

Ofgem Incentive on Connections Engagement 2019

WPD looking forward and looking back report

October 2019 Update

Building on our initial commitments

Introduction to our 2019/20 ICE update

This updated report will provide information on the progress we are making against our ICE commitments for 2019/20 and inform our stakeholders about new activities we have identified and incorporated into our plans.

We are progressing well against the initiatives set out in our initial ICE Workplan and have delivered **13** of the **38** original initiatives. As part of this update we have included an updated 2019/20 ICE Workplan in Appendix 2 with the status of each initiative and a description of the progress which has been made.

The WPD ICE Workplan is intended to evolve through the year as new requirements are identified. Our overriding strategic principle of “engagement leads to action” is typified by the new initiatives we are committing to in our current ICE Workplan, which are as a result of the engagement activities we have undertaken. Our stakeholders have fed back on areas where their priorities have increased, such as the area of **availability of information for DG customers on planned outages** and we are responding to these with new initiatives to improve our services and increase information. We have added a further 4 new initiatives to our 2019/20 ICE Workplan, these are detailed in our updated workplan in Appendix 2.

Our engagement activity also expands through the year as new priority areas develop leading to a need for further engagement. In this update we have also set out some of the new engagement activities we are undertaking over and above those set out in our original report.

This October update is intended to inform our stakeholders of the progress we are making, the new commitments we have made and the engagement activity which is informing our improvements in both this current ICE period and into the next.

ICE incentive reasons for resubmission

Under the ICE Incentive DNOs have an opportunity to update their Looking Forward section of their ICE Submission and are able to make a resubmission to Ofgem in the October of the submission year. When providing the update, the DNO must explain the reasons for the resubmission.

WPD choose to take up this option each year to provide this October update. The primary reason for this is for WPD to communicate with our stakeholders and Ofgem on our ongoing ICE activity. We want to ensure transparency and the opportunity for stakeholders to have an input into our plans; this update supports our engagement and demonstrates the new commitments we are making along with our progress and developments against our ICE Workplan.

Update contents

- ▶ Introduction
- ▶ Workplan progress
- ▶ Expanding our engagement

In addition we have provided an updated workplan for 2019/20 with status updates and the new initiatives and KPI updates in appendix 2.

ICE Workplan progress 2019/20

Summary

Our ICE Workplan has a range of initiatives covering a broad range of nine priority areas. These initiatives are designed to deliver improvements in our connection activity for our stakeholders throughout the year. In 2019/20 so far, we have completed 13 of the initial 38 initiatives, a full update on the status of these initiatives is provided in our Workplan update in Appendix 2. We have provided some further detail highlighting a selection of the completed initiatives below.

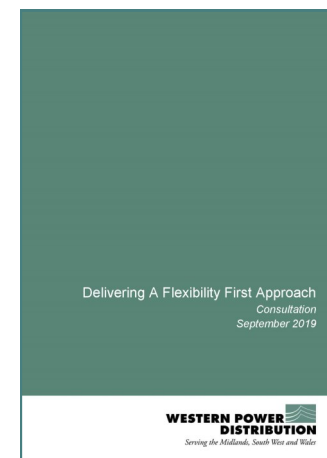
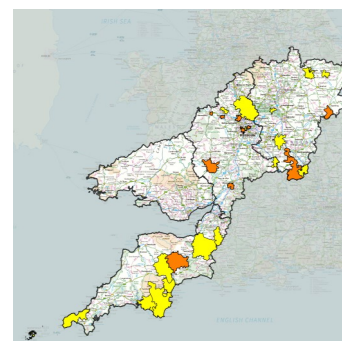
DSO Consultation on Economic Process ICE Initiative 2.1 Completed Q3

Flexibility Consultation – Delivering a Flexibility First Approach

In our ICE Workplan 2019/20 as part of the transition to Distribution System Operator (DSO) priority area, we had an initiative for a “DSO Consultation on Economic Process”. WPD published the DSO Flexibility Consultation in September 2019 and we are currently seeking feedback on the processes which have been developed to recommend the use of flexibility as an enduring alternative to conventional reinforcement and to ensure these outcomes are transparent, predictable and justified.

DSO capabilities have been developed across a number of aspects to best enable a smarter and more flexible energy system. Within this consultation document, work supporting these strategic outcomes has been summarised and we want to hear stakeholder views on the proposals presented. It is important that we get a broad range of stakeholders’ opinions and we are keen to get the feedback on the specific questions we have included throughout this consultation. A copy of the consultation can be viewed [here](#). Responses should be returned by 15th November 2019. We will give an update in the “Looking Forward and looking back report 2019/20.

2019 flexibility procurement zones



DSO Forward Plan ICE Initiative 2.5 2019/20 - Completed Q2

As part of keeping our stakeholders informed, we committed to an ICE initiative (2.5) to update our DSO Forward Plan, ensuring that customers could participate and benefit from the DSO and engage in the transition. It is vital that we enable our stakeholders to be informed on our latest steps towards becoming a DSO and informing them of our latest plans and our DSO strategy. We published our DSO “Forward Plan” on 19th June 2019.

Our Stakeholder engagement will have to be creative and widespread through multiple channels and media platforms. The DSO forward Plan is part of that process. All of our stakeholders can see the benefits as we transition to managing more active networks and informing them of our immediate next steps and guided trajectory will help them to transition with us.

As part of the publication we have implemented a Forward Plan roadmap to give a clear indication of the next steps.

DSO Forward Plan: www.westernpower.co.uk/smarter-networks/network-strategy/dso-strategy.

DSO Forward Plan Roadmap									
		Looking Backwards			Looking Forwards				
Neutral Supply Market Facilitation		76 primary substations with flexibility in 2018 with 561 MW of interest	Consultation on Signposting of distribution system needs, including visualisation and data provision	Data on Signposting publicly available for download	Commitment to publish more data on system needs	Working with stakeholders to further develop market information	Development of a Flexibility Register for those offering services		
Enabling Decarbonisation		Suite of four different Alternative Connection types developed	Alternative Connections rolled out as business as usual	Connection of 9,500 MW of distribution connected generation	Strategic Investment Options developed for future generation scenarios	Active Network Management available in all areas by 2021	Roll out of flexibility to enable additional connection options		
Flexibility Services		ENTIRE project proving benefits of flexibility	Flexible Power brand procuring flexibility services under business as usual	Over 350MW of flexibility responded to expressions of interest. 28 out of 32 zones taken forward	Seeking further summer and winter flexibility services in 2019	Signposting zones out to 2024	Openly testing the market to compare flexibility against conventional reinforcement		
Electric Vehicle Readiness		Over 9,500 EV domestic chargepoints connected without reinforcement	Our innovative EV trial, Electric Nation has shown that EVs do not charge every day	We have issued our first EV Strategy and have also updated guidance to local authorities	Trialling three phase service cables for new domestic connections	Developing a solution for hub charging installations at car parks and public places	Continued selective uprating of assets in LCT hotspots		
Enabling Economic Growth		Strategic Investment Options reports published for all four license areas	Stakeholder engagement completed in all regions	Publication of four Distribution Future Energy Scenario reports	Refresh DFES and Strategic Investment Options reports on a two year cycle	Engagement with Government on Local Energy Strategies	Continue to share forecast data with local and regional Government and other stakeholders		
Whole System Planning		Installation of FREEDOM test sites	Completion of WPD & NG Regional Development Programme for South West	Development of industry under ENA's Open Networks	Collaborative Strategic Investment Options reports with other DNOs	Joint SO and DSO articles published under WPD DSOF	Development of the Heat and Fleet project		
Communities and Locales		Wide range of innovation projects centred around local communities	Community energy events held in major locations within WPD area	DNO to DSO community consultation published	Continued engagement with local communities enabling them to participate in future energy markets	Development of the MADE project	Develop outputs of Open LV project into B4U		

ICE Workplan progress 2019/20

Further enhance “Connections Information” webpages ICE Initiative 3.8 Completed Q3

Improving the customer’s online journey

Following on from the improvements made to the connections services webpages, we agreed to implement improvements to both navigation and content for the connections related information on our website.

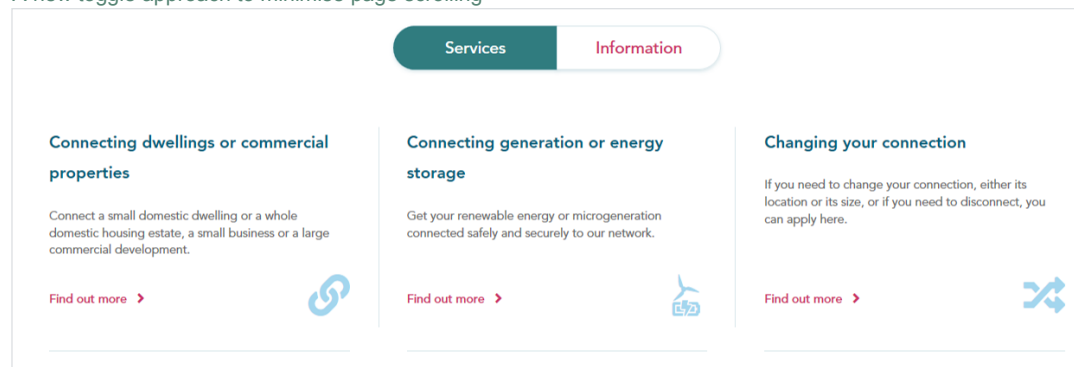
Whilst the improvements to the ‘Connections Services’ section of the website were welcomed, enabling users to quickly locate and commence a request for a specific service such as an application to connect new premises, our stakeholders identified that the associated information was not always easy to locate. This applied both in terms of navigating to the correct page and in locating specific content within the page of a particular subject. In response, we have implemented a number of improvements to both the layout of the content and to the navigational routes.

Improve navigation to information areas

Implementation of a ‘toggle’ approach to available options.

In the previous version of our website, users needed to scroll down the page, past the services options, before they were able to view the information options available. To minimise the amount of page scrolling required, we have introduced a ‘toggle’ function which allows website users to quickly move between different areas of the website, such as Connection Services and Connection Information.

A new toggle approach to minimise page scrolling



Improve the quality of information available and remove extraneous content

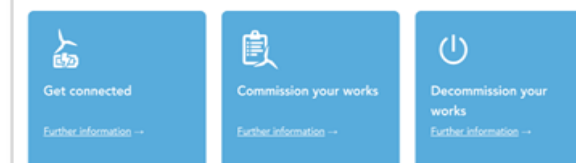
Feedback Information page content was ‘text heavy’ and difficult to follow.

Whilst the content of the information pages was generally relevant, we identified areas where elements of information were repetitive or unnecessary. In addition, the layout of the pages made specific detail difficult to find. We carried out a full review of connections related content pages, removing the extraneous content, and introduced the use of expanding sub-headings within a topic area. This approach enables stakeholders to see the key elements contained within a particular subject area enabling them to expand further to read more information only for the elements relevant to their needs.

Connecting generation or energy storage

We are committed to protecting the environment and we recognise the role that renewable energy generation can have in helping individuals and organisations to combat climate change and prepare for a low carbon future.

How can we help?



Would you like more information?

- G98 Connection Procedures --
- G99 Connection Procedures --
- Connecting Energy Storage Guidance --
- Connect & Manage --
- Generation Infrastructure Schemes --
- Export Capacity Recovery --
- Facilitating information sharing for consortiums --

Use of expanding sub-headings in place of text heavy single information

Types of connection offer

In order to connect to our network, we need to provide you with a connection offer which sets out the works to be undertaken, the cost of delivering those works and the terms and conditions to be applied. The types of connection offer available and the General Terms and Conditions are set out below.

- Budget Estimates --
- Formal Offer --
- Feasibility Studies --
- Study and Offer Quote --
- Variation of a Connection Offer --
- Novation of a Connection Offer or Agreement --
- General Terms and Conditions --

ICE Workplan progress 2019/20

Electric Vehicle Capacity Map ICE Initiative 5.6 Completed Q3

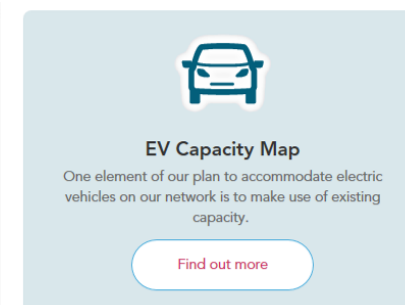
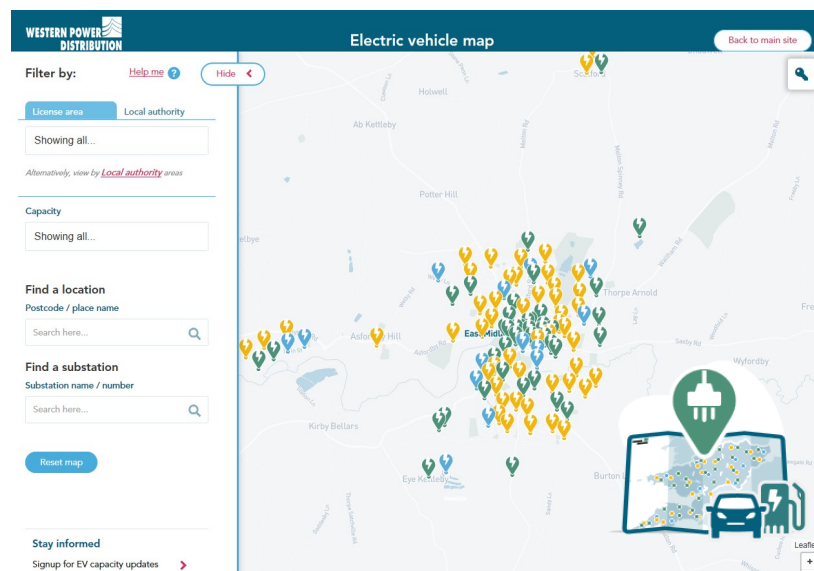
Feedback from our stakeholder engagement in February 2019 and specific EV events, stakeholders expressed that their priority was for us to provide further information, guidance and assistance on connecting EV.

WPD agreed the ICE initiative 5.6 in the 2019/20 ICE workplan, to produce a network capacity map to indicate capacity that is available across our network to support EV charging. The intention of the map is to facilitate a growing volume of both demand and new connections to our network quickly and efficiently.

The calculations behind the map look at the headroom between maximum demand and nameplate rating of distribution transformers. It converts that headroom into kWhs and divides by 35kWh as a standard EV charge to give a total theoretical number of charge events available. It then divides this by the number of customers on the transformer.

Our new EV capacity map is now live on our website and can be viewed here: <https://www.westernpower.co.uk/ev-capacity-map>

Our EV Strategy document can be viewed at <https://www.westernpower.co.uk/electric-vehicles>



Competition in connections (CiC) guidance on variations ICE Initiative 6.1 Completed Q3

As part of our ICE Work plan, we have committed to provide the Independent Distribution Network Operator (IDNO) or Independent Connection Provider (ICP) community with a process to vary Connection Agreements.

As an example, it may have been agreed that WPD will undertake physical connection of the contestable works to the existing distribution system but then the IDNO/ICP decides to undertake the works themselves. This means that the Connection offer (and potentially the Site Specific Adoption Agreement) need to be amended to reflect the change in works and Connection Charge.

This Variation process is applicable to:

- ▶ the physical connection to the existing distribution system;
- ▶ the Design Approval;
- ▶ Other associated contestable works.

The process was emailed to ICP and IDNOs in September 2019 in a connection bulletin and our local teams were provided guidance in order to ensure customers see a consistent approach. To take advantage of this service ICPs can contact WPD Connection Policy team: WPDCONNECTIONSPOLICY@westernpower.co.uk

ICE Workplan progress 2019/20

Consistency of Budget Estimates ICE Initiative 9.1 Completed Q3

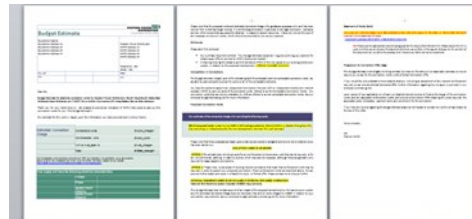
Following on from our Stakeholder Surgery in February 2019 and our Major Customer Survey 2019, Stakeholders feedback indicated a requirement for standardisation around budget estimates, providing a consistent approach across WPD, as stakeholders fed back that currently budget estimates varied in terms of the level of detail and in the format.

We agreed to take an initiative as part of our 2019/20 ICE workplan (9.1) - to review the budget estimates template and implement changes as required, also to review and update our internal policy, internal & external guidance therefore improving consistency of approach across WPD.

Following an internal and external consultation we have implemented both the visual presentation of the Budget Estimate template letter and the content therein. We have also developed an associated summary guide to help the applicant understand what is, and is not included, in the Budget Estimate. The guide also provides advice on next steps should the customer wish to proceed to a formal Connection Offer. We have communicated to the internal and external stakeholders via various media e.g. website, stakeholder engagement workshops.

The initial internal stakeholder feedback has been positive: "The letter is easier to understand and having the cost on the front page is good" and "The guide is also well structured and provides more clarity to what is involved".

NEW Budget Estimate Letter for all Voltages



NEW Budget Estimate Summary Guide

Budget Estimates

YOUR BUDGET ESTIMATE EXPLAINED

A guide to help you understand your Budget estimate and to outline your options for obtaining an offer to connect to WPD's Distribution System

Thank you for requesting a Budget Estimate for a connection to our distribution system. This Guide is designed to help you understand the basis upon which the Budget Estimate is prepared and to highlight the options available to you should you wish to proceed to a formal offer for connection (the 'Connection Offer').

Budget Estimate

Provision of a Budget Estimate is a free of charge service, the purpose of which is to give you an indication of the likely cost of your connection(s). We do not carry out any detailed design work and the assessment is carried out as a desk top exercise that does not take account of any site specific considerations. You should note that the estimate that we provide at this stage may vary significantly from the price subsequently calculated in any Feasibility Study or Connection Offer. This is because it does not include the costs for any necessary network reinforcement, changed circumstances, or other influencing factors that come to light when the detailed investigation is undertaken. A Budget Estimate is not a formal offer for connection and cannot be accepted by you.

