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Business Plan Workshop: Embracing innovation & digitalisation; WPD's independent Distribution System Operator & managing uncertainty; connecting to a smarter grid to facilitate net zero; & community energy

17 September 2021

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Western Power Distribution

Business Plan Workshop: Embracing innovation & digitalisation; WPD's independent Distribution System Operator & managing uncertainty; connecting to a smarter grid to facilitate net zero; & community energy | 17 September 2021

Contents

Introduction

On 17 September 2021, Western Power Distribution (WPD) hosted a virtual workshop to seek feedback from stakeholders on its RIIO-ED2 Business Plan, focusing on the following topics: the overall acceptability of the Business Plan and its bill impacts; embracing innovation and digitalisation; WPD's independent system operator and managing uncertainty; and connecting to a smarter grid to facilitate Net Zero and community energy.

The workshop was hosted online, using Zoom. Each session consisted of short presentations given by WPD representatives, followed by facilitated discussions in virtual breakout rooms. In addition, stakeholders were asked to vote in an online poll using Slido on a number of topics. Due to rounding to the closest whole number, figures may not always add up to 100%.

WPD instructed EQ Communications, a specialist stakeholder engagement consultancy, to independently facilitate the workshop and to take notes of the comments made by stakeholders. Every effort has been made to faithfully record the feedback given. In order to encourage candour and open debate, comments have not been ascribed to individuals. Instead, notes have been made of the type of organisation each stakeholder represents.

The full presentation can be found here.

Methodology

Maximising participation

WPD's database contains the details of more than 10,000 stakeholders, all of whom were invited to take part in the workshop series. The database is refreshed annually to update existing contact details and add information on stakeholders who have registered via the website or worked with members of the WPD team over the last 12 months. In addition, politicians' contact details are updated following any local or national elections. To ensure that WPD remains on top of emerging sector-specific issues, additional research is undertaken ahead of topic-specific engagement to ensure that the database contains comprehensive, up-to-date information for certain stakeholder categories, especially as new roles or stakeholder groups emerge.

The stakeholders on the WPD database were sent several email invitations for the consultation events to ensure that they were given the opportunity to participate. The first invitation was sent on 18 August 2021 to give stakeholders at least four weeks' notice. In addition to the email invitations, pre-identified stakeholders also received telephone calls with the aim of ensuring a mix of different stakeholder groups across the workshops. As standard practice, ahead of any workshops, all stakeholders who have registered are reminded about the event via telephone and email with a view to maximising participation.

Despite these measures, compared with previous stakeholder workshops held to inform the development of the Business Plan in 2020 and 2021, registration numbers and subsequent turnout rates at the events were relatively low. Stakeholders who registered but did not attend were contacted after the workshops with a view to identifying the reasons for the low turnout. Of the 18 stakeholders who responded, almost three quarters (72%) cited diary clash, personal issue or workload as the reason for not attending on the day. Only one stakeholder cited consultation fatigue. When asked whether they felt they had been adequately consulted on WPD's Business Plan, despite not attending on the day almost three quarters (72%) confirmed they had been adequately consulted with only one stakeholder feeling they had not.

Providing accessible information

There were four short presentations, each followed by breakout sessions in smaller groups to enable stakeholders to provide verbal feedback. Relevant slides from the presentation were shared in the breakout rooms to ensure that stakeholders had sufficient information in front of them to participate. If stakeholders did not answer a question, the facilitators asked them to confirm whether their silence indicated tacit approval or whether they felt unable to respond.

Each breakout session was followed by electronic voting, with online voting software used to gather quantitative feedback on each topic. Stakeholders were given the option of 'don't know / can't say' when voting and asked not to answer if they felt that they did not have enough information or the necessary level of expertise to take a view. The number of voters who answered 'don't know / can't say' has been set out under each voting question in this report.

