

Western Power Distribution 2015 Distributed Generation Stakeholder Engagement Workshop:

> Response to Stakeholder Proposals 3rd November 2015

The following gives a response to the feedback received at the workshop and the actions WPD will take as part of our ICE Workplan



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1 Workshop Overview

Summary

- 1.1 As Part of WPD's ongoing stakeholder engagement strategy for connections stakeholders, we hold annual Distributed Generation workshops.
- 1.2 Distributed Generation (DG) is electricity generating plant that is connected to WPD's network rather than to the transmission network and the amount connecting has grown rapidly in the past few years and this growth is set to continue over years.
- 1.3 We recognise that connecting customers to the electricity network is a critical activity that delivers benefits both to individual customers and to society more broadly. As the volume of DG connections increases there are new challenges for us to overcome to ensure that we continue to manage and adapt our connection services.
- 1.4 In November 2015, WPD held the second annual workshop for DG stakeholders. The workshop gave an opportunity for WPD to share the developments over the last 12 months in DG connections activities along with the progress in our Incentive on Connection Engagement (ICE) Workplan and to engage with stakeholders to understand their views on this. It was also the opportunity to understand the current issues our stakeholders are experiencing in connecting DG which we can address through the actions we will take in our ICE Workplans.
- 1.5 This response document sets out how WPD will address the priority issues raised by our stakeholders, along with the suggested initiatives they proposed at the event and detailed in the report written by Westbourne Communications. We will explain the additional initiatives that we will add to our ICE improvement workplans as a result of these recommendations.
- 1.6 The workshop presentations and the report by Westbourne Communications can be found <u>here</u>. The report includes the detail of the discussions and comments recorded at the workshop.

Event details

- 1.7 WPD hosted the DG stakeholder workshop at Villa Park, Birmingham on 3rd November 2015.
- 1.8 A total of 66 DG stakeholders attended from a wide range of sectors: community interest companies; connections companies; direct customers; developers/installers; government bodies; industry consultancies; law firms; membership organisations; technology/innovation companies; universities; and utilities companies.
- 1.9 WPD appointed specialist stakeholder engagement consultancy, Westbourne Communications (WBC), to facilitate the stakeholder workshop on our behalf.
- 1.10 The workshop consisted of a series of presentations by senior WPD representatives each followed by round table discussions facilitated by trained Westbourne facilitators with comments captured by scribes. To ensure openness, comments were not attributed to individuals.
- 1.11 On each of the tables, a member of WPD staff was on hand to answer technical questions
- 1.12 A copy of the presentation given by WPD can be found <u>here</u>.

2 Key Findings

Stakeholders at the event gave feedback on the issues which were most important to them and on the areas they want to WPD to be focussing on:

- 2.1 Once again this event proved to be very important in providing WPD with the views of our stakeholders on current issues around DG connection and also on the emerging issues facing us and the wider industry.
- 2.2 The written feedback from the majority of stakeholders received at the event also indicated that this event proved useful for them in topics covered on the day.
- 2.3 It was clear that whilst most of the attendees held up WPD as one of if not the best DNO to deal with in terms of applying for a connection, it was also clear that there is still a lot of room for us to improve our service in this area as a whole.
- 2.4 The rapid increase in applications for and acceptance of connection offers for DG connections over the past few years combined with the network constraints this has created, has led to the issues around communication, network information on capacity, queue management / releasing unused capacity and innovative connections being the priorities for our stakeholders.
- 2.5 WPD's role in industry decisions and Government policy was also raised as an area that was not clear to stakeholders and where WPD should do more.
- 2.6 Stakeholders also identified the emerging energy storage market and the design approval process for connections adopted from independent connection providers as areas we need to work on.
- 2.7 The overall Statement of Works process and interactions with National Grid was an area where stakeholder experience had been consistently negative both with WPD and nationally. Stakeholders were keen for improvements to the process and its transparency to be made.
- 2.8 There was feedback that communication and consistency of service are still priority areas for WPD to focus.
- 2.9 The information we provide around connections was flagged as an area that can be improved by keeping it up to date and raising awareness of its availability with customers.
- 2.10 We also heard from our stakeholders that post-acceptance of a connection offer, there are still areas of improvement we need to focus on, particularly around communication of progress, having the right point of contact, design approval and having sight of agreements much earlier in the process.
- 2.11 Innovation was an area where stakeholders were positive around the work we were doing but many were unaware of this before the event and wanted WPD to do more to raise this awareness.