Exclusions from the Budget Estimate

Costs associated with the following activities are **NOT** included in the Budget Estimate, unless otherwise indicated:

- The diversion of our existing assets (if any) or any third party apparatus that is required
- Any associated reinforcement works

Local WPD Teams involvement in Innovation projects ICE Initiative 5.1 Completed Q3

In a Stakeholder Surgery in February 2019, we had feedback that our staff had inconsistent levels of awareness of the current innovation trials in the WPD area and the availability to join the trials which may benefit a connection customer.

We agreed as an ICE Initiative (5.1) to increase the level of innovation project involvement with our local team planners and regional Primary Systems Design (PSD) planners who are handling connections applications. We have updated WPD Innovation governance processes to include briefings for local teams and PSD.

The revised process ensures, each new project is assessed for relevance of dissemination based on geographical location and the type of project and activities being undertaken. There are currently 10 projects being disseminated throughout WPD areas as of 30th September 2019. Currently we have 221 internal stakeholders, that have attended the monthly briefings.



ICE Workplan progress 2019/20

Capacity, Allocation & Reservation ICE Initiative 1.4 Extension

Continuing 2018/19 initiative: Following the publication of our final decision document in March 2019 we will implement revised processes, agreements, terms and conditions relating to how network capacity is offered on new connection and infrastructure schemes, as well as the management of capacity in ongoing schemes following acceptance of a connection or infrastructure offer. The background to the consultation and the proposals can be found in the looking back section of this report on pages 24 and 25.

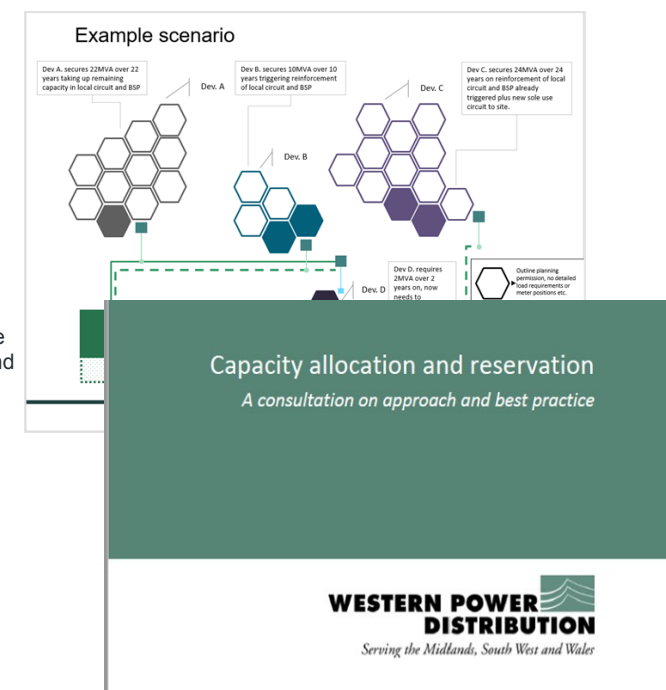
Our proposed policy development relating to allocation and reservation of capacity is currently under review and 'Go-live' deferred while we undertake a further review of possible outcomes. Although following our consultation we received positive feedback some stakeholders have since raised concerns over specific aspects. We believe it is beneficial to further engage with these stakeholders, discuss their concerns and strive to find a satisfactory resolution for all concerned.

We believe that the principles laid out under our decision document remain valid and a firm basis for our policy to ensure a fair allocation of capacity for customers when they apply for new electricity connections. We want to ensure that those customers who hold capacity under a Connection Offer Agreement but are not utilising it, do not do so to the detrimental effect of others in the connections queue. However, we also need to provide those customers who hold a Connection Offer Agreement with a reasonable level of assurance that the capacity that they have requested will be available for their use when they need. Our challenge is to find a balance in approach, that is non-discriminatory in nature. Through continued dialogue with our stakeholders we believe we will reach a satisfactory resolution and shortly be able to issue a revised policy position for stakeholder consideration and comment.

2019/20 New Engagement Activities

Our Engagement programme expands throughout the year as events are planned and new initiatives, new legislation and requirements for activities are identified.

In our looking forward report 2019/20 we set out the events we had planned for the coming year. We explained that this was the initial schedule and it would expand as we identify new engagement requirements through the development of our ICE initiatives and as new priorities were identified.



Activity	Description	Reach	UMS	DMD	DG	DSO
Local Investment Workshops	For the second year running, WPD's Distribution Managers hosted eleven stakeholder workshops throughout the WPD distribution area. Stakeholders in attendance included councillors, council planning officers, developers and others involved in the growth agenda. The workshops, which this year included information on our Electric Vehicle Strategy, were designed to provide local stakeholders with an update on their local network investment, obtain feedback on where stakeholders saw capacity challenges as a result of local development and strengthen working relationships between WPD and local stakeholders.	230	●	●	●	●
DSO Flexibility Webinar	Webinars for Local Authority Planning Officers across WPDs regions. To deliver a webinar every 6 weeks to explain the information we can provide and the support that we can offer to the LA's. Webinars have been initiated and the first webinar was on 11th October 2019.	29		●	●	●
Flexible Power Surgeries	Provide potential participants in flexibility the ability to book face-to-face slots with one of our flexibility subject matter experts to discuss electrical, technical and commercial aspects of flexibility within the surgeries.	18		●	●	●
Capacity Reservation and Allocation Webinar	Webinar to implement the new process for capacity, allocation and reservation. The webinar was conducted on 17th June 2019.	29		●	●	

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This report is Western Power Distribution's submission to Ofgem's Incentive on Connections Engagement (ICE) for 2019

The report includes both a looking back section for regulatory year 2018/19 and a looking forward section for regulatory year 2019/20, explaining Western Power Distribution's (WPD) customer engagement strategy and connection activity improvement plans, in line with the requirements of the ICE incentive. The report encompasses these activities in WPD's four Distribution Service Areas (DSAs): the South West, South Wales, East Midlands and West Midlands.

In accordance with the ICE Incentive, the report explains our engagement and improvement plans for the Relevant Market Segments (RMS) in which WPD did not pass a Competition Test in each of our DSAs. However it is important to WPD that we engage with all connection stakeholders and our continual improvement is aimed at all market segments (see table below); our engagement strategy and ICE workplans therefore cover the full range of connection stakeholders and connections activities and are not just targeted at those required by the ICE incentive. In the report we have identified where either engagement or improvement actions are targeted at specific stakeholder groups, RMS or are for a particular DSA.

Report structure

We have structured the document in three sections together with a set of appendices:

- Introduction -** including an introduction from our Chief Executive, WPD's connections stakeholder engagement strategy and connections strategy.
- Looking back report -** covering the review of our engagement activities, delivery of our ICE workplan and performance against our outputs and measures in 2018/19.
- Looking forward report -** covering our planned engagement activities, highlighted areas of focus, the development of our ICE workplan and the outputs and measures for 2019/20.
- Appendices -** including detailed ICE workplans for 2019/20 and for 2018/19 with outcomes and KPIs.

Connections Relevant Market Segments

WPDs ICE workplans and engagement activities cover WPD's four DSAs in each of the 9 Relevant Market Segments (descriptions of the RMS can be found below). For the purposes of this report we have combined the segments into three groups and our ICE workplans identify which of these their actions relate to.

Relevant Market Segments								
Demand Connections				Distributed Generation		Unmetered Connections		
LV work	HV work	HV & EHV work	EHV work & above	LV work	HV & EHV work	LA work	PFI work	Other work
Connections to metered premises for demand customers at all connection voltages e.g.:				Connections to metered premises for generation at all voltages e.g.:		Connections to unmetered premises for demand connections for local authorities or private sector e.g.:		
<ul style="list-style-type: none"> ▶ Domestic houses ▶ Commercial & industrial units ▶ Electric vehicle charging points ▶ IDNO networks 				<ul style="list-style-type: none"> ▶ Rooftop solar installations ▶ Largescale windfarms ▶ Battery storage 		<ul style="list-style-type: none"> ▶ Street lights ▶ Bus shelters ▶ Telecoms kiosks 		

Ofgem Incentive on Connections Engagement 2019

WPD looking forward and looking back report

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WPD Incentive on Connections Engagement 2019

Looking forward and looking back report

The electricity distribution industry is undergoing one of the most significant and exciting transformations in its history as the country gears up for a low carbon future. I am committed to ensuring our stakeholders have the information and knowledge they need during this process.

To say that I consider stakeholder engagement to be important is to underemphasise its significance. Across our business stakeholder engagement is ingrained because all of us understand that to deliver successfully for customers we need to first listen and then act on what we are told.

We genuinely want to be the best at what we do and it's for that reason we actively seek out challenging feedback. Engagement is part of everyone's role and that starts with me. Among other things I personally attend WPD's Customer Engagement Group (CEG), which enables me to hear first-hand what our stakeholders want from us and I ensure there is Director level involvement at meetings such as our Connection Customer Steering Group (CCSG). I conduct annual roadshows with all our staff to reinforce the message face-to-face that we need to continually strive to improve for our customers. This year's roadshows will cover all 6,500 WPD staff and will focus on our transition to a Distribution System Operator (DSO) and what this means for us and our customers.



Each year our engagement strategy is updated to reflect new areas of focus. As well as being reviewed by me it also undergoes challenging external assessment. The strength of this strategy has been its longevity: it has provided the foundation to enable us to be flexible and quickly adapt to significant shifts in industry and in stakeholders' focus.

Transforming from the passive network we run as a Distribution Network Operator to the smart and flexible system we will operate as a Distribution System Operator (DSO) means we need to understand how customers' needs are changing both in the short and long term. As more electric vehicles (EV), generation, energy storage, heat pumps and other technologies connect to our network we must work with our connection customers to ensure we meet their rapidly changing requirements with new products and services that deliver for everyone.

In this report you will see how we have expanded our connections engagement, reaching over 18,000 stakeholders who provided input into service developments and informed our ongoing plans.

Looking back on 2018/19 we have delivered significant service improvements for our customers through the completion of 48 ICE initiatives.

We listened to stakeholders' priorities and developed the industry's first ever EV strategy, which brings together the work we are doing to ensure we support drivers and providers of charging infrastructure. We have also responded to feedback and delivered initiatives that are instrumental to delivering the DSO transition, including rolling out flexibility services ahead of other network providers.

Looking forward, our 2019/20 ICE workplan is wide ranging, encompassing activities for a broad range of stakeholders that build on our previous work. These include delivering the multiple commitments to support EV charging infrastructure set out in our EV strategy and continuing to deliver DSO services stakeholders can participate in and benefit from. I am confident we will continue to deliver substantive improvements for our customers.

Each year the WPD ICE workplan is the milestone that sets a marker within our continual cycle of engagement and action. At what is an exciting time in our industry it continues to demonstrate how we build trust with our stakeholders to develop enduring engagement that leads to effective new services and improvements for our customers.

A handwritten signature in black ink, which appears to read 'Phil Swift'.

Phil Swift
WPD Chief Executive

Stakeholder engagement Strategy

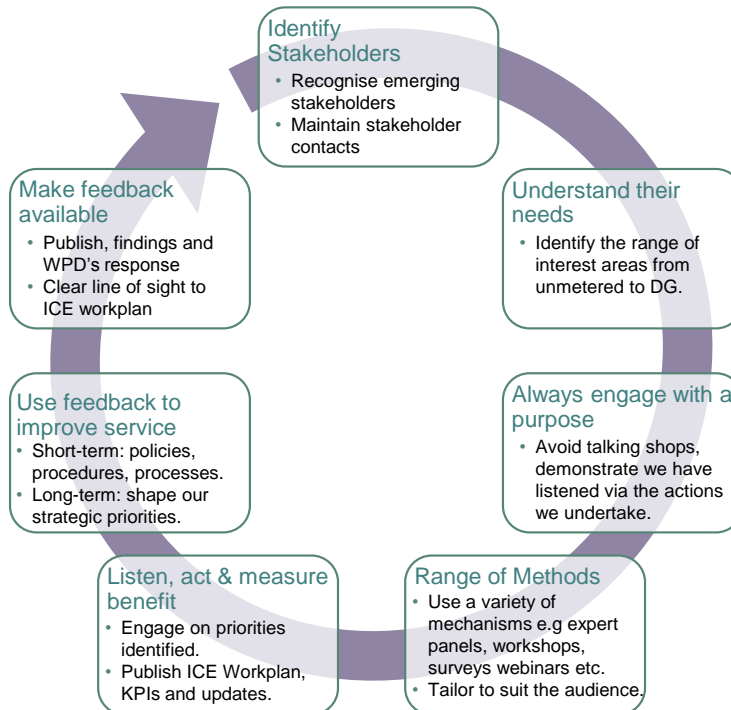
Engagement is embedded in WPD's culture, led by our CEO and recognised by staff as part of their role. Having a robust and agile stakeholder engagement strategy is vital in enabling us to deliver improvements and informing our long-term direction.

Well established and effective

WPD's stakeholder engagement strategy, established in 2007, firmly underpins our connections improvement activity, driving how and why we engage. It is fundamental to how we do business and drives a continual cyclical engagement programme (see below). Its longevity has established a mature and effective approach which has built long-term stakeholder relationships facilitating meaningful engagement with vital feedback and challenge.

The fundamentals of our approach are enduring, and guided by six steadfast principals providing its foundations (see right). Nevertheless to maintain effectiveness, the strategy is reviewed and updated each year with sign-off from our CEO and Directors. This ensures that our engagement approach continues to successfully deliver, proving adaptable to changes in the connections environment and our stakeholders' priorities and expectations.

Our strategy undergoes independent verification that it remains robust, effective and ambitious. As part of our annual Customer Service Excellence Standard assessment there is a detailed review, benchmarking our approach across industries and providing assurance of its continued effectiveness.



Our principles for engagement

The six strategic principles which shape the delivery of our stakeholder engagement are the foundation of WPD's strategy. They drive how we engage, building stakeholder relationships and trust ensuring this activity continually delivers an ICE workplan with meaningful outcomes.

Engagement must lead to action

We never host talking shops or tick-box exercises. We always engage for a reason and feedback drives outputs.

Engagement is everyone's responsibility at WPD

Core connections engagement activities are centrally coordinated, but delivery is embedded locally and led by those who will be directly responsible for acting on the feedback.

Utilise a range of engagement methods but face-to-face is always best

We tailor methods to suit stakeholder preferences to maximise reach. Direct interaction is preferred for discussion / dissemination of complex issues with other methods complimenting rather than substituting for this.

Be transparent about feedback and accountability

We publish all presentations, reports and actions - stakeholders can see how their feedback is directly incorporated into WPD's ICE workplan and track the success of the initiatives they generate.

Build long-term relationships with stakeholders

We earn trust by continually demonstrating that feedback leads to action. As stakeholders' knowledge and confidence grows, the breadth of their influence and ability to critically challenge will increase.

Collaborate wherever possible, but if it slows progress, take the lead

We share best practise openly, learn from others and encourage co-delivery in common areas. If industry is slow to act we do not wait but will share our learning to inform industry wide solutions.

Stakeholder engagement Strategy

Our core engagement strategy determines how and why we engage, providing the continuous engagement which drives us to improve towards our goal of being the best DNO in the UK.

Identifying stakeholders

We continually review and refresh our stakeholder mapping to make sure that we have the right mix being holistic and inclusive for the full range of connections activity. We understand that different stakeholders have differing levels of knowledge, interest and availability so we tailor our methods to be most appropriate and effective.

Embedded

Our well-established core engagement strategy has provided our staff the understanding and buy-in, to ensure they understand and recognise the importance of the role they each play in its success. Our engagement is delivered by staff directly responsible for the area being considered and it underpins the decisions we make and the directions we take. Establishing these direct, local stakeholder relationships underpins the effectiveness of our engagement and our ability to quickly and decisively respond to feedback.

Developed and agile

In ensuring that our engagement leads directly to action and is not just simply confirming predefined proposals, we are able to build trust with stakeholders and their willingness to commit their time to regular engagement activities. This results in long-term relationships building knowledge and quality of engagement with an ability to have more scrutiny and challenge. Through this we are able to have detailed conversations driving improvements through two-way feedback and collaboration.

This well-developed engagement provides a strong foundation but also allows us to be flexible and agile in identifying and quickly incorporating new stakeholder priorities. This is proven by our recognition of the growing importance of electric vehicles to (EVs) and the expansion to our engagement activities and new initiatives in our October 2018 ICE update, where we have identified key stakeholder groups, effectively engaged and created new initiatives to deliver as a result.

Independent assessment

To confirm that the strategy remains appropriate and effective it undergoes external assessment every year under the Customer Service Excellence Standard (CSE). This assessment benchmarks the quality and range of WPD's engagement and the effectiveness of our customer service across multiple leading industries. This not only validates the continued effectiveness of our engagement but also provided important challenge and feedback driving continual improvement.

In 2018 the CSE assessor, interviewed senior managers, field staff and a member of our Customer Collaboration Panel. They examined evidence reviewing our engagement strategy against 57 service elements. The result was 44 service elements achieving the highest "compliance plus" rating, with no partial or non-compliant elements, making WPDs the top performer in the UK (out of 590 companies).



You have made significant improvements to the range, content and quality of web based information, meriting continued Compliance Plus



- CSE Assessor



Identifying and adapting to new priorities

Throughout 2018/19 our engagement activity has identified new and changing priorities. As our engagement on the shift becoming a DSO has broadened stakeholders' knowledge and understanding of this area, they have told us to act quickly to transition and deliver DSO services they can participate in. In conjunction with this we have seen an increasing importance placed on strategic investment and forecasting in relation to availability of network capacity for new developments. We have also seen a rapid growth in interest in EVs and a request for WPD to provide services and guidance to ensure the charging infrastructure can meet consumer take-up.