Stakeholders were emailed a copy of the RIIO-ED2 Business Plan ahead of the workshop to provide them with additional background information for the event.
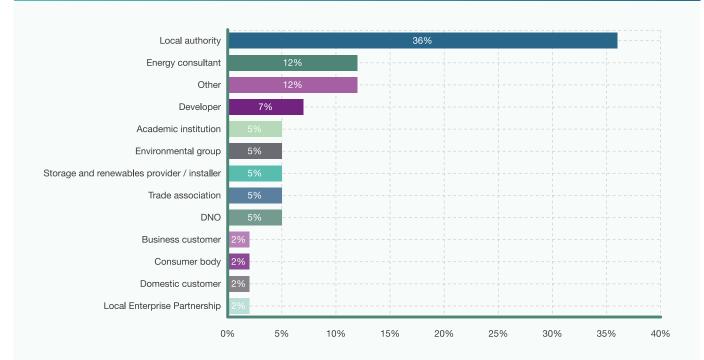
Executive summary

Participants

- 47 stakeholders participated in the workshop, representing 42 organisations.

- 36% of participants represented local authorities and 12% described themselves as energy consultants. 7% of stakeholders represented developers, and 5% each identified themselves as academic institutions, environmental groups, storage and renewables providers or installers, and trade associations.

- 63% of delegates stated the East Midlands region as the most relevant to them, followed by 54% who felt that the South West was the most relevant. Third was the West Midlands, with 51%, and last was South Wales, with 41%. Stakeholders were able to select multiple regions, so the figures add up to greater than 100%.

- 33% of attendees who filled out a feedback form told us that they found the workshop to be 'very interesting', with 67% opting for 'interesting'.

What type of stakeholder are you?

Stakeholder type	Percentage
Local authority	36%
Energy consultant	12%
Other	12%
Developer	7%
Academic institution	5%
Environmental group	5%
Storage and renewables provider / installer	5%
Trade association	5%
DNO	5%
Business customer	2%
Consumer body	2%
Domestic customer	2%
Local Enterprise Partnership	2%

Which WPD region is relevant to you?

A horizontal bar chart showing:
- East Midlands: 63%
- South West: 54%
- West Midlands: 51%
- South Wales: 41%
- None of them: 0%

(x-axis from 0% to 80%)

Workshop One: WPD's first Business Plan submission to Ofgem

The event began with an introduction from Alex Wilkes, RIIO-ED2 Business Plan Communication Manager. Alex summarised the key headlines in the Business Plan and explained WPD's business planning process to date. He explained the overall bill impact for customers and why bills vary regionally between different licence areas. Stakeholders were presented with a minimum bill increase/decrease (base case) and a more realistic bill increase/decrease (best view) for each WPD region.

- Stakeholders were broadly positive about the overall acceptability of the Business Plan: this was reflected in the electronic voting, where 78% either agreed or strongly agreed that the Business Plan was acceptable to them.

- Responses to the bill impact of increased expenditure over RIIO-ED2 varied: some felt as long as a bill increase was backed up by a high level of service, it was acceptable, while others felt they would, in fact, pay more on the bill to fund the enormous challenge of decarbonisation.

- On the regional variance of customer bills, stakeholders tended to speak for their licence areas: those from the South West and South Wales felt penalised, and questioned why some regions had to bear a greater burden of that cost, particularly when these areas might already suffer from statistically higher rates of deprivation and fuel poverty.

- When asked the question, 'To what extent do you understand the regional variance in customer bills?', stakeholders returned an average vote of 4.02 out of 5, signalling a good level of understanding. However, when asked, 'To what extent do you agree with the following statement: "The regional variance in customer bills is acceptable to me."?', there was more of a split: 23% disagreed or strongly disagreed, 21% were neutral, and a slim majority, 56%, agreed or strongly agreed, reflecting the discussion.

Workshop Two: Embracing innovation & digitalisation

Yiango Mavrocostanti, Innovation Manager at WPD, began the second session of the day, explaining that WPD planned to dramatically increase its Innovation activities over RIIO-ED2 by rolling out a new Business Innovation Programme to run alongside its Core Innovation Programme, and expanding the innovation team by 50%. She showed how WPD planned to initiate a culture of innovation, where innovation is celebrated and rewarded within the business. She then outlined some of the ways in which the company will achieve this, including: strengthening the link between the main business and innovation teams by sharing ownership of projects, encouraging staff to submit their ideas and ensuring they feel listened to, and assessing the innovation performance of each main business department using internal performance metrics.