3 WPD's Response to suggested initiatives

In total there are 24 suggested initiatives for WPD to address in the report produced by Westbourne Communications of the feedback received at the workshop. The majority of the initiatives and recommendations put forward by stakeholders at the workshop fit neatly into one of the areas of WPD's ICE Workplan and are set out under the relevant headings under Workshop 2 below. The recommendations made with specific reference to the discussions in workshop 1 are also are detailed below together with other areas raised requiring action. Responses from WPD are provided including what actions we may have already taken or will be taking as a result of the feedback:

Workshop 1. Challenges and key areas of focus for 2015

3.1 The role of government policy and intervention should be considered as emerging issues alongside the key issues that WPD have identified for connections.

WPD Response: WPD will continue to engage with government bodies such as DECC as well as Ofgem and industry groups on current and emerging issues to ensure that our Workplans and policies are to reflect these issues. Our Stakeholder events, such as this DG Workshop also enable us to take on board what our stakeholders see as the priority issues they would like us to address and also what they want us to have a longer term view on. WPD will contact its local MPs and host an event at the House of Commons to build enduring relationships and create opportunities for further engagement

3.2 The role of energy storage should be considered as emerging issues alongside the key issues that WPD have identified for connections.

WPD Response: WPD are already seeing an increasing volume of applications relating to the connection of battery storage. As such we intend to develop guidance for stakeholders on applying for connections for battery storage schemes. This will include us defining the minimum information required in an application. We will also publish accompanying policy as required.

3.3 WPD should seek to engage on their approach to future forecasting with stakeholders including: technology companies, academia, generators, developers, membership organisations and wider industry stakeholders such as other DNOs, GDNs, water companies and energy companies.

WPD Response: Further to an initial DG forecasting event which WPD held in 2015, we will complete the strategic network study for the South West in the first half of 2016. We will hold further stakeholder events on the scenarios being used and on the outcomes of the study. This will be followed by a strategic network study for South Wales with the East and West Midlands to follow into 2017.

- 3.4 WPD should embark on a programme of engagement with local authorities on distributed generation in order to work more closely with them and to encourage them to prioritise it as a work stream.
- 1.1 **WPD Response**: WPD will host surgeries on DG issues for Local Authorities at our annual stakeholder workshops and at our annual DG workshop.

Where Local Authorities are looking to undertake projects with high volumes of SSEG installations, these will be managed locally, interfacing with WPD local management.

Workshop 2. Quicker, more efficient connections – WPD's improvement plan in detail

Communication and engagement

3.5 WPD staff should be encouraged to hold face-to-face meetings with applicants where possible.

WPD Response: WPD will expand the existing WPD Connection Surgeries initiative further by setting up a facility on the WPD website for customers to register a request for a call back and / or a meeting with WPD to discuss their inquiries.

3.6 Sign-up all workshop attendees automatically for WPD updates, with an opt-out clause. Send regular updates to connections customers.

WPD Response: From feedback we have had in the past, stakeholders have not always welcomed automatic sign-up to email lists for updates. WPD will however continue to promote the WPD website email update registration at connection engagement events and also increase the promotion of this update facility on our website whilst continue to improve its use.

We will also provide updates on the WPD Website on connections developments and ICE Workplan progress with alerts when actions are completed via the website email update facility.

