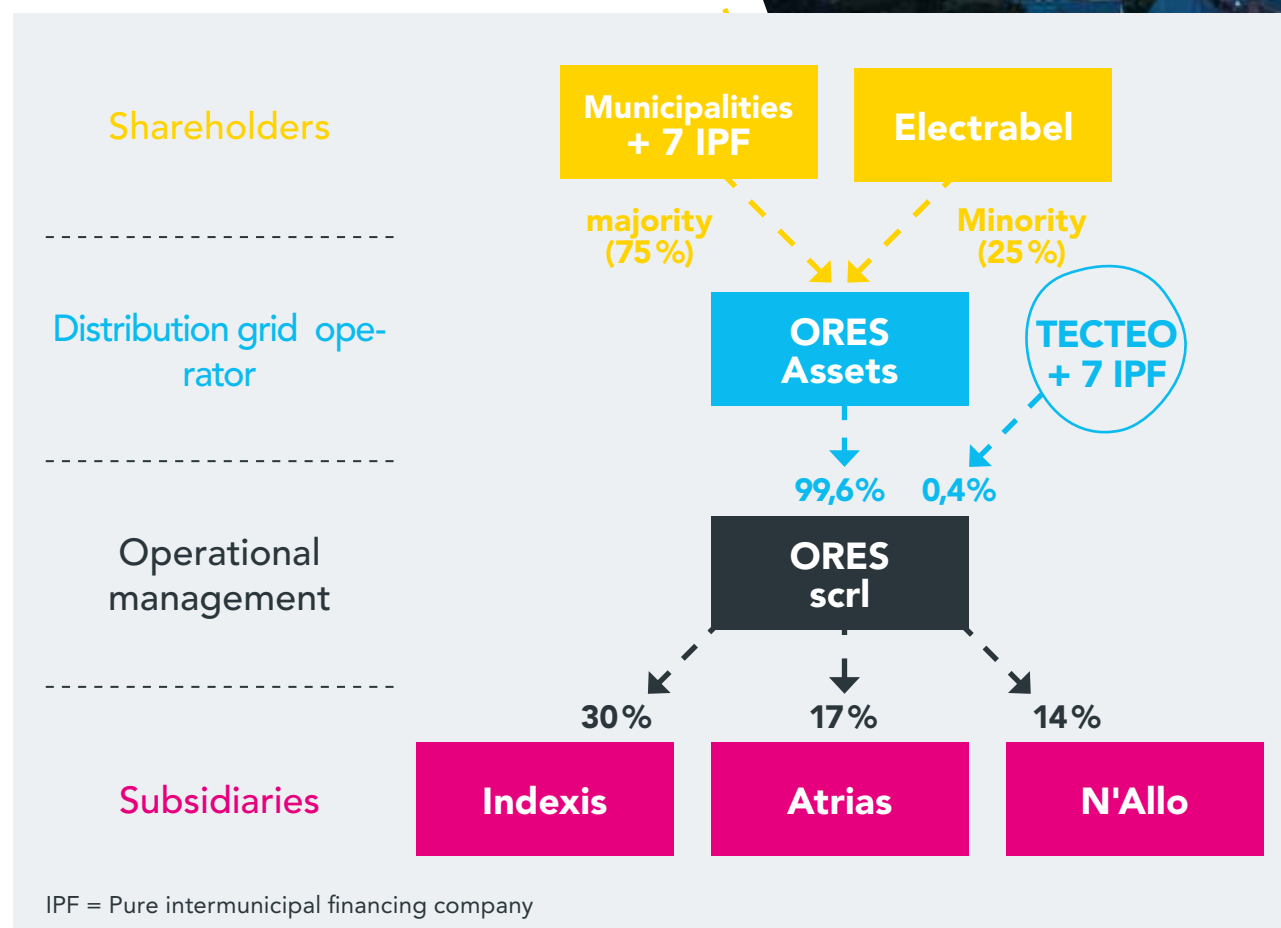
Gross investment (electricity, natural gas, and other)

2.271

Active workers
(expressed in FTE)



Shareholding structure



Strong values

To carry out its missions as a public utility and to prepare for distribution's future, our company decided in 2013 to bank on five new values to guide each of ORES's activities daily, both in house and in dealing with our customers, public interlocutors, regulatory authorities, and administrations.



SENSE OF SERVICE

As a provider of fundamental community services for Wallonia's economic activities, ORES serves the community and listens to its customers, whose lives we strive to make easier. Our company wants to provide quality services that meet our stakeholders' expectations and are in line with the financial, human, and technical resources at our disposal. In-house this sense of service takes the form of collaboration, teamwork, and transversality between departments as well as between colleagues.