Jon Berry, Digitalisation Manager, took over to introduce WPD's approach to digitalisation for RIIO-ED2. He talked delegates through the Digitalisation Action Plan, which splits high-level activity by driver, demonstrating strategic investment in solutions and systems to deliver value across RIIO-ED2, while building to RIIO-ED3. He then showed how the three principles of effective governance – people, processes and technology – underpinned a coordinated approach to digitalisation, which would deliver effective data management, enhanced insight and operation, and high-quality, accessible data for stakeholders.

- Stakeholders were pleased to see WPD's commitment to building a culture of innovation, and urged the company to go even further in breaking down the barriers to innovation across the network, encouraging innovation sharing and business-as-usual innovation to be embedded cross-industry and down the supply chain.

- Delegates praised innovation projects such as three-phase power to new housing developments, now being widely rolled out following a trial scheme, as great examples of engagement and innovation embedded as business as usual, and urged WPD to integrate more learnings and solutions from trials and innovation projects into day-to-day activities.

- When stakeholders were asked if they agreed with the statement, 'The proposed approach to innovation is acceptable to me', 57% strongly agreed or agreed, 33% were neutral, and 10% disagreed or strongly disagreed. There was less acceptance in respect of the ambition of the innovation approach: 36% agreed or strongly agreed that it was ambitious enough, 34% were neutral, and 30% either disagreed or strongly disagreed.

- On WPD's digitalisation strategy, while most approved of the investment and the aspiration, the key finding was "it needs to be more tangible to the customer", with stakeholders wanting to see greater online self-service capacities coupled with real human contact and advice.

- Stakeholders wanted to see more data availability from LV feeders and more digitalisation around infrastructure, to understand what is happening at transformer level and to know the exact location of constraints.

- Taking into account that many attendees wanted more expert advice in the field of digitalisation, when asked whether they agreed with the statement, 'I am confident that WPD's digitalisation strategy will achieve benefits that are business-wide', not everyone felt they had the knowledge to answer, with 31% remaining neutral, and seven stakeholders feeling unqualified to answer. 57%, however, either agreed or strongly agreed. Similarly, when asked whether the digitalisation strategy was sufficiently ambitious, 12 stakeholders voted 'don't know / can't say' as they felt unqualified to answer, although 73% agreed or strongly agreed.

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Workshop Three: WPD's independent Distribution System Operator & managing uncertainty

Ben Godfrey, DSO Manager at WPD, introduced the third session of the day. He showed how WPD's core commitments under DSO had been revised in line with stakeholder feedback and to support the delivery of Ofgem's expectations of a DSO. Some of these commitments were new: to ensure capacity availability to enable net zero sooner than 2050, in line with the ambitions of stakeholders in each region; and others now had clearer outcomes: the development of flexibility markets, and adopting a 'flexibility first' approach for all load-related reinforcement decisions. He then explained that there was a risk of conflict between WPD as a DSO (system operator) and as a DNO (asset owner), and that WPD planned to enact accountability, transparency and justification of its investment decisions to mitigate this potential conflict. Finally, he discussed how WPD plans to deal with uncertainty, particularly around the timing and location of additional capacity to support low-carbon technologies, asking delegates for their feedback on where WPD's plan should sit: providing capacity where connections have driven the requirement, where stakeholder engagement supports more being needed, or where upper forecasts predict more being needed?

- It was clear that delegates felt that, for now, the approach to DSO and managing uncertainty was ambitious enough, and this was echoed in the electronic voting, where 72% agreed or strongly agreed that it was acceptable, and 65% agreed or strongly agreed that it was ambitious. However, the ability to change and "pivot" to meet extra needs and demands as they arise was emphasised.

- For some stakeholders, WPD's power to drive a decarbonised energy market was seen as a social responsibility, while others felt strongly that part of WPD's role as a DSO was not to "pick a winner" and that they must remain technology-neutral.