3.7 Consider whether there is any opportunity for online engagement with DG customers beyond the annual customer survey.

WPD Response: At this time we do not have any plans for further online engagement to supplement the DG stakeholder engagement we undertake through this annual event, our Connection Customer Steering Group, Connection Surgeries, innovation events along with participation in industry working groups.

3.8 Formalise the opportunity for informal conversations with WPD pre-application, potentially for a fee.

WPD Response: as described in 3.5 WPD will provide a facility to register requests for meetings on WPD website. There will be no fee associated with these requests.

3.9 Encourage more DG engineers and on-the-ground staff to attend the annual DG workshop and surgeries.

WPD Response: WPD's Connection Surgeries provide this service for customers together with the ad-hoc meetings arranged with customers to discuss specific schemes or issues as required.

3.10 Work with other DNOs to create a common approach to uploading information to websites so it is easier for customers to find.

WPD Response: The Competition in Connections Code of Practice (CiC CoP) introduced in 2015, will provide ongoing development of best practice for the provision of information by DNOs which should facilitate common approaches.

Availability of information and online services

3.11 Make sure that applicants are clear on what information is available – and where – at the earliest possible stage in an application.

WPD Response: WPD will review the information provided by us to customers at the connection application stage to identify any improvements that can be made. We will make the improvements identified in ensuring customers know what and where information is

WPD Distributed Generation Stakeholder Engagement Workshop: Response to Stakeholder Proposals November 2015 available to them on the connection process. This will include the review and update of the information leaflet provided to connection customers.

3.12 Have one point of contact in each area who has a real-time view of what is going on with regards to offers and applications who is able to advise customers.

WPD Response: WPD will improve our one-day-contact internal standards at the application and acceptance stage to ensure the customers are given the point of contact responsible for their scheme at these points.

3.13 Continue using website prompts updating customers when new information is available.

WPD Response: See 3.6 above regarding providing further connection related progress updates.

3.14 Explore the potential to provide information [heat and capacity maps] that drills down to substation level, like SSE.

WPD Response: WPD will investigate heat/capacity map information provided by other DNOs and seek stakeholder views on best practice approach.

3.15 Review the process for sharing information so that there is early delivery of site specific information.

WPD Response: following feedback from stakeholders WPD will implement changes to processes to facilitate issuing Connection Agreements and Adoption Agreements at an earlier stage of the process post acceptance of offer. This will ensure that customers have sight of any scheme-specific terms in these agreements early in the connection process than they currently might do. WPD will also publish a suite of generic agreement templates on the WPD website to enable customers to view the standard terms they can expect for their schemes.

3.16 Confirm what date the information was published [regarding heat and capacity maps] so customers can anticipate whether or not the information is out of date.

WPD Response: WPD will review our online DG capacity information – Heat Maps, capacity maps, capacity register etc. – to ensure a date of last update is provided along with date of next planned update. WPD will also put a date of next planned update on the website email alerts informing customers of changes.

3.17 Provide information about which elements are contestable and which are not.

WPD Response: WPD will review our website to ensure the currently available information is more prominent and easier to find. We will investigate whether an FAQ or worked examples could be used to further illustrate which elements of the connection works are contestable.

Service provided post-connection offer acceptance

3.18 Consider offering a dedicated account manager for major customers or customers with a large number of applications.

WPD Response: At this time WPD do not plan to appoint account managers for connection customers, we will however be ensuring that we can offer dedicated point of contact for every accepted scheme. We want to ensure that customers know who they can contact to be able to discuss their scheme at all stages.

Extension of contestability

3.19 There were no initiatives identified for this area in the report.

Offers and agreements

3.20 Trial an individual Statement of Works to determine whether it will work on a long-term basis.

WPD Response: Following discussions with NGET and DG stakeholders, rather than an individual SoW submission, WPD are implementing a new SoW process which will involve monthly SoW requests to NGET (Where aggregate capacity is deemed relevant for that Grid Supply Point). The SoW will collate accepted schemes from within each month in a submission and WPD will communicate timescales involved with the customer on acceptance. WPD will monitor the new SoW process being implemented, including customer feedback on this. This will also be dependent on the outcomes of any CUSC changes relating to the SoW process.