Our stakeholder engagement strategy has enabled us to identify and act on these priorities. Our ICE workplan in both 2018/19 and 2019/20 reflect these new priorities.

As a result of this our engagement focus has adapted:

- ▶ Quickly become a DSO – act swiftly to deliver DSO services which customers can fully participate and benefit from.
- ▶ Strengthen links with local development – continue to develop relationships with local government and local enterprise partnerships to aid improved understanding of strategic network requirements and challenges. Building trust and understanding with our stakeholders.
- ▶ Ensure drivers are able to conveniently charge their EVs – act quickly to deliver guidance and solutions to facilitate the provision of EV charging infrastructure.



44

'compliance plus'
ratings out of 57
in CSE standard

Engagement methods

WPD aim to have the industry leading stakeholder engagement programme meaning our engagement must be meaningful, leading to substantive improvements for customers and enabling them to hold us to account for our performance. To deliver this we must have an engagement programme which is comprehensive, extensive and tailored to be inclusive of a broad range of stakeholders.

Our approach is to primarily engage face-to-face wherever possible, providing scope for in-depth discussion on complex issues or differing views. We recognise that the knowledge, interest and availability of our stakeholders varies and we therefore must utilise a range of methods to ensure we meet our aims and deliver a programme which is inclusive of all stakeholders and tailored to suit their preferences. We continually identify new stakeholder groups and changes in existing stakeholders' priorities. Using methods such as webinars enables us to provide engagement of hard-to-reach stakeholders. We consider this tailored engagement of stakeholder groups in relation to their knowledge and interest which is mapped in the pyramid on the right.

Engagement underpins the design of our ICE initiatives in our ICE workplan making sure that engagement does not stop at identifying the improvement, but continues through the devolvement and delivery ensuring the best outcomes for customers.

We ensure that stakeholders are able to inform every stage of our ICE activity, not just as a result of delivery of an initiative. Our continuous cycle of engagement seeks ongoing input on decisions and collaboration on delivery.



Tailoring our methods and approach

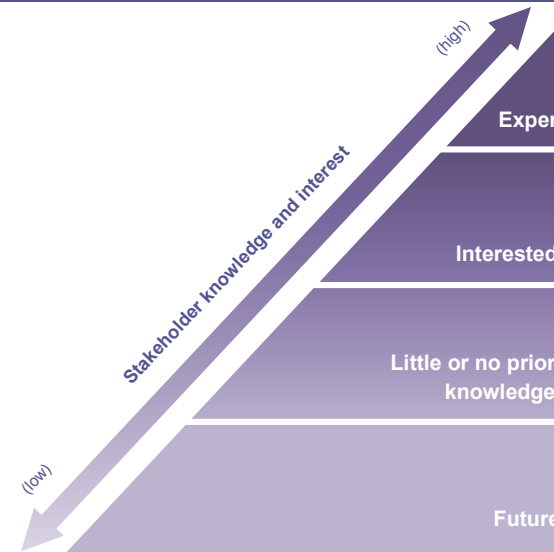
We tailor our engagement methods to our stakeholders, understanding that they have a broad range of knowledge and interest. We also value the time they are able to commit when engaging with us and recognise that not all stakeholders have the availability to attend events.

Therefore a one-size-fits-all approach does not deliver long-term meaningful engagement and so we use a variety of tailored methods to continually improve the quality of our interactions.



The table (right) shows how we identify stakeholder's by their knowledge and interest to tailor the topic methods and of engagement delivery.

We seek to update our approach taking advantage of contemporary methods such as webinars, podcasts, social media and online videos to extend our reach. These methods enable us to gather feedback through comments, interactions and polls gaining views of a broader stakeholder base. Our ICE workplan and updates are shared on our social media channels to continue to raise awareness and encourage further feedback, this year updates via Twitter alone reached over 27,000 users.



Stakeholders we work closely with to build their knowledge to an 'expert' level, or those who already have an in-depth knowledge of connections activities

Stakeholders who interact regularly with WPD for connections activities and have a sizeable knowledge and interest in this area

Stakeholders who may only interact once or occasionally for connections activities and have little knowledge of WPD or this area

Stakeholders who may want connections in the future and may have no knowledge of WPD or this area

Our Connections Strategy

WPD's connection strategy is underpinned by our stakeholder engagement strategy which ensures we are focused on delivering the connections service our stakeholders require. We listen to what our stakeholders tell us and translate their requirements into a set of overarching connections outputs designed to fulfil those needs.

The fundamental objective of WPD's connections outputs is to provide excellent service for customers connecting to the network whilst facilitating competition in the connections market. These overarching outputs to our connections strategy are used to develop the WPD ICE Workplan. Through our stakeholder engagement we source the feedback we need to formulate a range of initiatives which deliver on these overarching outputs for our stakeholders. An explanation of the primary connections outputs is provided below:

To provide a faster and more efficient connections service

The key output is to improve the overall time to connect by 20%, whilst still maintaining excellent customer service such that WPD continues to be the top ranked DNO group by customer satisfaction surveys.

To improve communication with customers

This objective centres on delivering outputs that improve how our stakeholders can communicate with us and the information that we can provide them. There is a focus on developing and enhancing online information and interaction for connection customers.

To enhance engagement with major customers

Outputs for this objective centre on ensuring we communicate effectively to gain feedback to better understand the requirements of major customers. Enhancing our engagement leads to improved focus on these customer requirements and drives the development of our priorities for ICE Workplan initiatives.

To achieve guaranteed standards of performance

The target to achieve zero failures of connections GSOPs ensures that we maintain our focus on the core connection activities required at each stage of the connection process.

To enable facilitation of the competitive market

WPD has a key role in the facilitation of competition in connections and it is important that we continue to work with customers and connection providers to ensure that we further develop competition in connections to ensure a level playing field in the connections market.



Ofgem Incentive on Connections Engagement 2019

Section 2: WPD ICE looking back report

Overview

This section forms part of our looking back report, presenting the results of our engagement activities and delivery of our ICE workplan initiatives throughout 2018/19 under the Ofgem ICE incentive.

During 2018/19 we have undertaken an expanded programme of stakeholder engagement which has enabled us to successfully develop improvements, new services and to identify new stakeholder priorities.

In the first half of the year we identified that the connection of electric vehicle (EV) infrastructure had become a high priority issue for our stakeholders and as such we responded by expanding our programme with new engagement focussed on this area as well as a range of new initiatives in our ICE workplan.

Our engagement around the transition to DSO has stepped up a gear once again. The creation of our DSO Forward Plan provided customers with a clear road map setting out what WPD will deliver enabling engagement in more detail. Our rollout of flexibility services has required significant close engagement with stakeholders to ensure that we deliver these new services in a way that customers can participate.

WPD's 2018/19 ICE workplan was developed using a set of priority areas identified by our engagement activity. We have delivered a range of 48 initiatives in the workplan which address these priorities and we explain in this report in more details the developments and positive outputs they have provided. As with the previous year, stakeholders had told us that making more information available and accessible to them should continue to be a priority area in 2018/19 and in this report you will see how we have made further improvements to the information we make available, expanding the scope and providing new information to assist customers with their connection requirements.

As demonstrated by the addition of new initiatives around EVs, our workplan does not stand still once published, our continuous stakeholder engagement identifies initiatives which are added to the workplan to deliver in the current year or into the next. This ensures that our stakeholders see that their feedback leads to action and is reflected in the initiatives we deliver.



Engagement overview

Our connections engagement is comprehensive wide-reaching and effective. It has helped us to identify the activities our stakeholders think are most important and to gain their insight in delivering initiatives with positive benefits for our customers.

Our stakeholder engagement strategy is set out in Section 1 where we explain how this is fundamental to how we operate and underpins our ICE activity. In 2018/19 we have continued to put this strategy into action, expanding our activities further and engaging more stakeholders than ever.

We always engage with a purpose and it is vital to WPD that this expansion of engagement does not diminish the quality, but continues to drive our actions. This year we have continued with enduring activities such as our CCSG and DGOO where the longevity of the membership can provide ongoing challenge and detailed feedback. We have increased the engagement we undertake which is focussed on specific topics or stakeholder groups, for example our engagement events on EVs targeted at local authorities has led to the development of improved information and key elements in our new EV strategy.

This year we have continued to expand the range of engagement method we utilise to ensure that we can engage with hard-to-reach stakeholders or those with limited availability. Our use of webinars on specific topics, such as the move to new engineering standard for DG or to provide information on our flexibility services have proved successful. As have our videos on the shift to DSO, the role of local flexibility and the growth in EVs which aim to explain and engage on complex ideas in a simple and accessible way (see pg. 23).

In this section we explain how the outputs of our engagement are linked to the workplan outputs we have delivered in the year. We also set out the wider engagement activities which inform our present and long-term plans, identifying the activities which need to be undertaken in future ICE workplans.



18,872
Stakeholders
engaged at events



7,460
Stakeholders
surveyed

2018/19 Engagement summary

The table below and on the following pages set out a summary of the engagement activity undertaken by WPD during 2018/19 with our connections stakeholders.

For each activity the table gives a brief description, the number of stakeholders engaged with this activity through the year (reach) and the market sector the stakeholders broadly represented: unmetered supplies (UMS), demand connections (DMD), distributed generation (DG) and where we have engaged on the DSO transition (DSO). Each activity was either hosted by WPD or WPD were involved in presenting or discussions.

Surveys

Activity	Description	Reach	UMS	DMD	DG	DSO
Major Customer Survey	A WPD commissioned monthly customer satisfaction survey of connections customers covering the market segments under the ICE scope. The style of the survey remains in line with that conducted under the Ofgem Broad Measure Survey.	1,779	●	●	●	
DG Survey	A WPD commissioned customer satisfaction survey of Distributed Generation connections customers. The style of the survey remains in line with that conducted under the Ofgem Broad Measure Survey.	397			●	

Steering groups

Activity	Description	Reach	UMS	DMD	DG	DSO
CCSG	Panel of experts across the connections market to inform, influence and feedback on WPD connections plans and activities. The outputs from this group also feed into our overarching customer panel.	35	●	●	●	●
Customer panel	Customer panel meetings help to inform WPD's strategy and action plans for a variety of areas.	38	●	●	●	●
UMS User Groups	Meetings held for Local Authorities in the Midlands, South West and South Wales, allowing the LA's to discuss connection issues and feedback on performance.	37	●			
WPD CiC Group	The CiC group brings together representatives from Independent Connection Providers and Independent Distribution Network Operators to influence and feedback on WPD connections plans and activities relating to the competitive connection processes and identify areas for improving processes.	11	●	●	●	
WPD DG Owner Operator Forum	Four meetings were held throughout 2018/19. The forum enables WPD to gain an understanding of DG owner/operator needs to develop actions to improve the services we provide.	73			●	●

2018/19 Engagement summary

Engagement events

Activity	Description	Reach	UMS	DMD	DG	DSO
WPD Stakeholder Workshops	Workshops covering a wide range of topics, including connections, were held at various locations across all 4 WPD licenced areas.	330	●	●	●	●
WPD Local Investment Workshops	WPD's Distribution Managers hosted a series of stakeholder workshops throughout the regions. Stakeholders in attendance included councillors, council planning officers, developers and others involved in the growth agenda. The workshops were designed to provide local stakeholders with an update on their local network investment, obtain feedback on where stakeholders saw capacity challenges as a result of local development and strengthen working relationships between WPD and local stakeholders.	Over 200	●	●	●	●
Community Energy Events	8 WPD community energy workshops and a community energy site visit were held throughout the year along with 2 joint DNO and ENA community energy events with workshops.	467			●	●
Connection Surgeries	Connection surgeries are held to facilitate customers and ICPs having face-to-face discussions with one of our engineers about their connection requirements.	11	●	●	●	
Electric Vehicle events	WPD hosted two dedicated electric vehicle events for local authorities in addition to taking part in the EV Energy Taskforce meetings and presenting at a number of other engagement opportunities, such as the ENA EV forums workshop, local authority hosted events, the Future Networks Conference, Smart Energy Marketplace hosted by Regen and the IET EV Event.	5,547		●		●
Low Carbon Networks & Innovation Conference	An industry event to be held in October 2018 to share information and feedback on innovation projects including innovative connection related projects.	100	●	●	●	●
Future Networks Events	The Future Networks Conference included a WPD presentation on creating network headroom, developing electric vehicle strategies and the role of V2G. In addition, WPD's Future Networks Manager was interviewed by New Power, providing information on energy storage, network flexibility, low carbon technologies and network performance and disseminated information relating to future networks through the use of webinars.	284	●	●	●	●
Strategic Network Investment	We complete a cycle of engagement consisting of a pre-analysis workshop to demonstrate our approach and seek feedback, followed by a webinar explaining results and answering queries.	110	●	●	●	●
WPDs Balancing Act Conference	WPD will be holding a conference including a presentation on Facilitating Neutral Markets: Signposting Distribution System Needs. Signposting will provide information on WPD's distribution system needs in areas which we expect to become constrained for demand in the near future.	320	●	●	●	●
Wales Energy Conference	We presented at this event on making supplies fit for the future, including DSO transition and flexible networks to raise the profile of innovation work we are doing in Wales.	90	●	●	●	●
South Gloucestershire Show	An energy summit event including WPD representation on community energy	120			●	
Utility Week Live	We exhibited throughout the week at the 2018 event. In January 2019, we presented on our transition to DSO and the flexibility services we are able to offer.	5915	●	●	●	●
Power responsive annual event	The 4th annual power responsive event including discussions on demand side flexibility, markets for the energy system and an ability to engage with flexibility providers. We also disseminated learning and new zones for our ENTIRE project	250	●	●	●	●

2018/19 Engagement summary

Engagement events (continued)

Activity	Description	Reach	UMS	DMD	DG	DSO
Electricity Innovation Forum	We attended this event and delivered a presentation on carbon tracing	70	●	●	●	●
MP Visit to a WPD Site	We invited an MP to visit site to demonstrate our DSO transition with new automated switchgear, highlighting the benefits to the local community. We also visited an 11kV underground cable reinforcement site, noting that in some instances reinforcement will still be necessary to support regional growth	4		●	●	●
The Energyst DSR Event	A DSR even with the latest information on flexibility services including a presentation on the learning from project ENTIRE. This was also an opportunity to engage with potential flexibility providers.	200	●	●	●	●
“Dragon’s Den” style event	WPD’s new Operations Director led an innovative new approach to engage parliamentarians, civil servants and key policy makers on DSO transition via a “Dragon’s Den” style event. This allowed showcasing of innovative smart network schemes and prompted discussion on key policy decisions required to facilitate a full roll out	90	●	●	●	●
Cornwall Local Energy Market	We engaged in discussions on the progress being made for bringing flexible, smart solutions to the UK	31	●	●	●	●
Local Authorities BCBC Smart Energy Plan	Bridgend County Borough Council and Energy Systems Catapult have been working together, alongside other partners, to accelerate innovations that decarbonise domestic heating to market. We participated in this event which allowed us to disseminate information about the Smart Energy Plan and project ideas alongside insights gained in the Smart Systems and heat programme.	50	●	●	●	●
Energy Storage Summit	We attended this leading summit supporting the deployment of Energy Storage across Europe, looking at why co-location is sustainable, what consideration for co-location are required and how grid connected technology will compare to the behind the meter market. This event included a WPD presentation on Future Trade Markets.	100			●	●
Digital technology revolutionising the energy sector	WPD attended this event and took part in the panel session to respond to questions from attendees. The event provided an overview of some of the potential IT challenges facing the energy sector and potential solutions.	30	●	●	●	●
The future of local flexibility	Engagement with community energy groups on local flexibility services, including a WPD presentation on the transition from DNO to DSO	100	●	●	●	●
ER G98 G99 Webinar	We held a webinar to disseminate information relating to the changes to be applied from April 2019 as a result of the implementation of Engineering Recommendations G98 and G99 relating to the requirements for generators.	116			●	
Other DSO engagement	WPD have taken part in other DSO related engagement activities, including presenting at the Worcestershire Renewable Energy event on DSO and general local energy engagement on their strategy and presenting to the BHA Hydro Network on DSO transition and DER revenue opportunities	Over 3232	●	●	●	●
Other engagement	Other stakeholder engagement includes involvement in energy strategy workshops held by Local Enterprise Partnerships and local MP meetings to discuss WPD’s innovation work in specific regional areas	445	●	●	●	●
Senior manager Contacts	Major customers have been allocated a senior manager point of connection within WPD. This contact may be include discussions on issues relating to specific projects and overarching discussions on policies or processes.	83	●	●	●	

ICE Workplan outcomes

Our ICE workplan is developed to deliver initiatives for broad range of stakeholders' priorities, improving our connection services across all segments of the connections market.

WPD has delivered 48 ICE initiatives in 2018/19 providing improvements, new services, making more information available and expanding engagement. The broad range of initiatives completed benefit the full range of connections relevant market segments, from improvements to the live LV jointing process improving UMS activity, to flexibility services for demand connections and improved outage information for DG customers. Our ICE workplan is developed to ensure we improve in all areas.

Last year we simplified our ICE workplan format, moving from numerous granular actions, to broader initiatives. This was in response to stakeholder feedback that the previous format became unwieldy and difficult to follow as it expanded through the year. However we have not lost the detail or reduced the quality of our initiatives, our initiative structure (see looking forward report pg. 39) maintains a consistent and effective approach. Our regular workplan updates provide stakeholders with ongoing transparency of our progress against the workplan.

WPD's approach to ICE is to develop workplan initiatives which not only tackle relatively 'quick-wins', which still provide important improvements, but also to develop stretching initiatives which may require longer to deliver with target dates set beyond the current ICE period. As such we have completed a number of initiatives on target from the previous year and have commenced work on some which will continue into next year.

Our commitment to a continuous cycle of engagement and improvement is reflected in our workplan. Our ICE workplan is not fixed in place at the start of April each year, instead it is updated throughout the year as our initiatives, external factors and our engagement identify new requirements. This year we expanded our ICE workplan with 4 new initiatives added in response to stakeholder priorities around EVs and consistency with assessment and design fees.