- In the discussions, many felt that having an independent systems operator dealt with the potential for a conflict of interest between WPD's DSO and DNO operations. However, in the electronic voting, attendees seemed not to have enough knowledge of the issue to form a definitive opinion: while 44% agreed or strongly agreed that the strategy removed the potential for conflict, 33% were neutral on this question and eight stakeholders felt unqualified to answer.

- In terms of uncertainty mechanisms, the majority of stakeholders wanted to see WPD provide capacity either where stakeholder engagement supports more being delivered, or where upper forecasts predict more being needed. For those who voiced the latter opinion, a key comment was, "Local energy stakeholders don't have the capacity and resources to provide fully invested models of where the low-carbon technology will be connected."

- This general support was reflected in the electronic voting, where 72% felt that the proposed use of an uncertainty mechanism in the Business Plan was acceptable. 23% felt neutral, 5% strongly disagreed and two stakeholders responded 'don't know / can't say'.

Workshop Four: Connecting to a smarter grid to facilitate Net Zero & community energy

Tim Hughes, Connections Policy Manager, presented the final session of the day. He worked through WPD's new Connections Principles: supporting connections prior to application by providing accurate, comprehensive and user-friendly information; ensuring simplicity and transparency through the application process; and facilitating the delivery of timely and economical connections. He showed how the introduction of online, self-service tools would provide a same-day connections response for individual domestic LCT applications, and a Customer Portal would provide an online facility to manage the end-to-end process. Lastly, he explained how WPD planned to support the creation of community energy projects, by holding 60 community energy surgeries a year and facilitating access to available funding streams for community energy groups.

- Voting on the connections package as a whole, delegates were broadly approving: 89% agreed or strongly agreed that the proposed approach was acceptable to them, and 71% felt that it was ambitious enough.

- Stakeholders welcomed the commitments under 'supporting customers prior to making a connections application', with consensus that having both a point of contact at WPD and more data available online would inevitably improve the process for customers looking to connect. In the electronic voting, a clear majority (81%) either agreed or strongly agreed that the proposed initiatives to support connections stakeholders prior to application was acceptable to them.

- Discussing simplicity and transparency throughout the connections process, stakeholders suggested that WPD share a chronological list of applications, so that applicants could have a clear view of what was in the pipeline. In the electronic voting, another clear majority (83%) agreed or strongly agreed that the proposed initiative to ensure simplicity and transparency through the connections process was acceptable to them. Setting concrete timeframes for timely connections was seen as a very valuable commitment, and a resounding 88% agreed or strongly agreed that the proposed initiatives to deliver timely connections were acceptable to them.

- Some saw community energy engineers as critical to the success of enabling community energy projects, while others wanted to see more synergies between community energy and other parts of the Business Plan, such as the energy efficiency advice commitment, fuel poverty, decarbonisation and the social contract. Some delegates felt that a community energy forum commitment was missing, and others urged WPD to develop a reservation fee on a connection, to take into account the complexities around financing community energy connections.

- In the electronic voting on community energy, 77% either agreed or strongly agreed that the proposed approach to community energy was acceptable to them. However, reflecting the comments above, stakeholders did seek more ambition. While 53% agreed or strongly agreed that the proposals were sufficiently ambitious, a sizeable proportion (38%) felt neutral.

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Workshop One

WPD's first Business Plan submission to Ofgem

The event began with an introduction from Alex Wilkes, RIIO-ED2 Business Plan Communication Manager. Alex provided a summary of the key headlines in the Business Plan and explained WPD's business planning process to date. He explained the overall bill impact for customers, also outlining the regional variances in bill experienced in different licence areas. Stakeholders were presented with a minimum bill increase / decrease (base case) as well as a more realistic bill increase / decrease (best view) for each region.