3.21 Develop a framework for identifying applications that reserve capacity. This framework should be trialled in areas of high unused, but reserved, capacity.

WPD Response: This issue is linked to WPDs existing work relating to queue management and Ofgem's guidance on DCP 115 (underutilisation of capacity)¹. We have already implemented terms into our connection offers and connection agreements to facilitate the withdrawal of capacity should a DG customer not install that capacity of generation they originally applied for within certain timescales. WPD will look to trial by targeting an area with existing connectees underutilising export capacity outside of a provisional 'bandwidth' (kVA or %age) and contacting these customers to discuss reducing their export ASC. The results and outcomes of the trial will determine what business-as-usual process can be implemented to release this underutilised capacity back to the network. We will also look to refine the milestones in our offers and issue further guidance in this area.

3.22 Engage with other DNOs about a UK-wide framework on project milestones and the point to terminate an offer.

WPD Response: further to 3.21 above, WPD will continue to participate on the national DG Working Group addressing these issues and implement changes as required.

3.23 Trial an application fee in an area with a track record of stalled applications.

WPD Response: WPD are not able to implement a fee without changes to our Licence Conditions via DECC. This is under review at a national level by DECC.

Innovation

3.24 Do more to promote the innovative projects that WPD is undertaking to raise awareness among stakeholders.

WPD Response: WPD will implement an email update facility for users to register on the WPD Innovation Website in a similar format to the main WPD Website facility.

WPD will also look at developing and launching a newsletter to keep stakeholders informed on WPDs Innovation Projects.

¹DCP 115: Distribution Connection and Use of System Agreement (DCUSA) Change Proposal number 115 – National Terms of Connection Amendments – Capacity Management (under-utilisation). DCP 115 clarifies the existing rights of Distribution Network Operators (DNOs) to take appropriate action when customers under-use their Maximum Import Capacity (MIC) and/or Maximum Export Capacity (MEC). <u>https://www.ofgem.gov.uk/publications-and-updates/distribution-connection-and-use-system-agreement-dcp114-national-terms-connection-amendments-capacity-management-overutilisation.</u>

Other issues raised by Stakeholders at the Workshop

3.25 There was a large amount of feedback that the SoW process and interactions with National Grid Electricity Transmission had been a consistently negative experience for customers.

WPD Response: We have actions in our current ICE Workplan which look to address the issues that we have encountered with the SoW process, including improvements to the overall process and providing customers with more information regarding SoW. These actions are a priority for WPD in the current Workplan for 2015/16.

3.26 We received a number of comments regarding inconsistency of service between teams / areas / voltages of connection, for example regarding changes to applications

WPD Response: There are actions on the ICE Workplan addressing consistency in service. Along with these, WPD will review the rules on changes to applications and accepted schemes to tighten up on areas of uncertainty. These rules will be re-published on the WPD website and re-communicate to WPD staff to ensure consistency.

3.27 We received feedback regarding service provided post-acceptance of the connection offer, still being an issue – particularly communication of progress, timescales, project-specific details/requirements.

WPD Response: Along with the existing actions in the WPD ICE Workplan regarding postacceptance service, WPD will be refining the processes around agreement of connection dates on schemes, in part due to the requirements of NGET's SoW process changes.

3.28 Feedback received that the WPD Techinfo website could be improved by having an index of documents

WPD Response: WPD to develop and implement an index on the Techinfo website

4 Next Steps

- 4.1 WPD will be providing ongoing information of our website regarding our connection improvement ICE Workplans and our progress against them.
- 4.2 We will also publish details of further stakeholder events for DG connections on our website.
- 4.3 To keep up to date on all our connections activities please register for our email update service <u>here</u>
- 4.4 If you have any questions about this report:

Call us: free on 0845 724 0240

Email: connectionpolmids@westernpower.co.uk

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



WPD DG Workshop Report Response

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

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