Over the following pages of this section we highlight key outcomes from the delivery of the workplan initiatives together with the engagement which has driven them. We explain how the initiatives developed, provide examples of how we collaborate with stakeholders to deliver effective improvements and detail some of the key outcomes for our customers.



48

Initiatives
delivered



4

New initiatives
added in the year

ICE Priorities - the areas our stakeholders identify as most important

When developing our initial ICE workplan for the year we refine our stakeholder feedback into a set of priority areas, helping us to focus the development of our ICE workplan initiatives. In the development of our 2018/19 ICE workplan, the focus areas we set out as per below:

► Transition to DSO

Continue to engage with stakeholders with information tailored to their knowledge and interest. Develop information signposting where flexibility services are required in the short and long term. Continue to work with other network and system operators to coordinate approach.

► Availability of information

Further improve information on outages & constraints increasing detail and scope, improve constraint & capacity information adding additional layers to existing services, provide assistance with understanding available information.

► Network capacity allocation and reservation

Engage stakeholders and review impacts of new policies and procedures for capacity allocation and reservation. Continue to engage on strategic network investment and forecasting.

► Competition in connections

Continue to engage CiC stakeholders in ongoing development of service improvements WPD have committed to deliver

In addition to the priorities set out above we also have overarching commitments which remain a focus throughout the development of connection service improvements:

- **Improving customer service** - which applies across the board with our ICE initiatives
- **Improving consistency** - this is a key consideration in the way we develop and implement initiatives

Overarching engagement activities

Connection Customer Steering Group

The WPD CCSG continues to be a fundamental part of our connections engagement informing the development of our ICE workplan and activities.

Our CCSG meets at three workshops each year and its members represent a cross section of connections stakeholders cover all market segments. Now in its sixth year, this enduring engagement with expert stakeholders, many of which have been involved from the start, provides robust challenge and feedback on our ICE activities. New members have also joined the CCSG this year, ensuring that the group continues to reflect the changing connections environment, expanding the range of experience and insight in working with WPD and helping identify best practice in other DNOs' areas.

The CCSG is attended by WPD directors and senior managers providing opportunity for face-to-face feedback and discussion with stakeholders and the WPD person responsible for delivering their elements of our ICE activity.

In 2018/19 the CCSG has covered a range of detailed topics at the request of the members. These topics enable members to expand their knowledge of WPD's activities and new developments along with discussion on emerging industry developments.

As well as reviewing the areas identified as overall priorities, the CCSG members also provide specific areas for improvement initiatives. Examples of this includes as our work to improve guidance on capacity reservation and allocation initiative, as well as to help inform the development of a wide range of ICE initiatives each year.

“ The session was professional and WPD were very open to feedback and debate

- CCSG member feedback ”
June 2018

Customer Collaboration Panel

As an enduring component of the WPD's engagement programme, the Customer Collaboration Panel (CCP) has been in place for eleven years. It is a permanent group of 38 expert members who represent all segments of WPD's customer base, from large industrial businesses to individual domestic customers. The CCP meets quarterly, led by a WPD Director. It critically reviews WPD's current performance, provides strategic steer on WPD's priorities for the future and acts as a sounding board for various subjects

The panel exist as to provide expert advice and opinions and to work collaboratively with WPD to devise effective solutions, benefits and improvements for customers. The CCP debates a wide range of activities and members provide a steer throughout the lifecycle of the initiative/project, raising areas of concern from a customer perspective. Importantly the CCP has an opportunity to discuss our ICE activities and planned initiatives plans, as well as providing feedback on the ICE initiatives once complete.

Customer Engagement Group

Ofgem expect all DNOs to establish a customer engagement group for their Business Plans in RIIO-ED2 (Revenue = Incentives + Innovation + Outputs, Electricity Distribution 2). WPD is leading by being the first DNO to establish its CEG, appointing an independent chair in November 2018. The CEG is designed to offer robust challenge to company proposals. It will help Ofgem and our stakeholders to understand the extent to which our plans reflect and will meet the needs of our customers.

The CEG is attended by our CEO and will have the ability to challenge us on our priorities, proposed outputs and expenditure, stakeholder engagement processes and approach in all aspects of what we do. Incorporated in this will be our transition to become a Distribution System Operator (DSO) including the rollout of Flexibility and electric vehicles (EV); for example. The engagement and challenge provided by the CEG will deliver a new area of important feedback informing our ICE activity .

Summary

Focus area: All aspects of WPD's connections activities and long-term plans

Market Segments: DMD DG UMS

Stakeholder focus: customers, developers, DG, community energy, ICPs, IDNOs, consultants, utilities.

Engagement outputs

- ▶ Directly informing and reviewing WPD's ICE priorities, acting as an expert sounding board and validating the areas identified by stakeholders in wider engagement
- ▶ Direct feedback on WPD ICE initiatives to the WPD responsible manager helping to improve outcomes
- ▶ Identifying areas where WPD should focus further engagement such as the Charging Futures programme.

Overarching engagement activities

Local network investment workshops

WPD's local investment workshops provide targeted engagement on network investment and planning for a range of stakeholders involved local developments

In 2017/18 we held a successful pilot of local investment workshops where stakeholder feedback was positive about the events. We therefore decided to roll out workshops across our region. In July 2018 WPD's 27 local Distribution Managers and their network Planners hosted a series of workshops covering their local areas.

The workshops responded to stakeholder feedback from local authorities, local enterprise partnerships (LEPs) and developers, that wanted to better understand and be able to discuss WPD's investment plans, regional challenges and locations of future developments and asked for engagement focussed on more region-specific detail.

Over 200 stakeholders including MPs, councillors, council officers, LEP representatives and developers were able to discuss these areas in detail with the WPD teams responsible for those areas of the network. In conjunction with these workshops we produced 27 bespoke investment brochures detailing a range of local investment schemes and the contact details of the local Distribution Manager to facilitate further engagement. We also launched an interactive map on our website ([here](#)) where the local investments schemes can be viewed together with details of the benefits for customers. Due to the identified increased priority around the rollout of Electric Vehicle (EV) charging infrastructure, we also took the opportunity to discuss this area with stakeholders and explain how WPD can provide assistance with their plans.

Feedback has been positive and the discussions have enabled improvements in the information for the forecast and planning of both WPD and stakeholders.



27

Bespoke investment brochures produced

Annual stakeholder roadshows

WPD's roadshow events are a foundation of our engagement programme targeting a full range of stakeholders across our entire region.

Our annual roadshow events are part of WPD's core engagement programme, addressing all aspects of our operations including connections. February 2019 saw our highest ever attendance with 330 stakeholders attending the 6 events across our region with 52% of attendees returning from 2018. The roadshows consist of short presentations from WPD's senior managers followed by round-table discussions facilitated by WPD staff, including senior managers, directors and our CEO to hear directly from stakeholders. Each session included individual electronic voting providing key feedback to inform our planning and decisions.

This year's events focussed on our planning process for the next price control period, RIIO-ED2 (Revenue = Incentives + Innovation + Outputs, Electricity Distribution 2), and also our shift to a smart future including DSO transition and electric vehicles (EV). At each event, afternoon surgeries were held focussing on current issues. These surgeries included connections, community energy and EVs, where stakeholders could take part in roundtable discussions, ask questions about WPD's plans and feedback on areas our priority.

These sessions provide an important source of stakeholder feedback on our ICE activities and individual key priorities, providing the views of a wide range of stakeholders focussed on these areas. Details of the events can be found on our website ([here](#)).



330

Stakeholders engaged at 6 events

Summary

Focus area: All aspects of WPD's connections activities and long-term plans

Market Segments: DMD DG UMS

Stakeholder focus: Government, local authorities LEPs, developers, DG.

Engagement outputs

- ▶ Facilitated detailed discussion on local investment plans and network capacity challenges based on stakeholder's plans
- ▶ Strengthening local working relationships to improve communication and planning
- ▶ 27 local investment brochures produced together with online interactive map

Summary

Focus area: All aspects of WPD's operations including connections activities and plans

Market Segments: DMD DG UMS

Stakeholder focus: All stakeholder groups.

Engagement outputs

- ▶ 330 stakeholders engaged face-to-face on WPD's long-term plans.
- ▶ Additional engagement via online video clips and survey relating to events
- ▶ ICE priorities validated and ranked by stakeholders

Transition to DSO

DSO and flexibility services

The transition to DSO was flagged by our stakeholders as a priority area for our 2018/19 ICE workplan development, specifically stakeholders wanted us to move on from developing strategy and start to plan and deliver, creating services that help customers support the system and offers clear opportunities to participate in DSO activities.

The transition to DSO will benefit all customers and in particular connection customers. A smarter, more efficient and flexible system can facilitate more connections without costly reinforcement and enable customers access to new markets. We therefore need to engage in a variety of ways to capture the broad spectrum of stakeholders and ensure that they can shape our plans and benefit from these new opportunities, and we must ensure that none are left behind.

Over 2018/19 our engagement in this area has been wide-ranging and varied, enabling us to tailor to individual stakeholder groups, from detailed engineering discussions facilitated by our DSOF reports, to videos with animations introducing DSO and flexible services to community stakeholders (see pg.23).

Using this engagement we have sought detailed feedback from stakeholders to create a DSO Forward Plan providing visibility of specific deliverables and we have developed business as usual flexibility services enabling customers to contract with WPD.

Engagement output: flexible power

It is vital to the success of our flexibility services that it is easy for customers to participate. To ensure this outcome we need to engage stakeholders at all stages of the development and continual improvement of these services.

In 2018/19 our key focus has been to understand what customers want and the best ways to deliver the information they need. We undertook significant engagement on the development and rollout out of flexibility as business as usual. Our consultation on signposting (see pg.19) along with DSO workshops and bilateral meetings provided the feedback needed to deliver the right information to customers to enable them to participate. Following this our Flexible power webinars (see [here](#)) were held to help customers understand the information and data published for each constraint management zone (CMZ).

Stakeholders had fed back that information on flexible services was difficult to find and so we have developed a new website ([here](#)) under our "flexible Power" brand offering a single resource with information tailored to different stakeholder groups explaining the benefits and opportunities for them.



Industry collaboration: Open Networks Project

WPD are actively engaged in the Energy Network's Association's Open Networks Project collaborating on whole system benefits for all energy participants.

Our stakeholders are keen for us to collaborate wherever possible to provide cross-industry consistency. WPD's DSO Manager leads the Open Networks Project work stream focussed on the industry's transition to DSO, where shared learning provides opportunity for a more efficient whole system approach and for customers to have a degree of consistency and standardisation between operators they may work across.

Summary

Focus area: Transition to DSO

Market

Segments:

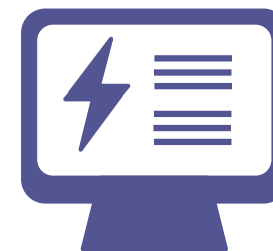
DMD

DG

Stakeholder focus: customers, developers, DG, community energy, government, local enterprise partnerships, ICPs, IDNOs, consultants, technology/innovation companies.

Engagement outputs

- ▶ Close engagement with stakeholders led to development of signpost information format
- ▶ "Flexible Power: Routes to Participation" webinars held helping customers to understand each CMZ and how to tender.
- ▶ Significant increase in overall DSO engagement reaching over 18,200 stakeholders.



New Flexible Power website launched



18,200

Stakeholders engaged on DSO

Transition to DSO

Workplan outputs: DSO forward plan

Our DSO Forward Plan sets out the benefits to our stakeholders and our immediate next steps and pathway to transition to a smarter more efficient flexible network.

In response to our stakeholders telling us that we needed to quickly move from strategy to planning the immediate next steps and defining the benefits for all types of stakeholder, we committed to develop a DSO Forward Plan.

Our DSO Forward Plan was published in August 2018 and has been communicated to stakeholders via our website, mailing list and at a wide range of stakeholder events. This document explains the benefits of DSO transition through the lens of a number of customer and stakeholder groups. It explains the key functions which are being developed to deliver benefits to customers and how they may be able to engage with the opportunities they present.

Importantly, the document sets out the roadmap for delivering outputs in 2018/19 with specific timescales and deliverables consistent with the commitments in our 2018/19 ICE workplan. We are updating the plan as part of our 2019/20 ICE workplan commitments.



Workplan outputs

- ▶ DSO Forward Plan published setting out roadmap with specific actions WPD will deliver to quickly transition to DSO
- ▶ DSOF republished as separate articles with 3 new updates.
- ▶ Webinar held to disseminate information on DSOF to stakeholders
- ▶ New DSO function established within WPD with dedicated manager and 71 staff.

Workplan output: DSOF updates

We have updated our Distribution System Operability Framework (DSOF) and republished as a series of articles providing detailed information and facilitating detailed engagement on the anticipated challenges in transitioning to a DSO.

The DSOF takes an active look at the future technical and commercial issues which could impair our ability to operate and maintain our networks effectively whilst developing capacity for new connections. Publishing our insights into these topics enables us to engage stakeholders and collaborate with the industry to discuss and share learning. At the launch events for our DSOF in January 2018, stakeholders wanted us to keep the document updated and the information refreshed regularly so that its effectiveness is maintained. We therefore committed to adding new content during the year and a two year review period for all articles in the DSOF. We also republished the DSOF as a series of separate articles rather than a single document to make the individual topics more easily identifiable and accessible where stakeholders have a specific focus.



During 2018/19 we published three updates on: loss of mains protection, changing load profiles and whole system fault level. These can be found on our website ([here](#)) where we set out each article with an indication as to whether it relates to assets, network operations, customers or a combination of these.

We hold dissemination events to update stakeholders on the DSOF; in January 2019 we held a webinar on this and recently updated articles which can be found on our website ([here](#)) along with more information on our DSOF.

Restructuring to meet new challenges

WPD has become the first DNO with a defined DSO function, facilitating the swift transition to DSO our stakeholders are asking for.

To enable us to successfully deliver the DSO transition and the most effective investments for our customers we have created a defined DSO function within WPD which is populated with staff undertaking DSO roles. Under WPD's Operations Director our new dedicated DSO manager leads a team of 71 DSO staff. By ring-fencing DSO activities such as scenario planning, impact studies, innovation and development of DSO policies and services, it will enable the DSO function to provide a service to the traditional network operations. Network investment will be able to consider smart solutions alongside the traditional reinforcement offered by the DNO function to deliver the most efficient solutions when building new networks. The decision on which investment pathway to choose will remain within the DSO and be detached from any conflict of interest from the DNO

The new DSO function provides for further focussed engagement in this area, ensuring we can effectively engage with stakeholders enabling them to fully participate in the transition to DSO.

Transition to DSO

Workplan output: rolling out Flexible Power

WPD believes that flexibility services will play a key role in delivering an economic and efficient electricity system. In 2018/19 we have rolled out flexibility as business as usual, actively using it with contracted third parties to deliver network solutions.

The transition from DNO to DSO is a high priority area for our stakeholders and the implementation of flexibility services is one of the key objectives in realising this transition. Facilitating new neutral markets around flexibility is a key objective in WPD's DSO Strategy. This will require us to provide a greater level of information on the performance characteristics of our network than ever before, in a format which is understandable and transparent and in a way which is in line with stakeholder expectations.

Signposting

To ensure that the information we deliver is tailored to stakeholder requirements as well as being both useful and accessible, we completed an initiative to consult with stakeholders in May 2018 on how we should present and provide the information and data on our system needs. The feedback from this consultation was used to produce a report which we have published setting out the principles and commitments for the provision of signposting data going forward. Our aim is to use this close engagement to develop the data and presentation style which match the purpose it will be used for. We have used these methods to publish signposting for flexibility zones that we procured in 2018. WPD's signposting information directs flexibility providers to the different distribution system needs required under a range of scenarios and timings and is presented on our Network Flexibility Map (see right).

Delivering flexibility

2018 was the first year for WPD to use flexibility as a business as usual activity. Throughout 2018/19 WPD sought expressions of interest for flexibility on 18 constraint managed zones (CMZ) across our region, publishing requirements for over 60MW of services. There were three types of product offerings: 'secure' managing peak demands, 'dynamic' supporting post-fault and 'restore' supporting outage restoration, each one dealing with the specific constraints within the zones. The procurement process undertaken by WPD attracted 87 participants to enter and resulted in 8 contracts totalling 28MW

Q1 2019 saw the implementation of improvements to the way we procure flexibility services, making it easier for customers to qualify to tender by joining our Dynamic Purchasing Register (DPS). Also at this time WPD implemented a phased flexibility pricing strategy which provides stability in early markets but also allows for price discovery in mature markets.

Using feedback from our stakeholders we completed an initiative to produce a report "Flexible Power – the first year in numbers", providing clear and transparent details of our progress towards actively using flexibility. The report, published on our website ([here](#)) includes statistics on flexibility offered and contracted in comparison to conventional reinforcement. The report will be updated annually providing stakeholders with a summary of the progress we make.

Timeline for flexibility in 2018



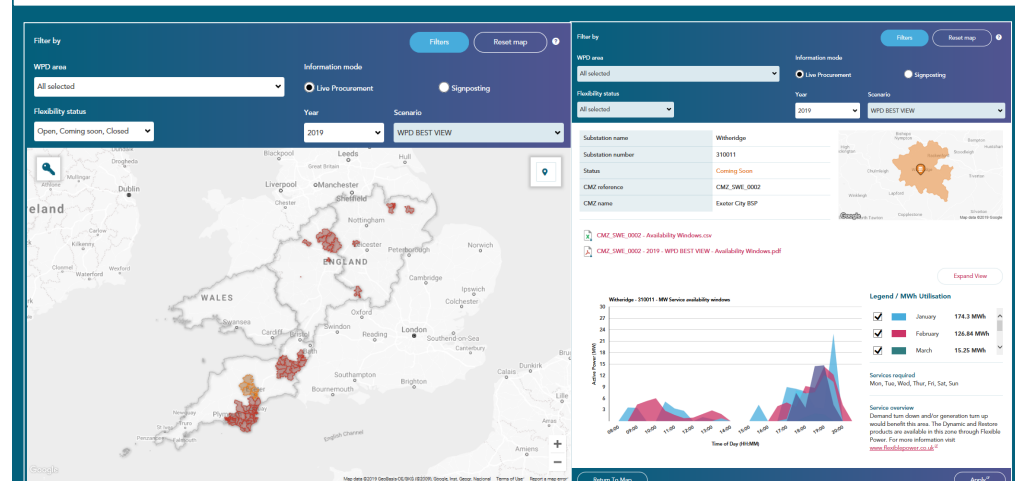
28MW
contracted
flexibility

Workplan outputs

- ▶ Signposting information published using stakeholder consultation to inform the format and presentation of data and information
- ▶ Expressions of interest sought on 18 CMZ
- ▶ 87 participants entered procurement for flexibility services
- ▶ 8 contacts signed totalling 28MW
- ▶ Network Flexibility map online, enabling customers to find easy access format data on current and future flexibility requirements in geographic regions.