BOLDNESS

Each member of our personnel is called upon to be bold and to participate actively in building ORES's future in an energy market that is in the throes of change. Each and every one of us can, through his/her ideas and suggestions, help the company to gird for tomorrow's challenges. Daring to adopt new solutions is capital for the future.



PROFESSIONALISM

Our priority is to manage the grids professionally, efficiently, and safely. The expertise built up by ORES and its workers is recognised both within and outside the company's walls. Being and remaining the reference in our field forces us to set demanding targets and to be driven by a constant concern for improvement culminating in excellence. The people at ORES are confident in their expertise and abilities to take up challenges. They all know that professionalism and involvement guarantee their current and future legitimacy.



RESPECT

Respect for people (employees, customers, and citizens), respect for ideas, observance of the rules, and respect for environmental resources as well: there lies one of the foundations of our company's development and growth. Concretely, that means ethics, dialogue, solidarity, and unimpeachable behaviour from all points of view.



CONVIVIALITY

ORES attaches primordial importance to «living together» both in-house and in dealing with the outside world. The company is aware of the importance of closeness and contact with others on a day-to-day basis. In-house it gives its employees quality working conditions. Each staff member helps to make ORES what it is. Working together and enjoying the experience are essential for the company's smooth operation.

A strong GENETIC stamp



Changes in society, the economy, technology, and the climate... Energy and its distribution are confronted by some major changes. Given this context, ORES is also changing whilst re-asserting the intrinsic characteristics that, along with its values, make up its DNA.

This DNA can be represented by a matrix, as shown below. On the vertical axis are the three core businesses or activities of our company: grid operation per se, market facilitation, and partner of the various government authorities. The two main attitudes – a feel for the customer and a sense

of « collective » responsibility – that are backed up by the company's five values are then placed on the horizontal axis.

This matrix must serve as a tool for assessing the relevance of the company's projects. Many projects can often be assigned to several boxes at once. If they correspond to none of the boxes, the most likely conclusion is that either they do not come under the scope of the company's activities or the matrix no longer corresponds to the realities of the electricity and gas supply system, in which case the matrix must be redesigned or simply « tweaked ».

	Feeling for the customer	« Collective » responsibility
Grid management		
Market facilitator		
Partner of authorities		
Sense of service – Audacity – Professionalism – Respect – Conviviality		







II.

Challenges, Missions and Vision

« ORES has a duty to be and remain in the vanguard of change »

ORES was created in February 2009 and is still a young company. It nevertheless has many strong cards in a sector that is in the midst of a major overhaul, namely, the skills, expertise, and motivation of its employees; a sound financial structure; shareholders who are attentive to its prospects for growth; and a reputation for responsibility and independence that makes it a reference operator in the views of market players and government authorities alike.

However, our company has a duty to invent its future, to challenge current directions and adapt them to ever more basic, quick, and even unexpected developments.

To this end, we launched a vast strategic think-tank operation, called «Vision 2020», in 2013. It revolved around the following six topics:

- ORES products and services,
- gas networks,
- electricity grids,
- talent,
- partnership, and
- corporate culture.

The exercise's uniqueness lies in the approach taken, namely: asking fifty members of the managerial staff who volunteered for the task and were assigned to cross-cutting, multidisciplinary teams to think about our fundamentals, our challenges, and what the outside world expects from us and then, of course, to propose some avenues for action, the overall goal being to flesh out the company's new values whilst re-asserting its DNA.

That meant daring to stray from the beaten path, refusing to work in an ivory tower, and turning our collective face to the outside world in order to measure up against its judgements and expectations.

The project was a great success, as more than one out of two managers expressed their desire to take part.

The first outcomes of this think-tank enabled to identify the company's main challenges, to set a vision, and to define our core businesses and character traits around which a vast action plan was anchored. This is what this strategic plan sets out to explain.





Three challenges to take up

The world is changing faster and faster. To cope, ORES wants to adapt, not just to ensure its future, legitimacy, and responsibility as a distribution grid operator and public utility, but also to meet the expectations that the stakeholders have legitimately placed in it. We are clearly determined to facilitate our stakeholders' lives through easier access to energy.

To do that, we must take up three specific challenges mentioned below in no special order in terms of importance or priority.

The first challenge is a cultural one and consists in transforming the company and its organisation to adapt to these new conditions and prepare for the future.

The second challenge is that of our customers. The level of our customers' demands has risen considerably in recent

years. All the operators as a whole, be it in the utility sector but also more traditional public services or even operators in the hospital sector, are adjusting to this new state of affairs. A company that aims to be a reference in the field must also do the same.

Finally, the third challenge concerns the energy transition. This transition covers the consequences of increasingly decentralised power generation, with such suppliers being connected directly to the distribution grids; the emergence of new markets and activities in distribution, including those linked to the notion of flexibility; and, without being exhaustive, the distribution grid's contribution to maintaining the grid's voltage. This last subject has been particularly topical in these periods fraught with the risk of power off-loading and outages and raises a host of questions concerning the exact scope of our activities.