Summary

Reason for attending

Given the pace of change and growth in the electricity industry as the UK heads for net zero, many stakeholders, from local authorities to major connections customers, attended the workshop hoping to align their future plans with WPD's. The challenges, and opportunities, of connecting low-carbon technologies were a point of real convergence across the board, whether in relation to heat pumps in new builds or an exponential growth in EV charging points. It was clear that, given the huge amount of investment going into these ambitious new low-carbon projects and initiatives, ever greater collaboration, partnership and engagement with WPD was needed. There was a strong technical mindset at play, with delegates also keen to discuss strategies on digitalisation, innovation, smart-system integration, sustainability and infrastructure optimisation, and how to effectively facilitate flexibility and energy trading.

WPD's Business Plan

Most delegates were broadly positive about the overall acceptability of the Business Plan, and this was reflected in the electronic voting, where 78% either agreed or strongly agreed that the Business Plan was acceptable to them (four stakeholders felt unqualified to answer). There was some concern about the ability to deliver "up to 1.5 million" EVs, with some feeling that the wording here "could mean anything" and that it might, if anything, be underestimating the uptake, especially given the government's plan to ban the sale of new petrol and diesel cars by 2030. They saw that delivering this was going to be a huge challenge, and sought more detail on how WPD were aiming to tackle this within the plan. Some picked up how variances in government policy could produce challenges in reaching net zero and addressing the climate emergency, for example over its commitment (as yet unknown) to wind energy and solar as primary sources of generation. Delegates praised the way WPD had engaged with them to refine and create the Business Plan, and appreciated its emphasis on helping those in fuel poverty and becoming carbon neutral by 2028.

Impact on customer bills

Responses to the bill impact of increased expenditure over RIIO-ED2, and its regional variation, were split; this was perhaps unsurprising given that different stakeholders were representing different licence areas. Some felt that although a bill increase was generally unpleasant, as long as it resulted in a high level of service it was acceptable. Others felt strongly that the focus on keeping bills flat was the wrong approach in combatting the climate emergency, with a key comment being that low bills are "not going to prevent us being underwater, which is going to be more expensive in the long term". In this regard, some wondered whether WPD had underestimated customers' acceptance of the cost of decarbonisation and greening the network, and whether many might feel they could, in fact, pay more.

On the other side, stakeholders from the South West and South Wales in particular, where bills are set to rise, felt at a disadvantage. They felt it was unfair to penalise more rural parts of the country with higher bills when the renewable potentiality of these areas could be beneficial to the entire country. These delegates saw that investment was needed nationally to address climate change, but were unconvinced that some regions had to bear a greater burden of that cost, particularly when these areas might already suffer from higher rates of deprivation. Some felt that while they understood why bills were set to rise in some places and not others, they also wanted to see what measures WPD would put in place to try and bridge this gap for future generations.

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These differences of opinion were reflected in the electronic voting. When stakeholders were asked, 'To what extent do you understand the regional variance in customer bills?', they returned an average vote of 4.02 out of 5, indicating a decent understanding. However, when asked, 'To what extent do you agree with the following statement: "The regional variance in customer bills is acceptable to me."?', they were more split: 23% disagreed or strongly disagreed, 21% were neutral, and a slim majority of 56% agreed or strongly agreed. One stakeholder answered 'don't know / can't say' from this vote.

Verbatim comments and voting
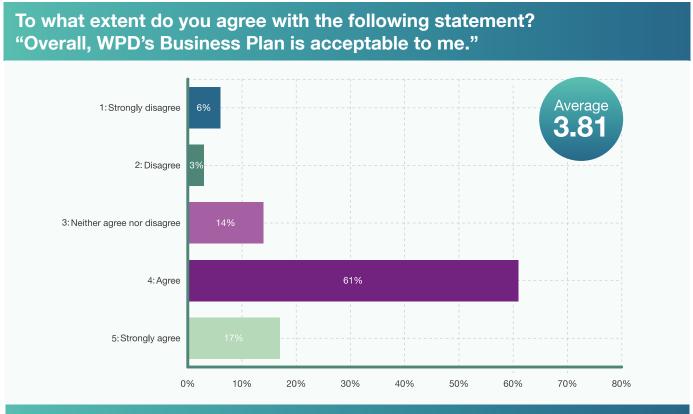
1. What has brought you here today?