Network Flexibility Map

As part of our aim to facilitate flexibility services by providing information which is understandable and transparent, WPD have developed a web-based network flexibility map. The map shows information on CMZs under 'live procurement' with details of actual requirements and 'signposting' the needs of areas we expect to become constrained for demand based on our future energy scenarios. As well as presenting the geographic supply areas it also provides interactive graphs where data ranges can be selected so that customers can tailor the data to their availability. In response to feedback we added the ability to download the specific data a customer had selected as a both raw data and visualised as a pdf. The map is available on our website ([here](#))



Electric vehicles

Our engagement has identified an increased stakeholder priority and we moved quickly in response, providing further targeted engagement, new polices and guidance to facilitate an accelerating rollout of EVs.

In 2018 our stakeholder engagement identified electric vehicles as an area of increased priority for our stakeholders. In fact in our local network investment sessions (see pg. 16) the key concern emerging from LA's was of how they are to plan for EVs and the associated charging infrastructure.

This priority was reinforced by Ofgem's June 2018 ICE consultation letter where they sought feedback on whether DNOs' engagement strategies for EV stakeholders were acceptable in light of the growth in EVs.

In response to this being a higher stakeholder priority, we increased the level of engagement in this area and improved the information available to assist customers with their plans for EVs. We also developed policy with new design standards enable the connection of more EVs without detailed technical analysis. We committed to two additional initiatives in our 2018/19 ICE workplan (2.22 and 2.23) to capture these improvements and provide stakeholders with transparency and the ability to track our progress. The two initiatives encompassed the range of improvements we made to the information available to stakeholders on EVs and the range of engagement activity we would undertake which is focussed in this area and targeted at specific stakeholder groups.

Engagement: EV conferences for local authorities

In 2018 we hosted the first DNO-led EV conferences for local authorities.

In response to feedback identifying EVs as a priority for them, we held two events in November 2018 targeted at LAs and dedicated to EVs. At the two events in Bristol and Birmingham we were able to share our plans with 267 LA stakeholders, providing them the opportunity to learn about and discuss the costs and implications of different charging types, our EV strategy and how they can engage with us on their plans for EV charging infrastructure.

Stakeholders welcomed the opportunity discuss these topics with 89% stating that before the events they were not sure where to begin with their EV plans and 100% rating the events as "very useful".



These events provided important feedback enabling us to update our EV guidance. We were also able to update our EV strategy identifying further commitments we will undertake as part of our ongoing engagement and 2019/20 ICE workplan. Building on these stakeholder relationships we have held a number of local bilateral meetings with LAs to discuss and provide help with their specific plans.


100%
Stakeholders found
EV conferences
"very useful"

Summary

Focus area: Availability of information, transition to DSO.

Market Segments: **DMD**

Stakeholder focus: LA's, customers, government, developers, consultants, technology/innovation companies.

Engagement outputs

- ▶ 267 LA stakeholders engaged with 100% finding events "very useful"
- ▶ Information provided helped inform LAs' EV plans enabling them to understand requirements of charge points compared to traditional street furniture
- ▶ Feedback has informed the development of WPD's first EV Strategy
- ▶ Informed the development of new initiatives in WPD's 2019/20 ICE workplan

Engaging on future plans

Our annual roadshow events provided the opportunity to engage a wide range of new and returning stakeholders on our plans for EVs.

As our At our annual stakeholder roadshows in February (see pg.16), we held a discussion sessions including how the rollout of EVs may impact out network and our plans to facilitate this infrastructure. At the six workshops hosted at locations across our four DSAs, we were able to engage stakeholders on the long-term planning requirements but also held EV surgeries at each event for stakeholders to hear from a WPD expert on current issues with an opportunity for discussion, feedback and the chance to ask any questions regarding stakeholders' more immediate EV planning requirements.

As a result of the feedback at these roadshows we were able to further review our EV strategy document ahead of its publication in March 2019.

Electric Vehicles

Workplan outcomes: EV Strategy

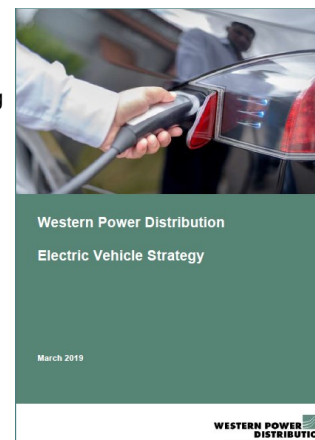
Our EV strategy provides our stakeholders with our vision and plans to facilitate the rollout of EVs.

Following the increased priority given to this by our stakeholders and also responding to a request from Ofgem asking DNOs to publish their preparations for potential EV rollout, WPD published our first ever EV strategy in March 2019 ([here](#)).

Our EV strategy provides our vision for the EV recharging solutions for a range of customer types and a holistic view of the work we have already undertaken and will be undertaking to deliver this vision. This provides an important step in our engagement with stakeholders giving them insight into our activities and plans, facilitating further feedback to ensure our plan align with their requirements.

- The document sets out our current approach and plans for
- Forecasting and growth scenarios
- Planning, design, costs and capacity availability
- Provision of information including guidance and advice for customers
- Stakeholder engagement approach and targeted groups
- Smart solutions and flexibility
- Innovation projects completed, ongoing and planned

The document also sets out a series of targeted commitments for 2019 and 2020 which have seven corresponding initiatives in our 2019/20 ICE workplan (see Appendix 2).



workplan outputs

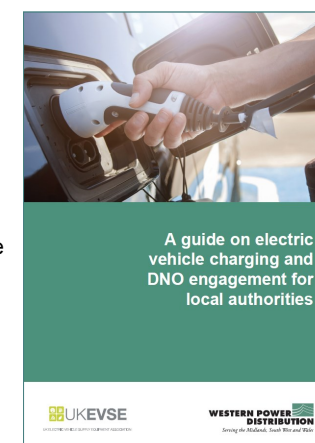
- ▶ EV strategy published including commitments for engagement and changes for 2019 and 2020
- ▶ Improved webpage for EV giving customers help and guidance as well as insight into WPD plans
- ▶ Targeted EV guidance document published for LAs
- ▶ Staff training on EV design policy and guidance for customers.

Workplan outcomes: EV policy and guidance

We have published guidance targeted at LAs helping them with

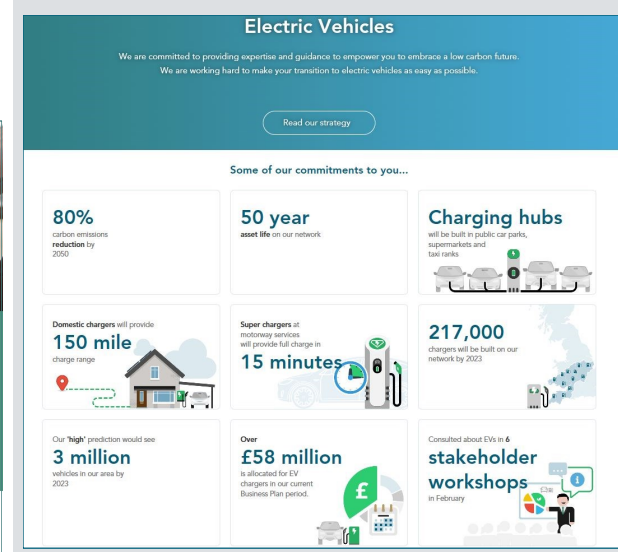
We have developed new policy using research data from WPD innovation projects to provide new simplified standard design requirements for EV charge point connections. The new standard technical design criteria facilitate the connection of more EV charging points without detailed technical analysis, providing quicker and cheaper solutions for customers. To ensure an effective rollout across our local teams, we held dedicated briefings for staff on the technical policy and on customer engagement to ensure we are providing consistent levels of service and assistance to customers such as LAs on their EV plans.

As part of our strategy to provide targeted engagement and guidance, following increased stakeholder focus, we have developed and published a guidance document of LAs. Our “DNO engagement for local authorities guide” provides information specifically tailored to LA customers delivering public charging points. Feedback from our engagement with LAs was that they often did not know where to begin with understanding the connection of EV charging points or the various costs and challenges associated with this. Our guide covers some of the technical considerations related to public connections as well as offering advice on how to make applications and discuss plans with us.



EV webpage

We have redesigned our EV webpage on the WPD website to provide clearer information for EV stakeholders. Through the use of easy to read infographics stakeholders are able to understand key points and commitments from our EV strategy. The webpage also provides access to the EV strategy itself along with our guidance documentation and links to related information.



Community energy

We have continued to evolve our engagement activity to work closely with Community Energy (CE) groups, recognising their unique requirements within broad DG groups, our ability to assist them and their ability to better inform our plans.

The feedback in our engagement throughout 2017/18 proved CE as an ongoing ICE priority for WPD and that CE stakeholders showed considerable interest in the transition and how it could affect them. In recognition of this our ICE workplan initiatives for CE were to further enhance our engagement and consult with CE stakeholders on the DSO transition.

The objectives of these ICE activities, were that this focussed engagement ensured that the benefits of the DSO transition could be shared by all WPD customers and that CE stakeholders are not left behind or disadvantaged when seeking entry to potential new markets. We set out to increase awareness, build knowledge and the ability to participate.

The outputs delivered by these ICE activities have helped to refine our DSO forward plans and to set the objectives for our 2019/20 ICE workplan.

Engagement and workplan outputs: CE workshops and site visit

In 2018/19 our CE workshops built on the successful CE engagement we have been running since 2015 with Regen. 317 stakeholders attended 8 workshops held across our regions focussing on DSO transition and the role flexible have to play. The workshops are well received with 100% of stakeholders stating that they were 'happy' or 'very happy with the events.

The events provided CE stakeholder groups to learn more about WPD's DSO forward plan, flexibility markets and the opportunities that might be available along with the role that CE can play in a smarter energy system. The workshops provide the opportunity to share learning and experience with fellow CE groups and have access to WPD experts to discuss for example, innovation projects and how CE groups can get involved.

- The key objectives of these workshops are to:
- keep stakeholders up to date with the latest connections and innovation news
- help stakeholders engage in the changes to the energy system (i.e. DSO and Flexibility)
- give direct access to highly experienced WPD staff
- help to share learning from local projects
- support regional networking.
- Provide important feedback and inform WPD's activity.

Following the success of a similar event in the previous year we also held a site visit at a CE project in Nottingham in July 2018. The event gave CE stakeholders an opportunity to see first-hand, a working renewable generation, distributed energy and community battery storage scheme with an ability to discuss the scheme with the development team and WPD. This was followed by a networking event whereby further discussion was facilitated on collaboration and innovation with fellow CE stakeholders and WPD. The site visit was very well received by the 29 stakeholders have attended with positive feedback received.

Summary

Focus area: Community energy

Market

Segments: DG

Stakeholder focus: customers, CE groups, local government, developers, consultants, technology/innovation companies.

Outputs

- ▶ Hosted 8 workshops with a focus on DSO transition and flexibility
- ▶ 29 stakeholders visited a working renewable energy and battery storage scheme
- ▶ Published a series of animations and case studies, receiving 8,961 views
- ▶ 49 stakeholders responded to our consultation focussing on what DSO transition and flexibility means for community energy schemes

Community Energy

Engagement and workplan outputs: CE consultation

We undertook our consultation with CE stakeholders on the transition to DSO, to find out what it meant to them and better understand what they want WPD to do more of to enable them to access potential benefits.

It was clear from the feedback we received from CE groups in our 2017/18 engagement that the transition to DSO and the associated opportunities for smart networks had become the predominant interest. We focused our CE engagement on this (see pg.22) and also wanted to further enhance and refine our engagement in this area to provide insight into how WPD should tailor our DSO implementation plans to ensure CE groups were supported.

To achieve this we carried out a consultation in August and September 2018 inviting feedback through an online questionnaire. The consultation set out the key areas of the shift to DSO and flexibility markets and what this might mean for CE. The objectives of the consultation were to:

- support CE organisations to develop knowledge about our changing energy system and encourage informed participation
- find out what communities think and what their future energy plans are, and;
- use this information to inform WPD's ongoing engagement and capacity building support for CE going forward
- ensure WPD's vision for DSO is aligned with the needs of customers and stakeholders.

We received 49 responses to the consultation (see report [here](#)), from the large number and quality of responses it showed that CE stakeholders are keen to be involved in the DSO transition and flexibility. Importantly it also showed the ongoing challenges for CE where limits of time, resources and expertise require additional support to assist them in a market with established better-resourced developers. Using the feedback we have received has enabled us to plan further engagement events, focussing on the key topics stakeholders have identified as important to them and also to set the initiatives in the CE focus area of our 2019/20 ICE workplan.



Communicating complex ideas: animations and case studies

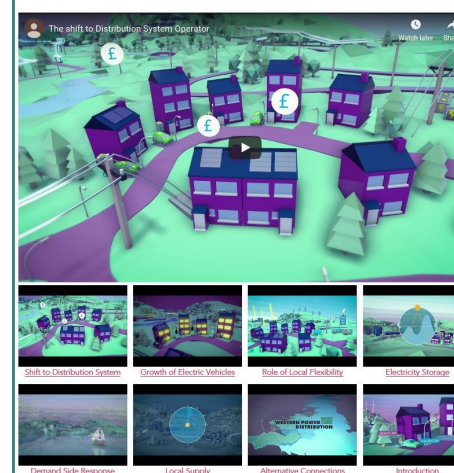
Our animation videos and case studies help communicate complex idea in simple accessible formats which can be easily shared with stakeholders.

WPD have previously produced a number of short animation videos aiming to provide an easy entry point to complex issues. Complementing our face-to-face engagement, these animations have been well received and viewed thousands of times. Stakeholders fed back that more of these would be useful on emerging priority topics and we committed to three new videos in our ICE workplan. The animations (available [here](#)) explained: the shift to DSO, the role of local flexibility and the growth in EVs. When shared at our CE events the videos were well received with positive feedback on them helping to understand these concepts and changes in the industry.

In combination with these videos, three supporting case studies were produced to provide further introduction to the topics covered by the animations. Briefly setting out the topic and giving an example of a related project undertaken in this area, the case studies have been published on our website ([here](#)) and promoted by social media.

Community Energy Video Library

There is lots of interest in ways of connecting to the grid and new business models in the community sector. WPD have produced a series of short films to help explain the different innovative new business models:



Capacity allocation and reservation

We are developing improved processes that will allow the fair allocation of capacity for customers when they apply for new electricity connections serving larger multiple domestic and/or commercial premises

In recent years we have seen an upturn in new demand connections enquiries for domestic or commercial schemes with relatively large capacity requirements and long development build-out timescales. We have also seen a rapid increase in requests to connect battery storage schemes which have large and immediate demand capacity requirements (alongside their equivalent export capacity requirements).

The increase in activity and demand for capacity means that in certain areas the network has become constrained so that further connections may require significant reinforcement. A considerable proportion of these constraints can be attributed to capacity which has been contracted under new connections schemes and 'reserved' but has not yet been taken up by an end user. This is because once a new connection offer has been accepted we have to ensure that this capacity is available according to the terms of the connection offer agreement. Therefore any design for subsequent applications for connection must assume that the previously contracted capacity will be fully utilised and is no longer available for the benefit of new customers.

Our stakeholders identified this as a priority area and in 2018 we undertook an ICE initiative to develop new processes and procedures for capacity allocation and reservation. In undertaking this initiative we have engaged with interested stakeholders through a consultation process to help inform and create a policy that allows fair allocation of capacity by the introduction of actions to incentivise the release of unused capacity, whilst giving customers who hold an offer for connection, a reasonable level of assurance that the capacity that they have requested will be available for their use during a prescribed period.

In addition to this our initiative to review and implement outputs from the national working group looking at good practice around rules for allowable changes to connections applications and post-offer acceptance where capacity is held by a customer planning to connect.

Engagement: Consultation with stakeholders

Following our initial consultation we have used stockholders' responses together with further engagement to arrive at key decisions which enable us to develop new policy inline with stakeholder requirements.

Our consultation in early 2018 focused on three key stages in the provision of capacity for new connections customers; application, acceptance of an offer and energisation of the connections.

We considered the level of information required at the application stage to secure an offer for connection capacity. At the point of acceptance we explored the use of milestones within the connection offer to manage slow or non-moving schemes. Following initial energisation, we suggested ways to manage schemes not fully utilising their 'reserved capacity'.

We received responses from numerous stakeholders representing a broad spectrum of connections customers including Local Authorities, Local Enterprise Partnerships, independent connection providers (ICPs), independent distribution network operators (IDNOs), developers and consultants.

The overall response was generally supportive of the principles we put forward. Local Authority and Local Enterprise Partnership respondents particularly understood the issues and were broadly supportive and keen for us to be able to work closely with their development plans. There were concerns for some on its potential impact of restricting the ability to reserve capacity on large long-term developments and a call for WPD to be flexible in its approach.

Further valuable feedback was obtained through our engagement with expert stakeholders at our CCSG and CiCG. This feedback helped us to construct our high level Decision Document setting out our conclusions and key areas for development.