A. CORPORATE CULTURE

Today ORES is a totally independent enterprise. It must thus acquire all the necessary means to be able to look to the future with optimism in a context of far-reaching changes, as outlined above.



That means technical means, financial means, and, above all, human means. And in that connection, we must also change our culture, our ways of working, our ways of interacting, without forgetting what makes our strength and reputation: professionalism, expertise, a culture of prevention and safety for our people and facilities alike, and a sense of responsibility.

However, in today's accelerating world we must also be capable of greater agility. Just-in-time and hyper-connectivity have become the key words and we must consider our customers and their expectations and comfort to be a genuine *raison d'être*.

The company must also revise its working models, propose a management style that is based on trust and audacity, and set up a work environment that is conducive to more creativity, conviviality, and a better family/work life balance. These new ways of working find particular favour with workers belonging to the first « post-Internet » generations, employees who have to be attracted and won over, people who are particularly sensitive to their employer's sense of responsibility.





B. CUSTOMER ORIENTED

Today more than ever customers want to be treated with consideration and respect. They are used to personalised contact and modern, customised service. They are living in the digital age and are highly responsive. In parallel, new activities and industries are arising. That is the case of the automotive sector, for example, where the concept of sustainable mobility is contributing to the rise of electric and natural gas-powered vehicles. Suppliers, for their part, are constantly coming up with new consumption control and home automation solutions.

These acquired sociological changes are forced on us the same way as the energy changes mentioned below. That is why ORES wants to «make its customers» lives easier».

Making its customers' lives easier must first permeate the heart of the business and ORES's daily practice: hooking up customers, managing a worksite, keeping appointments, informing customers in the way and via the channels that they prefer, reading meters, answering phone calls, and so on.

More fundamentally, it means that we must rethink our relationships with our customers. The notion of serving the customer must prevail over processes in our way of acting. A connection request, for example, will no longer be based solely on a technical criterion of power or voltage, but on notions that the customer understands, such as the nature of his electrical equipment: Does he cook with electricity? What is the size of his dwelling or family? Is the heating system electric? Does he have a heat pump or air conditioning? ORES is responsible for translating all this information into technical data.

« *ORES adapts
to each customer profile.* »

That also involves stepping up collaboration with the other distribution grid operators, even with other suppliers of public utilities, so that the customer is no longer doomed to adapt to the new face of the energy market. Instead, the operators must adapt to the customer's desire for comfort.

That also means open partnerships with certain administrations and government bodies such as the social welfare offices, energy windows, and Territorial Development Agencies (TDAs) in order to improve access to energy, to make energy bills more transparent and understandable, and to promote new energy services that are innovative and tailored to customers' needs, whether those of businesses or private individuals.

Finally, that also requires the well-thought-out deployment of smart meters that will meet the needs of all of today's market players, be they suppliers or «balancing service providers» or even consumers wishing to take control of their consumption more activity. All that must be done without losing sight of the principles that govern the individual's right to privacy.

One fundamental element remains, that of keeping a lid on rising distribution costs. Energy is a vital commodity. Its cost has a direct impact on households' purchasing power and businesses' competitiveness. The costs linked to the services that ORES truly controls account for 20-30% of a household's total energy bill, depending on the region. Keeping distribution costs in line obviously hinges on the grid operator's sense of responsibility and efficiency. However, it also depends on re-asserting the need for solidarity in the fair distribution of distribution costs amongst the various users.





A clear vision and missions

Grid operator	• Market facilitator •	Partner of public authorities
<p>Ensuring a safe and reliable good-quality energy supply, maintaining and modernising the grids, and connecting customers' installations – those of producers and consumers alike – to these grids are at the heart of ORES's concerns. They constitute the « grid operator » angle of our business. Of course it goes without saying that this business is profoundly affected by the three aforementioned challenges.</p> <p>In addition, some new missions born with market liberalisation have now become fundamental for the market's smooth functioning. Like a notary who guarantees the proper conclusion and legal security of various operations, ORES intends to provide the entire market with the « peace of mind » that is indispensable for it to work smoothly. Customers who move premises or change suppliers and suppliers who want to invoice utility use or to end a contractual relationship are common situations. In all these everyday situations ORES strives to guarantee thorough, professional processing of all the databases that the market needs: (i) keeping an access register that matches up the meters, addresses, customers, and suppliers; (ii) reading meters automatically</p>	<p>or manually and sending validated readings to the various suppliers; (iii) guaranteeing effective, non-discriminatory access to the distribution networks; and (iv) being responsible for all the operations that guarantee a fair distribution of consumption for all the players involved. All this has to be done in a context in which the growing number of wind turbines and solar units connected to the grid creates large grid load variations that can lead to bottlenecks that must be managed at all hours of the day and night.</p> <p>Our company must carry out these tasks in a neutral and objective manner, as a public utility, and simultaneously give the market access to the tools that it needs to work.</p> <p>This « market facilitator » job is already well ensconced for the supply market. It is gradually going to be extended to new markets (here the flexibility market, which will take on an increasingly important role in distribution, obviously comes to mind). More generally, OES aims to expand this role of market facilitator and data manager for all market processes in the broad sense.</p>	<p>Finally, being by nature independent of each of the market players, armed with the expertise of its personnel, and bolstered by the legitimacy that a shareholding structure composed mainly of local authorities confers on it, ORES is also the authorities' natural partner for implementing effectively and with powerful results the energy policies that they want to wage.</p> <p>Our activities are well known; so are our character traits.</p> <p>All of our work is characterised by our customer-oriented attitude, one that takes the form of a commitment, that of making our customers' lives easier in all circumstances. Our second character trait is our sense of responsibility. That is a collective responsibility that includes two dimensions: one financial, the other societal.</p> <p>Our financial responsibility is expressed through the desire to control distribution costs and working to prevent their rise. Our responsibility vis-à-vis society is expressed by the search for a balance amongst the economic interests of our shareholders, customers, and other stakeholders; physical well-being and safety (for ORES's employees and the «public at large »); and environmental conservation.</p>



« Facilitating access to energy,
making all our stakeholders' lives easier »

OUR VISION

To cope with a world that is changing faster and faster, ORES wants to adopt, not just to ensure its future, legitimacy, and responsibility as a distribution grid operator and public utility, but also to meet the expectations that all its stakeholders have legitimately placed in it. We have a clear vision: « We want to facilitate access to energy, to make all our stakeholders » lives easier'. Specifically, that means:

1

Making our customers' lives easier: making the ability to listen, availability, respect, accessibility, and irreproachable service part of our daily work to make our customers happy.

2

Facilitating market processes: turning our network into a dynamic interconnection platform that serves all the market players (power generators/suppliers, TGOs, DGOs, regulators, and customers) and is recognised for its excellence.

3

Making the authorities' lives easier: being recognised as the public authorities' legitimate and preferred energy distribution partner and taking on this role fully.





III.

Strategy: priority aims and lines of action

1. Guaranteeing distribution infrastructure's future and setting up smart grids and metering



Optimising our grids and making them «smarter», notably in the context of feeding in decentralised generating units

Managing and operating distribution networks are ORES's core business. Maintaining, expanding, and optimising these networks (including municipal public lighting) are vital for the region's socio-economic welfare. ORES will continue optimising them, with emphasis on completing the work of renovating the gas network (replacement of the last kilometres of low-pressure pipes in cast iron, PVC, or fibrocement with pipes of the latest generation). Integrating decentralised power generating units (wind turbines, photovoltaics, and other facilities) into the electricity distribution grid remains a sizeable challenge for Wallonia and the grid operators. It adds another level of complexity that calls for adapting the grids and investing in them massively to make them «smarter». Not only will this trigger major short- and long-term investments, but it also creates the need to balance increasingly volatile power generation and consumption.

Given this context, ORES has thus launched an ambitious «smart grid» project based on the following finding: electricity is no longer being transmitted to households and enterprises from a distant, centralised source. Electricity flows are becoming dynamic. They reverse directions at certain times of the day and become more intense at others. Understanding them is thus crucial. That calls for the placement of sensors on the medium-voltage distribution grids to be able to measure what is going on and having an effective computational tool (the «state estimator») to reveal bottlenecks in the network. It is then necessary to understand how these flows change over time in the course of the day, with changes in the seasons, with changes in weather conditions, even in line with the market's and customers' behaviour. ORES must thus develop new skills and new tools for forecasting local power generation and consumption. Finally, armed with such information and knowledge, we must configure the electricity grid optimally in order to reduce losses and eliminate bottlenecks.

That entails relying on more remote monitoring systems, and even remote controls to make it possible to reconfigure the network from afar: all so many new resources that will enable us to manage our electrical grid more effectively when it comes to serving customers, notably by shorter repair times in the case of breakdowns. For such features to work, a powerful and reliable communication network must exist. Consequently, major investments are foreseen in this area, too. To date we have identified and tested the equipment to set up, such as «smart» cabinets. Starting in 2015 these devices will be deployed on a large scale in our networks. In parallel, we are defining the decision-making aid functions that the new tools associated with the state estimator must provide and the new interactions amongst the players that they will require. This part is being done by the GREDOR project, with Liège University guaranteeing its scientific validity (see «flexibility» below).