Summary

Focus area:

Network capacity allocation and reservation

Market

Segments:

DMD

DG

Stakeholder focus: customers, developers, DG, community energy, ICPs, IDNOs, Local government, local enterprise partnerships, consultants.

Outputs

- ▶ 24 stakeholders responded to our consultation
- ▶ Principles outlined in the consultation helped inform stakeholders enabling them to understand and comment on our proposals
- ▶ Feedback has helped us to develop amended processes and procedures for allocating and reserving capacity
- ▶ Amended processes will be monitored following go-live and further feedback sought

Capacity allocation and reservation

Workplan outcomes: developing policy and processes

Throughout 2019 we have been developing our revised processes and procedures and are shortly to implement them via a publicised roll-out.

In March 2019 we published an updated Decision Document as part of our development of policy surrounding capacity allocation and reservation. The document set out to provide further detail on how policy would work in a number of key areas. An outline of the policy development areas is summarised below:

Letter of Authority – substantiate the relationship between applicant and the landowner/developer, confirming the scope of the development area being applied for.

Application information requirements – the minimum level of information on applications for connection for issue of a formal Connection Offer to enable capacity to be secured.

Connection Offer milestones – we will extend the existing milestones ensuring that projects which are not progressing do not unreasonably withhold capacity in the connections queue.

Development Phase – basis upon which applicants can ramp-up capacity requirements for up to five years post energisation.

Capacity reservation rules – reservation of capacity post initial energisation using a two-tier system based upon the level of financial commitment they have made.

Speculative developments – applicant charged 100% of any reinforcement costs and a capitalised sum for future operations, repairs and maintenance of the distribution system where the development is deemed speculative.

Infrastructure Offers – provided for use on large domestic or commercial developments where the long term requirements are not fully known and are therefore speculative.

We are developing the details around these key areas and will finalise our policy and processes by the end of June 2019. To ensure consistency across WPD we will rollout training to staff and will communicate changes to stakeholders to ensure awareness of our proposals. We will undertake a webinar event to engage impacted stakeholders and there will be full documentation provided and made available through our website. However, based on stakeholder feedback, we may defer 'go-live' until the end of July to allow stakeholders to familiarise and transition toward the amended processes.

This initiative is therefore included in our 2019/20 ICE workplan to provide continued stakeholder focus.

Industry collaboration: Allowable changes good practice guidance

WPD participated in the Distributed Energy Resources (DER) Working Group collaborating on the production of a best practice guide for the industry.

As part of an ICE initiative continuing from 2017/18, we worked with the DER working group in the development of their guidance document setting out agreed good practice relating to the changes which can be made by an applicant to their connection requirements at the application stage and post-acceptance of their connection offer.

WPD already had guidance in place and we committed to review this in light of the industry guidance. Following a review the document was re-badged and updated to include additional scenarios and some minor changes to align with the industry document. This was then published and we communicated with stakeholders on the work undertaken by the DER working group and informed them of our new guidance. The result is to provide improved consistency in the approach seen by customers acting across a number of DNO areas.

Summary

Focus area:

Network capacity allocation and reservation

Market

Segments:

DMD

DG

Stakeholder focus: customers, developers, DG, community energy, ICPs, IDNOs, Local government, local enterprise partnerships, consultants.

Outputs

- ▶ Development of amended policy and processes covering capacity allocation and reservation
- ▶ Development of industry best practice on allowable changes
- ▶ Alignment of guidance providing customers with consistency across WPD and in line with other DNOs.

Connection offers and agreements

Workplan output: assessment and design fees

The Electricity (Connection Offer Expenses) Regulations (the Regulations) came in to force in April 2018 (a.k.a. assessment and design or “A and D” fees), giving powers to DNOs to recover costs incurred when processing an application for connection even where the customer did not subsequently accept the connection offer. Prior to the introduction of the Regulations, DNOs had been unable to directly recover the costs of assessing the impact of the proposed connection on the network, designing the connection and preparing the offer (the Connection Offer Expenses) from the customer unless it was subsequently accepted.

Prior to implementing we discussed proposals with our CCSG and CICG members. We implemented processes in accordance with the Regulations on 1 May 2018, electing to initially adopt a limited approach by focusing on applications where the customer's proposed connection required EHV work (at 22kV and above). This was partly because this is the area that we see the highest amount of applications that ultimately do not proceed, meaning we are unable to recover the Connection Offer Expenses directly from the person that has caused those costs to be incurred.

As part of the implementation we published guidance and an FAQ document for customers and staff ensuring consistency and we set up a specific webpage ([here](#)) ahead of the implementation date to direct customers to for more information. We also emailed DG stakeholders with information on the proposals ahead of implementation.

Analysis has shown that the implementation of processes in accordance with the Regulations has had a significant effect on the number of applications received within the EHV market sector. Numbers dropped post implementation and have stayed constant ever since. This suggests that, even allowing for other market forces, a proportion of the applications were of a speculative nature.

Following discussion with stakeholders including our CCSG and CICG, we added a new ICE initiative in October 2018 for us to continue to review the success or otherwise of our targeted approach which would inform our decision on the application of Connection Offer Expenses in the future. At this point in time we have no immediate plan to alter our approach. However, we are aware of the discussion currently taking place at industry level concerning the implementation of the Regulations as a whole.

We also stated that we would increase transparency by updating guidance as required. In this respect we amended our Statement of Methodology and Charges for Connection to reference the Regulations and the associated Connection Offer Expenses that would be payable according to connection type.

Next steps

We understand there is more to do in this area if customers are to have clarity as to how DNOs apply the Regulations. We have drawn up a further ICE initiative for 2019/20 to collaborate with other DNOs via the ENA to identify any changes that will address customer concerns, improve consistency of application and methodology across DNOs and increase transparency.

Various industry trade associations are calling for a common approach by all DNOs to applying Connection Offer Expenses and the introduction of a common methodology. The DNOs are currently in discussion with these trade associations to see whether there is scope to develop a common approach. It may be that the best way forward is to develop any common methodology through a formal governance arrangement that includes a proper consultation process. Any change to the DNOs common methodology will require a DCUSA Change Proposal to be raised.

We will play an active part in any future discussion between industry colleagues. Our aim is to find a satisfactory resolution to the matter that increases customer confidence in the application of the Regulations and provides a better explanation as to the Connection Offer Expenses and the costs we have reasonably incurred in preparing the connection offer. Our success will be gaged through stakeholder feedback



Guidance and FAQs published on A&D fees

Summary

Focus area:

Connection offers and agreements

Market

Segments:

DMD

DG

Stakeholder focus: customers, developers, DG, community energy, ICPs, IDNOs, consultants.

Outputs

- ▶ Stakeholders engaged on new proposals, informing the drafting of guidance and FAQs
- ▶ Upfront A&D fees applied to schemes involving EHV works
- ▶ Acceptance rate increased to 24% from previous year average of 8% of offers.
- ▶ Simpler offer letter format implemented improving clarity for customers

Improved offer letter format

WPD have implemented a new connection offer letter format to improve presentation and clarity.

Following stakeholders feedback asking us to improve the presentation of our offers making them easier to review, we committed to an ICE initiative to make improvements.

Our stakeholders told us that our offers could be difficult to navigate and not entirely clear in communicating connection requirements. We undertook a review with an external design consultant to work on the presentation and with our lawyers to see if we could make the contract more transparent.

As a result we implemented a new look offer letter in June 2018 following presentation to stakeholders. The new offers provide more clarity on connection requirements with summary boxes and clearly defined sections. We have also separated the general terms and conditions from the offer so they are now signposted in the offer and published online which has cut down the size of the offer letter. Example offers can be found on our website ([here](#)).

Competition in connections

Our continued engagement with competition in connections (CiC) stakeholders ensures that we are able to identify areas where our input services can be improved or new activities provided to better facilitate CiC.

Through 2018/19 we continued to engage CiC stakeholders through our dedicated CIC Group, our CCSG (see pg.15) and via bilateral discussions with WPD's senior manager points of contact process. We have used this engagement to check back with stakeholders and keep them informed on the progress against our ICE initiatives as well as seeking feedback on any areas where further developments and improvements could be made.

We have delivered ICE initiatives which provide enhanced online functionality, improved information and extended activities which can be undertaken by ICPs/IDNOs.

Engagement outputs: CIC Group

The CIC group, established in 2017, provides input and steer to WPD's ICE workplan development from a group of CIC expert stakeholders.

The objectives of the CIC group to provide insight and input into WPD's future plans, acting as a sounding board for new ideas and providing feedback on the effectiveness of WPD's CIC services from their ongoing experience. The enduring engagement provided by knowledge and experience of the group ensures that a full range of market segments are represented and enables a focus on specific needs of CIC stakeholders.

The CIG has met three times per year and is attended by WPD senior management. The group have been provided updates and discussions on a range of initiatives and topics and have provided feedback leading directly to new initiatives in our 2019/20 ICE workplan. When established in 2017 when a large number of CIC initiatives were underway in our ICE workplan, attendance of the group was high, in the past year it has declined along with the number and scale of suggested improvements in this area. Whilst this can be a positive indication that stakeholders have few issues with our CIC services, we wanted to ensure stakeholders were satisfied. We therefore contacted our CIC stakeholders surveying their views on the CIG going forward and discussed with attendees at our April 2019 meeting. With the responses received and further discussion with the group we have moved to a schedule of two meetings per year. Whilst the group felt that the CIG was important they were satisfied that fewer meetings were required, particularly with the ability to discuss specific issues with their WPD senior point of contact where required.

Workplan output: extending contestability

In response to requests from CiC stakeholders, we have developed further extensions to the contestability of works at HV and LV.

Processes have been implemented to enable trials before making them business as usual. At this point ICPs have not undertaken these expanded scope activities but we will keep these open should an ICP wish to trial them in the future.

[HV overhead self-connection](#)

In June 2018 we implemented updated policy to enable an ICPs with relevant criteria to undertake points of connection to HV overhead lines as an expansion to the existing HV self-connection procedures. The updated policy was published and registered ICPs were notified via our email updates.

[Expanding scope of LV disconnections](#)

We have developed outline processes to extend the scope of LV metered disconnections beyond our existing process. ICPs have been notified and invited to take part in a trial to refine the processes ahead of any business as usual implementation.

Summary

Focus area: Competition in connections, Availability of information

Market

Segments:

DMD

DG

UMS

Stakeholder focus:

ICPs, IDNOs, consultants

Outputs

- ▶ Held 3 CiC group meetings to engage on improvement areas specific to competitive connections
- ▶ Updated policy to enable ICP connections to the overhead HV network
- ▶ Expanded the scope of LV disconnections associated with developments
- ▶ Developed a new online portal for submitting applications, self-connection requests and commissioning documents.
- ▶ Launched new online functionality for live jointing providing easier to use process
- ▶ Published guidance for ICP new-entrants providing overview of working in WPD's region
- ▶ Developed monthly inspection reporting providing transparency of performance.

Competition in connections

Workplan output: Improving online services for CiC

We have developed new online functionality to provide ICPs additional options and improved efficiency

ICP web portal:

Following assessment of feedback from CIC stakeholders on our existing CIRT system (used for CIC applications, notifications and job-tracking) we decided not to improve it, but instead to develop an alternative online portal. We developed the portal with our external website provider using feedback from ICPs via the CICG and to further refine the system before launch. We ask volunteer ICPs to test the system ahead of the launch to help ensure any issues were addressed. The portal went live in March 2019 with CiC stakeholders notified via email with 21 registering to use the system. It enables CIC customers to register, log-in and submit application or notifications online with the benefits being that their details pull through to each application without need to re-enter and a reference number is provided at the point of application.

Improved live jointing process:

Our live LV jointing process has been in place since 2012 and whilst there have been changes to the overarching policies, the administrative process has remained largely unchanged. CiC stakeholder feedback identified that whilst WPD's process was leading amongst DNOs they requested we improve the efficiency if possible, in particular for high-volume activities such as ICPs working on unmetered supply projects.

Following a survey of ICPs using the live jointing process, we used their feedback and undertook a process review where we committed to develop an online system to replace the existing spreadsheet template and email-based process. In conjunction with the development of the ICP portal (see above) we developed the system with our external web site provider and tested with volunteer ICPs, making improvements as identified. The system was launched by the target date and provides ICPs the ability to login and populate the required live jointing notification more easily and without the need to manage separate spreadsheet templates. Both ease-of-use and speed of the process has been improved and we have had positive feedback supporting this. We will be working with ICP users to identify where any further improvements can be made.

Workplan outputs: guidance and reporting

Guidance for new entrants:

Our CiC stakeholders asked us to provide high-level guidance focussed on new entrants seeking to undertake work in WPDs area, giving information on processes and procedures. Due to the multiple activities which ICPs can undertake under WPD's CIC services and extensions to contestability it was felt the a single point of reference providing an overview and links to further detail would be useful and aligns with our aim of better facilitating CiC.

We have developed a new guidance document and corresponding webpage providing ICPs and introductory guidance on operating in WPD's area, with links to our technical information pages, key contacts, signposted processes and explanations on authorisations, agreements and extensions to contestability. The webpage and guidance ([here](#)) was launched in June 2018 and received 419 page hits by the end of March 2019.

Transparency of inspection reporting:

ICP feedback identified the importance in transparency of the inspection activity for both ICPs undertaking work to be adopted by WPD and of WPD's own works. ICPs asked WPD to provide more frequent and tailored information over and above that which is published annually as part of the CiC Code of Practice and provide. We developed monthly reporting enabling ICPs to view their performance in relation to their peers including WPD. We now issue this information with monthly inspection reports to individual ICPs with a graph illustrating rolling 12 month performance in relation to other ICPs and a version of this is published with anonymised information on our website ([here](#)). The webpage for the monthly reports went live in June 2018 and had 207 hits by the end of March 2019.

“ [We] found that this system is much easier and user friendly

”
- ICP commenting on the online portal for Live LV jointing requests



DG owner / operators

Our DG owner / operator (DGOO) stakeholders provide important feedback and experience with working with WPD on connections, alterations to connections and informing our future plans in transitioning to a DSO with a smart and flexible network.

The engagement we undertake in this area is well established and enduring. It has enabled us to develop relationships and build knowledge providing key insight on our ICE workplan activities and priorities as well as facilitating collaborations to ensure outputs deliver required improvements.

Engagement outputs: DGOO Forum

The WPD DGOO forum provided an important opportunity to share knowledge, gather feedback and deliver improvements for DG customers

Established in 2016, the DGOO forum is chaired by our Control Room Manager and facilitated by Regen. It is aimed stakeholders with MW-scale renewables connected to WPD to engage on network outages, constraints processes and communications as well as ways to make improvements. The quarterly meetings are well attended with 73 attendees in 2018/19 from companies representing a significant proportion WPD's connected DG. The forum is effective and has successfully helped to deliver a number of improvement outputs in this area. This is validated by the feedback of the forum members who have fed back that the forum is meeting its objectives and on average rate it as 9.1/10 overall.

With this enduring engagement, we are able to build long-term stakeholder relationships which provide more detailed feedback and robust challenge. The experience of the group enables engagement on wider issues relating to future changes and this year WPD experts have presented on flexibility services with the transition to DSO and on operational best practice, where discussions led to establishing a point of contact for issues arising in real-time in between DGOO meetings.

The DGOO forum has proved this year to continue to be an effective source of engagement, providing vital feedback for the development of the multiple ICE workplan initiatives which have been delivered and enabling us to identify priorities and initiatives for our 2019/20 ICE workplan.




9.1/10
DGOO members rate
the forum overall

Summary

Focus area: Availability of information, transition to DSO

Market

Segments: DG

Stakeholder focus:

Generator owner / operators, developers
community energy, consultants

Engagement outputs

- ▶ 73 stakeholders attended 4 forum meetings in 2018/19
- ▶ Forum members received presentations on operational best practice, DSO and flexibility
- ▶ Forum provided input into development of ICE initiatives (see pg. 30)

“ The forums are great, especially as you actually see that items have progressed and been worked since the last forum meeting ”

DG stakeholder
April 2018

“ Great forum, I feel moving forwards these will greatly benefit the industry to standardise methods & create good working relationships ”

DG stakeholder
October 2018

DG owner / operators

Workplan outputs: transparency and effectiveness of outage and constraint information

Over the course of 2018/19 we have made a range of improvements to the quantity and quality of information made available to DGOO customers. Using our DGOO forum for feedback and refinement we have improved the effectiveness of the information and support provided to customers.

Development of report of lost generation due to outages

As part of the 2017 ICE plan WPD developed a methodology for estimating the lost generation in MWh for wind and solar generation sites as a result of outages on the WPD and National Grid systems. This report has been further refined with DGOO forum members input in 2018 including the provision of a year-to-date and monthly view of the percentage lost and available generation for DG customers.

Building on this work, in 2018 WPD developed a methodology for estimating what the potential cost of lost generation is in these circumstances. The report was developed and verified with the DGOO members and the model made available on the DGOO Portal. The report makes estimations of lost income based on published rates of Feed-in Tariff (FIT) or Renewables Obligations (RO) subsidies, wholesale power values and Generation Network Charge Credits (G-Duos) rates and the methodology was agreed with the DGOO members. Further details about the workings of the model are available in the October 2018 DGOO forum slides ([here](#)) and the report for 2018 is available [here](#). Feedback about the report from the group was positive including comment that WPD are a leader in this area.

Historic outage information

As part of our 2018/19 ICE initiatives we have also developed processes for the provision of historic outage information to customers upon request and in our connection offers for DG EHV connections. We identified stakeholder requirements through discussions with stakeholders and developed the processes to facilitate this, with feedback that we had met their requirements.

Workplan outputs: Provision of contacts and proactive notifications

Stakeholder feedback from DGOO customers indicated that having better information of the reasons for a constraint and the ability to discuss this and the information on our DGOO Portal is important in helping them better understand how outages and constraints can impact on their generators.

As part of our ongoing work in this area to further improve our services, we have established a single point of contact for assistance with our DG Portal as well specific contacts for individual outages. Feedback on this approach has been positive.

In addition to this we have developed a proactive email process to contact DGOO customers contacts where their generators have been affected by a fault the previous day and provide details of the fault. The approach was agreed with DGOO members and feedback on faults has improved since implementation. We are now looking to move to an automated process for this.

We have also developed a leaflet which provides an overview of constraints and outages for DG customers and the services we provide in this area. The form is available on our website ([here](#)) and we are looking to provide more detailed guidance to assist DGOO customers as part of our 2019/20 ICE initiatives.

Workplan outputs

- ▶ Improved information on lost generation including methodology for estimating the cost.
- ▶ Developed process for the inclusion of historic outage information with DG EHV connection offers
- ▶ Received positive feedback for improvements undertaken, including proactive fault detail information and dedicated WPD point of contact
- ▶ Leaflet produced providing an overview of constraints and outages along with services we offer DG customers

Workplan output: Collaboration: industry best practice

WPDs leading work in this area regarding engagement on improving service around outages and constraints for major DG customers has enabled us to work with the Solar Trade Association and provide input into the production of their 'Best industry practice manual for the management of network constraints on solar PV generation'.



Legal permissions and consents for connection schemes

WPD try hard to ensure that landowners and customers are aware and understand that legal permissions and consents are an important part of their connection. Our stakeholder engagement identified legal and consents being a priority area.

In 2017/18 in the Connection Customer Steering Group (CCSG) stakeholders recognised that the legal and consents are an integral part of the connections activity and the identification of key ICE initiatives could make significant improvements to the overall connection process for the customer and WPD staff.

We're proud of our efforts in this area and hope that with the initiatives below providing access to our case management systems and also the publication of reports of our performance standards ensures transparency for our customers along their legal and consents process journey.

Workplan outputs: online access to project information

We committed to an ICE initiative providing our customers with on-line access to information about the status of the legal process relating to their connection. Our customers are now able to access on-line information on two systems, which align with the two stages of the legal process as follows:

Stage One

The first stage of the legal process is making contact and negotiating with landowners and planning authorities. In relation to legal transactions, when terms have been agreed we instruct our lawyers to acquire the land and/or rights over land which are needed for the new connections. Prior to our lawyers being instructed, customers or their representatives can track the status of our activities in the legal and consents process through our Crown Internet Routing and Tracking (CIRT) process. CIRT is an online system that customers have to register to use. The legal transactions relating to a connection application can be tracked via CIRT, giving customers visibility of status information from initial landowner contact through to the point where we instruct our lawyers.

Stage two

The second stage of the legal process is the completion by our lawyers, Geldards, of the legal documents relating to the purchase of land and/or rights over land for the connection. Geldards have given our customers, their legal representatives and their ICPs access to HighQ, which is Geldards' excellent case management system. Access to HighQ is arranged with Geldards via a customer's legal representative. Once registered, customers and their representatives are able to access the HighQ Platform to obtain case-level status information about the legal process relating to their connection.

Workplan outputs: performance reporting

We've established internal standards of performance for the legal and consents process, providing customers with transparency of our performance via published reports.

This reporting in this initiative applies to both of the stages mentioned above. Each month we provide a report of our own, Geldards' and our customers' lawyers performance against our performance standards (see right). The reports are available for our customers on our external website ([here](#)) and internally for our staff to view.

The availability of reliable performance information has already yielded benefits. Realising that our reports showed how much time is lost waiting for responses from the other party's lawyers, we implemented an innovative approach to promote a step-change improvement in legal process timescales. Working with Geldards we developed our new 'Collaborative Partnership Protocol' (CPP) which encourages both sides' lawyers to adopt a new, collaborative way of working.



42%

In the number of legal completions within 50 days

Summary

Focus area:

legals & consents

Market

Segments:

DMD

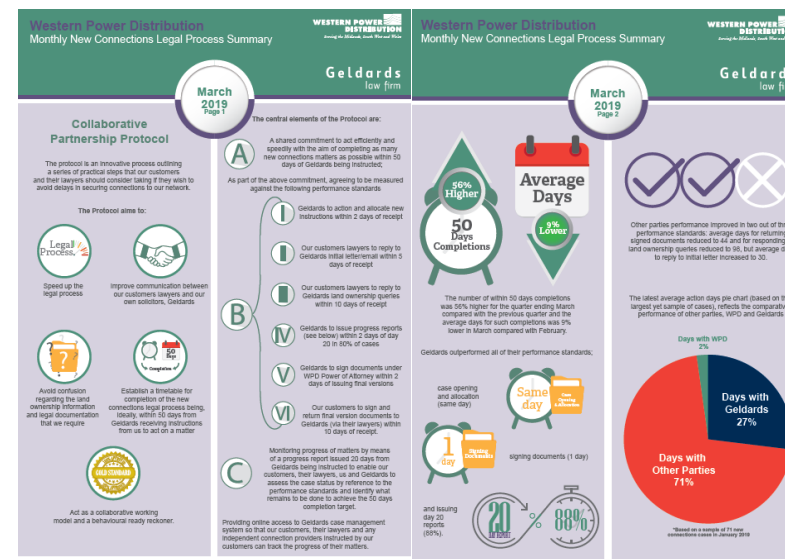
DG

UMS

Stakeholder focus: customers, developers, DG, community energy, consultants, ICPs, IDNOs, landowners, law firms.

Outputs

- ▶ Customers able to access online information regarding the status of their scheme's legal and consents
- ▶ Positive feedback received from stakeholders on this access
- ▶ Performance monitoring and CPP led to 42% increase in the number of legal completions within 50 days (which is our target) in the first 2 years of its operation up to 2018.



Improving information on network capacity and constraints

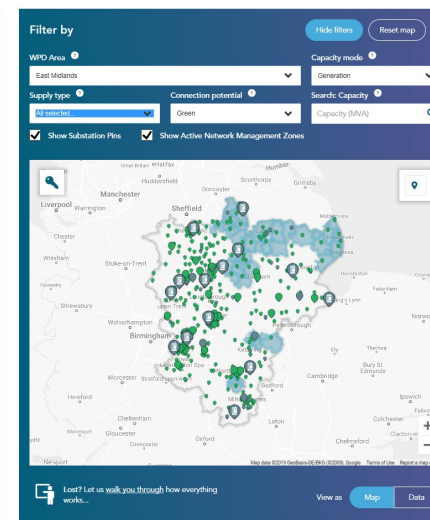
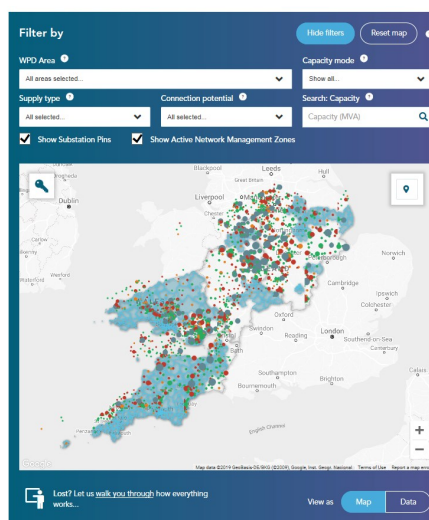
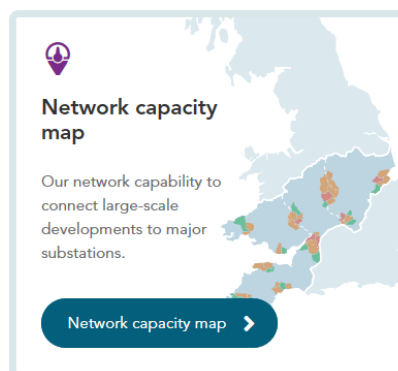
The provision of information on network capacity and constraints remains a high stakeholder priority and we have delivered further improvements as well as guidance to assist customers in using this information.

When identifying the priority areas for our 2018/19 ICE workplan, stakeholders were clear that they wanted more information on network capacity and constraints. In addition, stakeholders importantly also wanted WPD to provide help to understand what information is made available to them and assistance with how to access and use it.

Our focus this year has been to further evolve the capacity map (see [here](#)) information but also to provide the requested further assistance. We have successfully delivered a number of improvements and the importance of these is underlined by the increased number of times the capacity map has been accessed (21,729 hits) and the new download functionality has been used (710 downloads in 2018/19).

Workplan outputs: Capacity map improvements

- ▶ **Map hub**
we have created a new page ([here](#)) bringing together all of our online mapping information in a single 'hub' aimed at assisting customers with finding out what we make available and how they might find it useful.
- ▶ **Capacity map walkthrough**
we have added a new feature to the capacity map whereby the user can click a help link and be taken through a step-by-step walkthrough of the capacity map functionality.
- ▶ **ANM zones**
a new feature enables the user to see where WPD have active network management (ANM) zones available as an overlay on the map and understand where this can help provide a connection in constrained areas.
- ▶ **Reinforcement information**
for each substation where associated reinforcement works are committed, we provide a text description of the works, the capacity which will be created and a timeframe for completion.
- ▶ **Reporting errors**
users can now easily report where they identify potential errors with the capacity map information with a link to an online form which automatically references the data the user has been viewing and enables them to explain the error in a free text field.
- ▶ **Downloadable data**
we have developed the functionality for users to be able to register and download the data behind the capacity map for them to utilise with their own analysis tools.



Summary

Focus area:

Availability of information

Market

Segments:

DMD

DG

Stakeholder focus: customers, developers, DG, community energy, consultants, ICPs, IDNOs, landowners, local government, local enterprise partnerships.

Outputs

- ▶ Map hub created providing single source webpage for accessing the range of different mapping information provided by WPD
- ▶ WPD capacity map upgraded with additional functionality
- ▶ Capacity map walkthrough available to assist new users
- ▶ Increase in capacity map usage with users accessing 21,729 times.

Increasing information on use of system charging

We are increasing our engagement on distribution use of system (DUoS) charges for connection customers seeking to understand the costs of their connection after energisation and what changes may happen to charges in the future.

Through our stakeholder engagement we identified that customers would like to have better information to help them understand how the DUoS charges for their connection are applied and how their connection requirements may impact on the charges they will incur.

The electricity industry is going through a period of significant change and our stakeholders are also keen for WPD to help them interpret how future changes in DUoS charging arrangements could impact them. Ofgem's significant code review (SCR) is exploring whether existing arrangements are fit for purpose when facing huge changes in the way the network is utilised, from increases in distribution-connected generation to forecast increases in electric vehicles and heating.

We have therefore continued to expand our engagement in this area with discussions at our CCSG, podcasts on this topic and providing further guidance. The feedback has been positive and we have been encouraged to do more, therefore our engagement will expand in 2019/20, we will be undertaking further engagement as the SCR progresses as set out in our looking forward section of this report.

Engagement and workplan output: DUoS podcasts

In 2018/19 we produced two podcasts covering DUoS charging and discussing the Ofgem SCR process.

Following a successful webinar on DUoS charging in the previous year, stakeholders fed back that they would like WPD to continue to engage similarly in this area. We decided to undertake podcasts this year as an alternative method due to their convenience for users to download and listen to when they want and to hopefully expand our engagement reach.

We undertook two podcasts during the year, enabling stakeholders to listen to WPD experts discussing upcoming issues and changes. The first podcast updated stakeholders on the Ofgem SCR progress and the second one included updated information on April 2020 DUoS prices as published in December 2018. We checked with a stakeholder the usefulness of the content. The initial podcast was published in October 2018 and received 302 views by the end of March and the second was published at the beginning of March 2019 receiving 155 views by the end of that month. The podcasts are available on our website ([here](#)).

Workplan output: DUoS guidance

Our latest DUoS guidance document provides information for customers with LV and HV connections, helping them understand our charges for using the distribution system

Following feedback from DG stakeholders, we published an initial guidance document in early 2018, aimed at customers with EHV connections. When developing our 2018/19 ICE workplan stakeholders asked us to expand this information and provide guidance targeted at customers with LV and HV connections.

We developed and published a new guide to DUoS Charging for LV and HV Metered Connections in September 2018 which sets out how DUoS charges are calculated and applied, metering requirements and potential ways to reduce your charges. Up to the end of March 2018 the document had been downloaded 382 times and has added to our expanding information available to connection stakeholders to assist them with their connection requirements.

Summary

Focus area:

Availability of information

Market

Segments:

DMD

DG

Stakeholder focus: customers, developers, DG, community energy, consultants.

Outputs

- ▶ Engaged on Ofgem's SCR building stakeholder awareness and knowledge
- ▶ Published two podcasts informing customers on DUoS charging and development in Ofgem's SCR
- ▶ Published new guidance on DUoS charges for customers with LV and HV connections



457

Views of 2
new DUoS
podcasts

DUoS Charging for LV and HV Metered Connections

A guide to understanding WPD's charges for using our distribution system

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Assessing our performance and the outputs of our ICE activities

Measuring the outputs of the ICE initiatives we deliver provides an indication of the benefits delivered to our customers and helps to identify further improvements.

We committed to measure Key Performance Indicators (KPIs) closely associated with the initiatives set out in our 2018/19 ICE Workplan. These KPIs help to evaluate our performance throughout the year and determine whether improvements made through the completion of initiatives within our ICE Workplan deliver positive outcomes for our customers.

In addition, we have overarching KPI's which assess, on an annual basis, important aspects of our connections service and provide an indication of improvement as an overall result of the delivery of the ICE Workplan, for example our stakeholder surveys and complaints performance.

We achieved or exceeded many of the stretching targets we set ourselves. In our Major Customer survey, customer satisfaction increased to 8.77 out of 10 (compared to 8.65 in 2017/18). For flexible services, we completed procurement for 19 zones, exceeding our target of 10 zones. We have also worked on improving generation connections processes, entering into revised bilateral agreements at 8 GSPs against a target of 5.

In some areas we have not been in a position to capture feedback. For example, in the area of Competition in Connections, customers asked us to extend the scope of HV Connections to include overhead networks and extend the scope of LV disconnections where they were associated with domestic refurbishment schemes. The policies have been amended where required and shared with ICPs but to date there has been no take up of these offerings to enable feedback to be obtained and refine the processes where necessary.

In response to stakeholder feedback, we will no longer publish a separate KPI pack but include the performance within the ICE Workplan update. This enables stakeholders to more easily review our performance against the specific initiative we delivered, with the overarching KPI's set out at the end of the update. The feedback we have received throughout the year has evidenced that improvements delivered through the ICE Workplan initiatives are having a positive effect on the connections services we provide.

Communicating our performance to stakeholders

It is important that our stakeholders are able to track our performance against our ICE outputs and measures throughout the year and not just at the submission of our ICE reports.

We provide updates throughout each year, with this Looking Back report containing the final update for 2018/19. Each update has been published on our website, with stakeholders registered for email updates receiving a notification that the update is available. In addition, we have confirmed the availability of these updates directly with members of our CCSG.



Ofgem Incentive on Connections Engagement 2019

Section 3: WPD ICE looking forward report

WPD ICE looking forward report for 2019/20

Our 2019/20 ICE activity will ensure that we continue to deliver meaningful engagement for stakeholders, keeping them at the centre of our plans as we deliver new services for a smarter more flexible energy system. Our ICE workplan will meet our stakeholders' needs delivering these new services and improvements on existing services with initiatives identified with stakeholder input.

In 2019/20 WPD's programme of stakeholder engagement will provide the continuous focus on enabling our connections stakeholders to inform and collaborate on our connections improvement initiatives and long term strategic plans. In section 1 of this report we explain our stakeholder engagement strategy and how it underpins our ICE activity allowing us to identify our stakeholders' requirements, share knowledge and obtain the feedback required to maximise the impact of the improvements we make.

We have used this engagement to develop a workplan that will deliver the initiatives which will address our stakeholders' priorities. These priorities have been refined with ongoing engagement such as our CCSG and have provided the focus for the specific initiatives we have included in our initial 2019/20 ICE workplan. In this section we set out how our workplan will once again deliver initiatives covering a wide range of connections activities for all of our stakeholder groups.

This year WPD will continue to build and expand engagement on DSO transition, making it meaningful for our stakeholders and providing us the vital feedback to ensure our DSO function will deliver for connection customers. We will maintain our momentum in this area and continue our delivery of clear tangible opportunities for customers to participate in DSO services.

In response to identifying EVs as an emerging stakeholder priority in 2018, our EV strategy has driven a number of ICE initiatives in the workplan which will ensure that WPD are able to facilitate the rollout of EVs supporting our customer's needs.

In this looking forward section we set out some of the key stakeholder engagement activities we will be undertaking, explain how our ICE workplan, outputs and measures have been developed and look at some of the key priorities for the year. Whilst this section sets out our plans for 2019/20, it is a starting point rather than conclusion. Our workplan and engagement activities will evolve and expand through the year as we identify new areas requiring action.



Overview

This looking forward section of the report sets out WPDs ICE activities for 2019/20 for all four Distribution Service Areas and for each Relevant Market Segment. The section sets out WPD's ICE workplan for 2019/20 including outputs and measures, and explains how it has been developed using the priorities identified by our stakeholders. It also sets out our planned engagement activities for the year, using a variety of methods to reach our broad range of stakeholders.

WPD's ICE looking forward report demonstrates how our ICE activities are a focal point to our commitment to continuous improvement, driven by robust and effective stakeholder engagement

Engagement activity in 2019/20

Our programme of stakeholder engagement is vital to the success of our ICE activity. It ensures that we know the areas our stakeholders want us to focus on, ensures we develop initiatives with the most successful outcomes and it informs our decisions on long-term plans. Our 2019/20 engagement will ensure that we obtain input from a full range of stakeholders representing all areas of connections activity.

Our engagement strategy, which is detailed in Section 1, ensures that engagement is fundamental to how we operate and for ICE it is central to the creation of a workplan which leads to positive outputs for our customers. This fully embedded approach has enabled us to develop enduring engagement with stakeholders, building their trust through delivering on their input and feedback.