Implementing a consistent, sustainable smart meter deployment programme in Wallonia in conjunction with the authorities

We can sense it: The work of reading meters is going to change completely to adapt to developments in the distribution sector. It will no longer consist of measuring just one-way energy flows, but energy flows in different directions, different power levels, and consumption shifts. It

will also mean having readings that are validated more often than currently foreseen. It will mean being able to deploy more dynamic rate structures and prepayment techniques. Finally, it will mean controlling meters remotely to ensure the contractually defined level of power provided, for example.

ORES is finalising an ambitious programme for the gradual deployment of smart meters in Wallonia. It is in the process of submitting this programme to the relevant authorities for review.



Setting up the integrated ICT infrastructure required for these developments

The optimisation of distribution infrastructure and development of a smart grid and metering mentioned above will have to rely on upgraded, integrated computer, software, and telecommunications systems. An ambitious programme is being deployed to prepare for this digital development. Our IT strategy is based on the systems' convergence with IT market standards

in order to ensure the applications' upgradability and control their maintenance costs. The programme foresees the tight integration of various applications: geospatial information system (GIS) management, mapping, system automation, repair management, etc. In this context, the ongoing work of blueprint vectorization and database enrichment is laying the foundations for implementing

such new integrated IT solutions as GIS (geographic and attribute descriptions of our assets), OMS (outage management systems), DMS (management of the networks' dynamic state that includes load measurements, voltage measurements, positions of devices, etc.), and SCADA (supervisory control and data acquisition systems for remote monitoring of devices and remote measurement).

Developing arrangements that help boost our grids' flexibility

If the network – and market – is to function harmoniously, this same market must be more flexible. That means more flexible control over, monitoring, and modulation of production, but also active demand management, and even, doubtless in the slightly more distant future, the implementation of storage solutions or synergies between the gas and power grids. ORES is already participating in several projects in this area. We have worked with the regulator to develop flexible

connection schemes for decentralised generating units. Along with the suppliers and ELIA we are proposing to integrate this flexibility linked to power grid bottlenecks without for all that upsetting the market's smooth operation. With ELIA we are participating actively in the R3DP programme, which provides the transport grid operator with flexible options for using its tertiary reserves at its distribution customers' facilities in order to keep the grid balanced whilst ensuring the safety of

the facilities concerned and that of the distribution network. This flexible distribution programme began in 2014 and will gradually be extended to meet ELIA's other needs, such as the need for strategic reserves to ensure security of supply. The ultimate aim is to be able to handle all requests for flexibility optimally regardless of who the asker is.

Promoting natural gas and devising gas-based solutions for the future

ORES operates a more than 9,000 km natural gas distribution network. Whilst the conditions for expanding this network no longer meet the imperatives of economic profitability, increasing the use of this energy source in the existing network and developing new avenues for using natural gas are on the cards. In 2013 ORES conducted a pilot project to promote natural gas in Luxembourg Province. The aim was to increase the distribution network's penetration rate

and number of users in seven municipalities in the province. By distributing the total invoice over a larger number of customers and at less cost, the project led to a de facto decrease in the tariff per user. The lessons learnt from this pilot project provide grounds for envisioning the project's roll-out across all of Wallonia. If necessary, other gas transport and distribution network operators will be pulled in so as to amplify its effectiveness. ORES is also studying innovation

ways of using gas – natural gas-powered vehicles, biogas, methanation, « power to gas » schemes – and is getting ready to convert part of its network with a view to the end of imports of low calorific value natural gas from the Netherlands.

2. Improving our customer focus

Improving our customer interface in our core businesses:
service, listening, respect, availability, and accessibility

Customer satisfaction must be at the heart of ORES's approach. That is why we place the bar of our quality standards very high and listen to consumers' problems and wishes. Customers' demands are changing and we want to be on the right level to meet them. As explained above, that starts with our core business activities: appointments, connections, meters, worksites, invoicing, etc. It also means a more proactive dialogue: volunteering information, providing the reception desks and services that will truly help the customer to wade through procedures, and becoming a reference advisor that differs from the other players on the market not only because of its independence, but also due to its ability to listen to their needs and to the quality of the services that it provides in a particularly complex sector. All that is contingent on rethinking our channels of communication, if need be in partnership with others: inviting customers to our reception offices to help answer all the

questions that they may have and setting up the necessary IT and digital tools (web portals, mobile applications, etc.) to enable customers and partners to access our information more easily.

Making people's lives easier also means making it easier for them to reach ORES, whether to report metering problems or to inform us of faulty public lighting. A recent inventory of all the light fittings in the municipal public lighting network enabled us to develop a web tool that offers residents a much simpler way to report a light that's out. An online tutorial enables them to understand how it works in a couple of clicks. They can report lights that are out of order and asked to be informed of their reports' handling by e-mail. And if the light source in our network cannot be identified, the tool will indicate the name of the assumed owner of the equipment so that the request for repairs can be sent on.