In 2019/20 we will continue to undertake a full and robust programme of stakeholder engagement with methods tailored to stakeholders needs. Enduring activities such as our CCSG, DGOO and CICG will continue to provide the detailed discussion and challenge of expert stakeholders representing their areas of connections activity, ensuring our plans and direction are better informed.

Following on from last year we will continue to have an increased focus on targeted engagement enabling discussion on specific topics to improve the detail of input from stakeholders. Whilst we will continue to favour face-to-face engagement for detailed discussion, we will continue to expand our use of other methods such as webinars, videos and social media. It is important that we are able to reach stakeholders who are not able to attend traditional events, so these methods ensure that our engagement continues to be broad and inclusive of all stakeholder groups.

The approach we take to our ICE workplan initiatives set out in the structure on pg.39, ensures that engagement is tied in to their successful delivery. Our engagement programme this year will ensure that we continue to focus on collaboration with stakeholders to develop and deliver improvements with the most effective outcomes.

On the next page we set out some the engagement activities we currently have planned, summarising the activities and numbers of stakeholders we aim to reach.

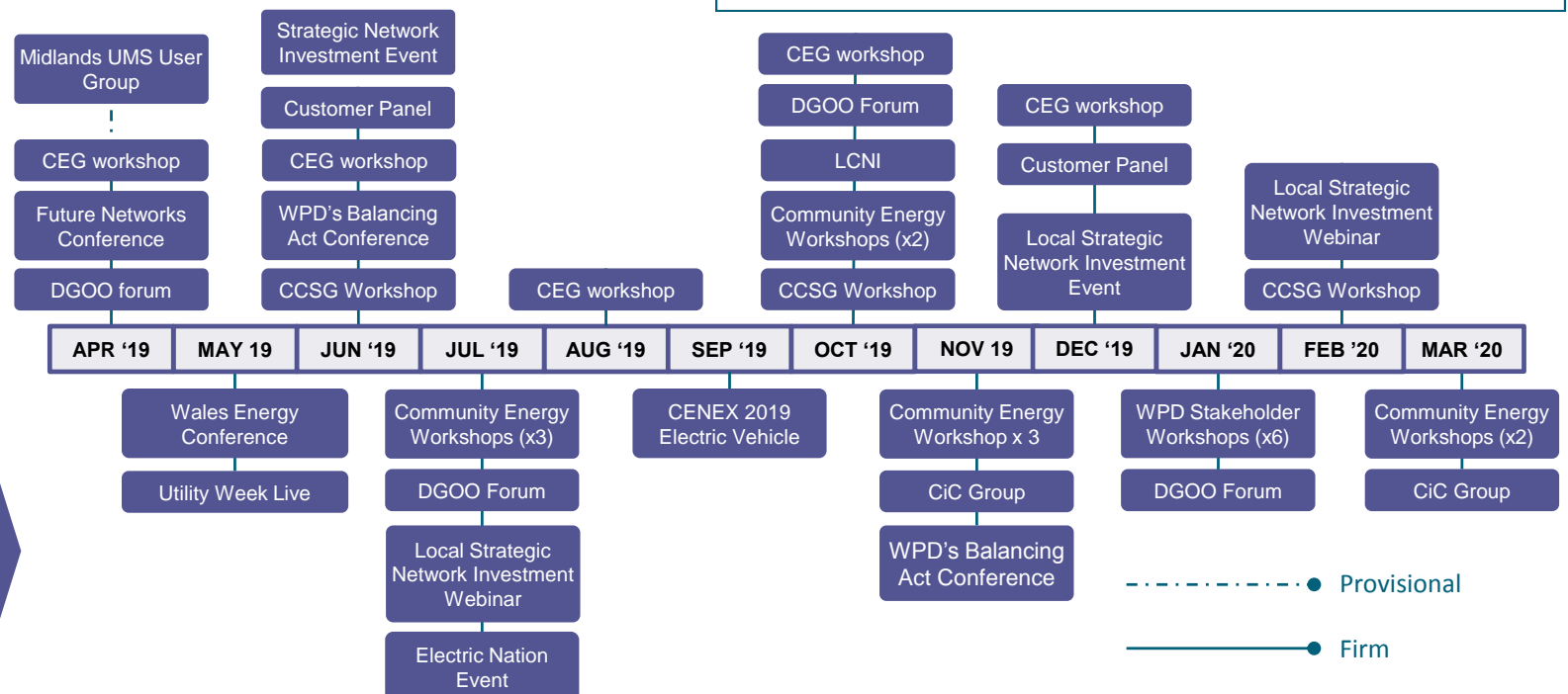
We have an extensive range of engagement activity planned throughout 2019/20. Some of the key activities we already have planned are set out in the timetable on the right. As we progress through the year the timetable will expand as new events are planned and new engagement requirements arise.

Significant industry changes: engaging and informing our stakeholders

There are a number of substantial activities underway in the industry to review the ways in which electricity distribution and transmission connections and the networks they are connected to are operated and how customers are charged. WPD are actively engaged in a range of industry working groups and will be engaging stakeholders on how any potential changes may affect them.

Both Ofgem's Significant Code Review and the Charging Futures programme are like to create substantial changes to how we design, charge for and contract for connections with customers in the future. Our work on these groups will ensure that we are actively involved in the process and our stakeholder engagement will help us to inform the direction we take and ensure we can deliver changes for our customers.

Throughout the year we will identify opportunities to engage our stakeholders on these issues and where required incorporate new initiatives into our ICE workplan to deliver changes.



2019/20 Planned engagement activities

The table below sets out a selection of key stakeholder engagement activity planned during 2019/20.

For each activity the table gives a brief description, the number of stakeholders we expect to reach with this engagement (reach) and the market sector targeted stakeholders broadly represent: unmetered supplies (UMS), demand connections (DMD), distributed generation (DG) and where we have engaged on the DSO transition (DSO). Each activity is either hosted by WPD or WPD will be involved in discussions or presenting.

Activity	Description	Reach	UMS	DMD	DG	DSO
Major Customer Survey	A WPD commissioned monthly customer satisfaction survey of connections customers covering the market segments under the ICE scope. The style of the survey remains in line with that conducted under the Ofgem Broad Measure Survey.	2,000	●	●	●	
DG Survey	A WPD commissioned customer satisfaction survey of Distributed Generation connections customers. The style of the survey remains in line with that conducted under the Ofgem Broad Measure Survey.	400			●	
CCSG	Panel of experts across the connections market to inform, influence and feedback on WPD connections plans and activities. The outputs from this group also feed into our overarching customer panel.	45	●	●	●	●
CEG	WPD's independent Customer Engagement Group providing input and challenge to our proposals around areas such as our transition to DSO as we plan for RIIO-ED2.	38	●	●	●	●
Customer panel	Customer panel meetings help to inform WPD's strategy and action plans for a variety of areas.	45	●	●	●	●
UMS User Groups	Meetings held for Local Authorities in the Midlands, South West and South Wales, allowing the LA's to discuss connection issues and feedback on performance.	50	●			
WPD CiC Group	The CiC group brings together representatives from Independent Connection Providers and Independent Distribution Network Operators to influence and feedback on WPD connections plans and activities relating to the competitive connection processes and identify areas for improving processes.	15	●	●	●	
WPD DGOO Forum	Four meetings are planned throughout 2019/20 The forum enables WPD to gain an understanding of DG owner/operator needs to develop actions to improve the services we provide.	60			●	●
WPD Stakeholder Workshops	6 Workshops covering a wide range of topics, including connections, held at various locations across all 4 WPD licenced areas.	330	●	●	●	●
WPD Local Strategic Network Investment Event	2 Strategic Network Investment Stakeholder Events June 2019 & December 2019	100				
Community Energy Groups	8 WPD community energy workshops . In these events we will explain how flexibility services work and how they can participate if they are able to offer any services.	300			●	●
Major Customer Engagement Event	This event will be used to brief stakeholder on our ICE activity and seek feedback and discussion in October 2019.	70	●	●	●	●
Balancing Act Conference	Our conference will disseminate on a range of Innovation projects, following a technical theme. Events June 2019 and November 2019	360		●	●	●
Electric Vehicle events	A range of EV engagement events including CENEX Low Carbon Vehicle Event 2019, The 11th Annual low Carbon Vehicle Event, Ride & Drive and WPD targeted engagement events.	4,500		●		●
Low Carbon Networks & Innovation Conference	An industry event to be held in October 2019 to share information and feedback on innovation projects including innovative connection related projects.	1000	●	●	●	●

Development of the WPD ICE workplan

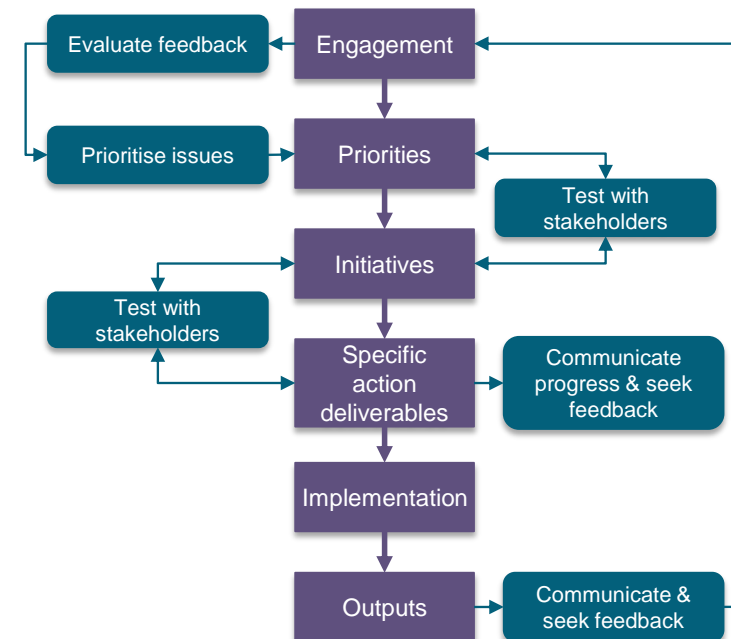
The WPD ICE workplan sets out our commitments for the year ahead with initiatives which have been developed using our stakeholders input and will deliver the effective improvements to our connections services and engagement. The workplan provides our stakeholders with transparency of the activities we are undertaking and our progress.

The development our ICE workplan begins with analysis of stakeholder feedback sourced through a full range of engagement in the year leading up to its development. We use this feedback to identify what the key priorities are for stakeholders to determine where we should focus our activities. These priorities are checked back with our stakeholders to ensure we captured them correctly, at our CCSG, CIG and annual stakeholder workshops.

We use these priorities and further engagement to develop a set of initiatives designed with the WPD senior managers who will be responsible for their delivery. The initiatives follow a framework structure to ensure consistency of approach and quality (see below) and need to be specific, measurable, achievable, relevant and time-bound (or 'SMART') so that it is clear to stakeholders what we are intending to achieve and to be able to easily assess whether we have delivered what was intended.

Although we will undertake 'quick-wins' where identified as stakeholder requirements, the majority of our ICE initiatives are intended to be stretching to ensure that we deliver maximum benefits to the customer. We set target completion dates and specific measures to assess the impact of the initiatives.

The workplan does not stand still during the year, it expands as new priorities emerge and as the cycle of engagement, delivery and feedback (right) generates further initiatives.



Standard structure of initiatives:

To ensure that WPD delivers an ICE workplan with initiatives meeting the requirements of our stakeholders, we use a standard structure of actions we aim to undertake when delivering an improvement initiative. This provides consistency and ensures we include stakeholders throughout the process. The steps below set out the standard structure of actions for our ICE initiatives:

- ▶ **Identify improvements:** assess the issue stakeholders have raised and identify improvements
- ▶ **Design the solutions:** create plan of actions which will deliver improvements
- ▶ **Check with stakeholders:** seek feedback on the solution ensuring we understand and will meet the requirement
- ▶ **Amend where required:** update actions if required based on feedback
- ▶ **Develop improvements:** deliver the actions required
- ▶ **Test with stakeholders:** seek input where possible for development / testing. Gain feedback on finished solution.
- ▶ **Implement:** deliver improvements and communicate to stakeholders
- ▶ **Seek stakeholder feedback:** ascertain if we have met their requirements and identify any further improvements
- ▶ **Measure impact:** use feedback, performance data, surveys etc. to demonstrate the effectiveness and stakeholder's satisfaction.

With these steps we can demonstrate the improvements delivered and describe the impact they have had with the support of our stakeholders. Whilst there may be initiatives which do not lend themselves to each of these steps, our updates will be clear on reporting the steps we have undertaken .



2019/20 ICE workplan

WPD's 2019/20 ICE workplan has been developed around the priority areas identified by our stakeholders and will deliver a set of initiatives across a full range of connections activities.

We have initially identified 38 initiatives in our 2019/20 ICE workplan, which will deliver new engagement activities, new services and improvements across a range of connections areas. The key priorities our stakeholders have identified as most important are set out below and the workplan aims to deliver initiatives addressing each of these.

Many of the key priorities this year, carry on themes from previous years, where stakeholders continue to ask us to do more in these areas. Some priorities have gained focus more recently, such as electric vehicles which we identified as a priority in our October 2018 ICE update and this continues to be an area stakeholders want WPD to focus on together with other low carbon technologies (LCT). With the implementation of upfront fees for assessment and design of new connections last year, our stakeholders have told us that this is a priority where WPD should collaborate with the industry to improve consistency of approach. The ICE initiatives we set often stretch over more than one ICE period and in this year's plan there are a number of initiatives continuing from last year.

We provide a summary below of the key themes of the initiatives in the 2018/19 ICE workplan against the ICE stakeholder priorities we have established for this year.

Our rolling programme of engagement is used to identify and verify the areas our stakeholders think are most important and where WPD should focus on when setting the ICE workplan initiatives. For the 2019/20 ICE workplan these priorities are set out below along with a summary of the areas we have been asked to focus on:

ICE Priority	Summary
Transition to DSO	Continue to quickly transition to become a DSO, deliver tangible services and opportunities for customers to input and benefit from. Actively engage stakeholders our DSO plans and seek input into how we can best deliver new services.
Availability of Information	Continue to make improvements to the range and quality of information provided to customers to support their connection requirement and planning. Continue to improve assistance to customers at application and post-acceptance of offer and to those wanting to modify their connection.
Network capacity allocation and reservation	Continue to improve the engagement collaboration with stakeholders on capacity forecasting and planning. Deliver improvements to the processes for the allocation and reservation of network capacity for connections
Competition in Connections	Improve the consistency in approach where customers wish to vary their schemes. Update information available for major connection designs
Low Carbon Technology	Facilitate the rollout of EVs with continued focused engagement for EV stakeholders, and develop guidance, policies and services to support this.
Community Energy	Continue to engage community stakeholders to support them in the transition to a smart and flexible network
Assessment & Design fees	Work with industry to provide improved clarity in the application of fees.

In addition to the priorities set out above we also have overarching commitments which remain a focus throughout the development of connection service improvements:

Improving customer service - which applies across the board with our ICE initiatives

Improving consistency - this is a key consideration in the way we develop and implement initiatives

ICE workplan format

The format of our ICE workplan is intended to ensure accessibility for stakeholders, with clearly defined initiatives, making it straightforward to follow and to track progress through the year.

WPD's ICE workplan for 2019/20 is structured into nine focus areas, providing the key themes for the individual initiatives which have been developed from the stakeholder feedback described alongside them in the plan. These focus areas are intended to make it easier for stakeholders to locate areas which are important to them and group together initiatives which will deliver in these areas.

Each numbered initiative has a target date and corresponding measures required to ensure the outputs of the initiatives deliver successful outcomes for our stakeholders.

We will publish regular updates where any new initiatives we add will be clearly identified along with status updates on existing initiatives. This will provide stakeholders with an ability to track progress.

The 2019/20 ICE workplan can be found in Appendix 3.

Understanding the impact of our ICE initiatives

To assess whether we have successfully met stakeholders' requirements, it is important that we understand the impact our ICE incentives have on the services we provide to our customers. Alongside our ICE initiatives, we set out KPIs and outputs to measure the impact and obtain feedback from stakeholders since they are best placed to tell us if we have met their needs.

In our 2019/20 Workplan we continue the approach of committing to KPI's which are closely aligned with the workplan initiatives, with 41 KPIs across 9 focus areas. These are designed to track our performance and determine the impact of improvements which are delivered through the completion of the workplan initiatives.

The full list of 2019/20 KPIs is incorporated into our workplan in Appendix 2, which sets out the required KPIs for each initiative and the associated targets. In addition, we continue to retain overarching KPIs which evidence overall improvements in the connections process for our customers. These include remaining in the upper quartile amongst all DNOs for complaints and achieving improved customer satisfaction scores through the Major Customer surveys. Applying these measures helps to determine whether our range of improvements deliver positive impacts across our connection services and not just in the specific measure of an initiative.

We recognise that, for some initiatives, we cannot always set measurable targets for determining the impact of improvements we have undertaken. We have targeted ourselves, where applicable, to receive positive feedback from our stakeholders in response to the improvements we deliver.

These KPIs have been developed with the commitment of WPD senior management and continue to be embedded in the way in which we manage improvements in our connection services .

Communicating our performance to stakeholders

To ensure our stakeholders are able to track our progress as we develop and deliver initiatives in the ICE workplan we publish regular updates.

We will continue to keep our customers informed of our performance throughout the year. We aim to publish 4 ICE workplan updates which will be shared on our website and directly with key stakeholders such as members of the CCSG and the CIC Group .



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Incentive on Connection Engagement 2019

If you have any questions about this report:

Call us: free on 0845 724 0240

Email: connectionpolmids@westernpower.co.uk

Write to us: Penny Carolan, Connection Policy, Western Power Distribution, Pegasus Business Park, Herald Way, Castle Donington, DE74 2TU

More information can be found on our website at www.westernpower.co.uk/connections-landing

Western Power Distribution (East Midlands) plc, No 2366923
Western Power Distribution (West Midlands) plc, No 3600574
Western Power Distribution (South West) plc, No 2366894
Western Power Distribution (South Wales) plc, No 2366985

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