Improving our services and tracking this trend
via our customer satisfaction performance indicators

Making people's lives easier is not limited to listening to them and communicating better. It also means improving the quality of our services and speed of our actions: for example, striving to cut the medium-voltage grid's down-time for planned maintenance and repairs – such outages are currently slightly under 39 minutes on average for the entire network – or reducing the average times required to reach a site, carry out the work per se, and cut customers off from the grid in the case

of unplanned technical failures. ORES is also going to launch a vast review of all its customer relations processes in order to make them more convivial. We want to take account of the customer's experience: to listen to our customers' complaints, but also their suggestions; to step into their shoes in order to understand their expectations better; and, finally, to measure their satisfaction through independent surveys.





More transparent and readable invoices to empower the various players

To make our customers' lives easier but also to discuss energy issues more calmly, it is important to be able to identify the costs of the various components of the invoice, i.e., commodity, transport/transmission, distribution, various surcharges, and taxes. This is especially true for the distribution rates. It is necessary in particular to identify the costs of policies that are funded through energy use. In that way, the customer is in a position to know clearly what share of the total invoice is actually due to each of the operators (suppliers, transporters/transmitters, and distributors).

That is not the case today. Many consumers are unaware of the fact that distribution grid operators also carry out public service missions («PSOs» or public service obligations, e.g., placing prepayment meters and managing their recharging, supplying energy to protected customers, running and maintaining street lights, or even paying out certain energy bonuses) and the costs of these missions are included in the distribution fee.

Making the world of energy more accessible by participating in awareness-raising and educational activities around energy issues

The many changes that have occurred these past years, the market's liberalisation and commensurate increase in the number of economic players, complexity of the issues and interactions involved, and highly technical nature of energy matters in general make the sector opaque, as a rule, to consumers and citizens, who consequently cannot truly play their part.

ORES also wants to make people's lives easier by making this world less opaque. That means clearer billing, but also explaining what customers pay for and why by shedding light on the way the market operates. ORES is already doing this through its external communications

and by participating in target actions and programmes.

So, in 2014 ORES supported the «Zero Watt School» challenge, in which elementary school pupils were made aware of the stakes riding on energy efficiency, which have risen in the context of potential scarcity.

ORES drew attention to this point in the memorandum that it sent to the regional government, and this concern was subsequently included in the regional policy declaration. We also informed the Walloon Energy Minister of our readiness to take part in a think-tank on implementing its energy efficiency policies.

3. Setting up tools of the future for harmonious market operation

Implementing in particular the ATRIAS platform to ensure the market's smoother operation in the future

ORES is participating actively in the two-pronged ATRIAS programme. This programme's first aim is to midwife changes in energy market processes in the known context of the promotion of renewables and to prepare for the advent of smart meters. In this context, it should be noted that the energy flows of residential consumers with photovoltaic panels and those of consumers with multiple-tariff TOU meters will be modelled. Its other strength is to unify the IT applications allowing information exchanges between grid operators and energy suppliers across Belgium. Until now, ORES and Eandis were the only entities to have developed a joint application. It is easy to imagine how the co-existence of a host of different technical solutions in such a small country as Belgium thwarts the market's smooth operation. The decision taken by all of the grid operators to develop a single, joint clearing house is a considerable advance in this connection. It attests to their will to take on fully their roles as market facilitators.

Fostering solidarity and avoiding opportunistic behaviour

It goes without saying that the market and energy grids are, by essence, collective property. They express natural solidarity on a certain geographic scale; they connect people to each other. In exchange, these networks' users agree to bear the legitimate costs of this activity in a fair and equitable proportion in line with their use of the grid. ORES obviously advocates making this solidarity a strong feature of our sector. However, our company is also willing to think up formulae that would allow certain categories of users to optimise their user behaviour on the grounds of their specific characteristics, albeit without challenging the principle of solidarity. So it is that we are currently testing with the Territorial Development Agencies (TDAs) the so-called «energy cloud» project. This is a virtual closed grid that operates by means of pooled means for the common weal.

Promoting a more capacity-based rate structure

ORES is also in favour of having the government draw up rate guidelines allowing distribution prices to reflect the true cost structure better and to achieve a more equitable distribution of these costs amongst the networks' users. Such price-setting should comprise more fixed and capacity-related terms. Indeed, a large proportion of energy distribution costs is fixed, and the grids are scaled on the basis of the capacities placed at customers'

The principle is simple: ORES proposes to make its grid available to the medium-voltage customers of an industry park who want to invest as a group in a decentralised production unit in order to enable them enjoy synchronous compensation for the energy that transits through their lines. In practice, our company is measuring the customer's consumption and the amount of power injected into the grid synchronously (at 15-minute intervals). Next, we deduct from the customer's power consumption his share of the power exported by the generating unit. If surplus power is generated, the customer sells it on the market. If production falls short of the customer's needs, the customer buys a top-up from his own supplier. Each customer thus remains eligible and treats with the supplier of his choice.

disposal. A capacity-based rate would merely be the materialisation of the right to the capacity that is effectively placed at consumers'/prosumers' disposal. Today, setting prices based largely on volume (net kilowatt-hours used) creates large distortions. Such a rate structure does not reflect the cost of the grid's true use.



4. Changing our corporate culture

Changing our corporate culture to become more agile, audacious, and innovative, but above all attuned to the outside world and customer-oriented

Here innovation must be understood in the broad sense to include not just technological innovation, but also managerial and commercial innovation, innovation in processes and organisation, etc. In this context, the challenges of service, conviviality, and audacity create lots of work for ORES. That is true not just as far as our customer relations are concerned. It also applies in-house, and we are working to make the necessary cultural changes to be recognised tomorrow to be the competent professionals that we already are, but also a team of motivated, driven, responsible people who are close to and fundamentally involved in the service that we give each consumer. ORES wants to elicit ideas, exchanges, and collaboration. The company has decided to embark resolutely on a path that should lead to a «new world of work».

Amongst other things we have launched DOMO, a programme to implement the new world of work (NWOW in the literature). It is above all a programme of cultural change that begins by recasting a company's values to make it more attractive.

Trustworthy management that is focused on results and gives freedom of movement and responsibilities to employees will allow greater geographic and temporal flexibility, which is reflected in the institution of teleworking arrangements and a better work/family balance, for everyone's benefit.

Convinced as we are that architecture is one of the mainstays underpinning the development of our corporate culture, we are renovating our existing sites and building new premises that are more open and conducive to collaboration. We are thus able to provide a range of shared environments tailored to the work to be done, thereby encouraging creativity in a friendlier, more sociable setting. Finally, such a programme cannot succeed without technological changes. These take the form of modern IT and telecommunications tools that will facilitate collaboration and mobility.

What is more, ORES is involved in various technological innovation programmes which benefit from its specific technical expertise.



5. Being the prime interlocutor and partner of public authorities

An energy policy development and implementation partner

ORES is a reservoir of abilities, experiences, knowledge, and expertise in its specific activities, a reservoir to serve the public. It shares its experience and technical expertise with the relevant authorities, makes suggestions, and provides opinions and even advice regarding legislative developments and market processes connected to the energy distribution sector. ORES is invited in particular to play this role by participating in working parties or inter-ministerial meetings to prepare new legislation.

The idea is to contribute, whilst respecting each party's prerogatives, to devising the policies that are adopted by the federal and regional authorities. ORES also aims to be a partner for implementing the government's energy policies. That concerns such public service obligations as municipal public lighting, social protection of vulnerable customers, and the promotion of energy savings.

Our company has already shown how efficient it can be in a number of situations: managing the single window for photovoltaic installations, managing RUE bonuses, supplying energy to vulnerable customers, giving SMEs help and advice on cutting their energy consumption (Smart Park project in Wallonia), and much more.

ORES intends to continue along this path and to become the natural choice in policy-makers' minds when it comes to a body for implementing and carrying out their new energy policies. Think of all the opportunities: conducting energy audits, paying out all the RUE bonuses, helping vulnerable customers to make the right RUE choices (technological choices, interest-free loans, etc.), providing energy saving calculators, and so on.

On the local and regional level alike, we want and are able to provide hands-on solutions to issues related to electricity, natural gas, and municipal public lighting, but also, and more generally, to contribute to the region's economic development. We want to play this role even more fully tomorrow, in public utility projects on all these different levels. ORES wants to be a reference partner in all matters regarding energy, that is: grids' expansion (and the massive investments that this will require sooner or later); rational, smart energy use; collecting, managing, and transmitting information; developing electric or natural gas-powered mobility; or educating people about energy.

Thus, ORES is in charge of maintaining but also improving the energy efficiency of municipal public lighting systems. For ORES that is without a doubt the public service mission that affects the largest number of people in the community.

Whilst the municipalities are and remain the owners of their public lighting facilities, ORES is in charge of overseeing a great many projects, from the technical studies to maintenance, with the administrative files in between. Our company also manages the permits, subsidies, and contacts with Wallonia's government offices in this area. To improve the energy efficiency of public lighting, some 48,000 high-pressure mercury vapour lamps will have been replaced between now and 2018.

ORES ultimately wants to become the key player in implementing energy efficiency measures in municipal buildings, whether alone or in partnership with others, by offering municipalities complete solutions going from the initial audit to the works per se. This could even be extended to more efficient mobility solutions, thanks to our electrical charging stations and pumps for refilling compressed natural gas-powered vehicles. When it comes to financing energy saving renovation work in public buildings, especially on the municipal level, it could be useful to engage in dialogue with players such as the pure intermunicipal financing companies.

We also want to play a more important part, in conjunction or consultation with other players, in raising consumers' awareness of the importance of the rational use of energy.

6. Being a model of social and environmental responsibility

A strong social commitment in our in-house policies

The company's commitment in this area is expressed on different levels.

First of all, we want to attract and keep talented individuals. In a world characterised by a highly competitive labour market, attracting talented people is a real problem, especially in technical sectors. ORES must thus be seen as a company where life is good, work is satisfying, and people want to get involved. To do that, our company offers a stable, friendly environment, attractive wage packages, and specialised training and continuing education programmes.

Planning a company's future manpower and skills needs in terms of quantity (age pyramid and cost control) but also in terms of determining the job profiles of the future is vital to be able to take up tomorrow's challenges. On the other hand, we are constantly analysing trends in wage and fringe benefit packages, so as to be able to meet the younger generations' expectations and include the necessary flexibility (hours, place, and role).

ORES attaches particular attention to training for its employees so that they constantly acquire new skills and their knowledge is always on the cutting edge of innovation and

progress. These training programmes will be in phase with the company's strategic priorities (customer focus, technological and commercial innovation, development of smart grids and metering, etc.). ORES will also contribute to the development of workers in jobs for which people are scarce through work-study training programmes and partnerships with the employment office (FOREM) and SME training institute IFAPME, for example. From this same perspective, partnerships with schools will be strengthened, as well as with hiring and training operators and agencies.

Each year more than 5% of the total payroll is spent on training budgets (the average required by law is 1.9%). New training methods, learning through games, e-learning, etc., will be added to the more traditional modules. Our openness to the outside world will take on its full meaning through participation in multi-company training sessions.

ORES also considers the safety of its personnel and the public in contact with the company's activities to be priorities. Its prevention policy is based on a multi-year plan with concrete safety targets. Our technical activities and the energy sources (electricity and natural gas) that they involve are by nature sources of risk that have to be controlled.

Mobility is another strand of our social commitment. ORES is going to launch an exercise to ponder the future mobility of its workforce and adopt a true mobility plan, one that gives preference to mass transport, sets up a telework policy, gathers the main support services' staff within the same building, improves the fleet of vehicles to improve their mileage, and even trains its personnel in environmentally friendly driving. These initiatives should help to reduce the company's carbon footprint.

Finally, a special unit within ORES is responsible more specifically for environmental issues. It oversees site compliance and manages regulatory changes affecting our sites' environmental impacts. It compiles environmental balance-sheets and oversees environmental risk control. It is in charge of the company's waste management, reduction, and recovery policies.



Proposing sustainable solutions, contributing to Wallonia's socio-economic development in a positive, harmonious way, and being responsibly involved in the local

As a public utility, ORES is ready and willing to take up its commitments and responsibilities fully *vis-à-vis* the community and society as a whole.

ORES — which is in the service of the public authorities and administrations, companies, and customers — generates business and regular investments that contribute to Wallonia's socio-economic dynamism. In this context, the company wants to be seen tomorrow as a model of sustainability.

That means searching for the ideal balance amongst the economic interests of our shareholders, customers, and other stakeholders, our contribution to the well-being and sustainable development of society, environmental

conservation (notably by promoting rational use of energy), and, finally, support for initiatives that help to strengthen social ties.

In conducting its core business ORES is participating directly in achieving the European Union's 20/20/20 objectives. We enable decentralised electricity output to be fed into the grid (renewables, especially photovoltaic panels and cogeneration systems on the low-voltage grids and wind turbines on the medium-voltage grids). In proposing connection to the national case network, public lighting systems that perform better and are more energy-efficient, and energy saving or alternative mobility solutions, we help our stakeholders to reduce their carbon footprints, to everyone's advantage.

PUTTING OUR AIMS INTO PRACTICE

Together with the Board of Directors, the Management Committee wished to continue the in-house approach christened «Vision 2020» and to place it in a context of continuous improvement.

To do this, eight priorities for action were set:

- Production of a detailed strategic plan in the medium term
- Development of long-term financial indicators and a medium-term rate forecasting tool
- Implementation of an IT plan in the medium term
- Working for a legal and regulatory framework that is compatible with the company's medium-term development
- Development and setting of smart grid and metering targets
- Putting the approach aimed at placing customers at the heart of our concerns – «making people's lives easier» – into practice
- The cultural challenge: How to make ORES more agile and attuned to a changing world without sacrificing its professionalism and rigorousness
- Sustainable, responsible company project

These aims will be re-assessed each year and the expected deliverable will be a fine-tuned version of ORES's medium-term strategic plan.

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