- "I'm from a local council, where I work as a planning policy officer. We're getting involved to assure alignment with development plans in our area. We want to become aware of WPD business plans that are of interest to our local plans." **Local authority**

- "I work for a consultancy, so I am part of WPD's supply chain. I'm here today as I want to get a better understanding of WPD's innovation and digitalisation strategy, so that we can provide the best support possible." **Energy consultant**

- "I'm a local councillor and am particularly interested in electric vehicles and heating systems, as well as the charging systems for them. This will mean a whole wealth of extra demand on systems. I'm also interested in smart-system integration and battery storage." **Local authority**

- "I work for a small housebuilder. I sort out the services for our developments. I want to keep on top of what's happening in the marketplace. Heat pumps and EV charging form part of our plans as we target net zero. We're looking to build houses with SIP panels." **Major connections customer**

- "I work with a smart local energy system project. I liaise for WPD in that project as the networks are very key to our aims. We work in the interests of communities and residents in Coventry and beyond using the RESO model. We advise a local authority on sustainability and infrastructure optimisation policy." **Energy consultant**

- "I work in energy and carbon management. I'm primarily a resident in the Eastlands DNO area but am also working on projects in South Wales. I'm particularly interested in smart local energy systems. I partner in an Innovate UK-funded project called Bank Energy. We're trying to facilitate flexibility and energy trading." **Energy consultant**

- "I work for a business group in Cornwall. I'm here representing the other counties in the South West today. I've come today because clearly a lot of our farming members will have WPD involvement. They are either energy generators themselves or they farm on land which has WPD infrastructure. I just want to remind WPD of the impact they can have on farming businesses when they are going about their business." **Business customer**

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- "I work for a transport and innovation team. I'm responsible for EV strategy and charge-point infrastructure roll-out in the West Midlands. We work closely with other local authorities. I'd be interested to understand where this figure of 1.5 million EVs has come from. We've done EV take-up projections up to 2025 and 2030 so we can share these with you. I'd be interested to see how these match up with WPD's calculations." **Major connections customer**

- "I'm heavily involved in the microgeneration side of things, so solar, batteries and EV. We've always been good partners with DNOs and WPD in particular. I'd like to understand the impact of all this on our workload and how we might be able to help WPD out in future." **Connections provider**

- "I'm from a city council and I work as a planning officer. I'm here observing really, but we have a couple of new settlements in the county up to 2041 which will have energy generation on site. I'm interested to understand what's been factored in and what's happening out there so we can feed it into our plan-making and assumptions going forward." **Local authority**

- "I'm the head of design for an arms-length developer developing housing and commercial space for the county council, and we are following the council's ambitions to be net zero by 2030. A big step in the plan is to design a fossil-fuel-free heating system to deliver heat to homes, but we have circa £600 million to invest so we can operate at quite a pace and scale. I've been involved in earlier events, and I'm pleased with what I'm hearing." **Major connections customer**

- "I work for a community energy group in the South West. My role is to support community energy groups in connecting. I'm really interested in microgrids." **Community energy group**

- "We supply innovative technology to WPD, and we're now also into the innovative machine-learning side, helping to monitor growth of the network." **Connections provider**

2. What are your overall views on the acceptability of WPD's Business Plan?

To what extent do you agree with the following statement?
"Overall, WPD's Business Plan is acceptable to me."

Average
3.81

1: Strongly disagree	6%
2: Disagree	3%
3: Neither agree nor disagree	14%
4: Agree	61%
5: Strongly agree	17%

Don't know / can't say: 4/40

- "It seems reasonably straightforward. I want to see a bit more detail around some of these things but as a high-level overview it looks reasonable. I'm more interested in the detail around how you are going to deliver 1.5 million EVs and make the paperwork simpler for new connections. The process at the moment is quite laborious for both parties, so how are you going to streamline this?" **Connections provider**

- "With the 'up to 1.5 million EVs' idea, I'm intrigued by the wording because 'up to' could mean anything! We are projecting 800,000 EVs by 2030 in the West Midlands and Warwickshire counties alone. I'm slightly concerned that this number might be an underestimate. We had to reforecast our figures given the government's announcement about banning petrol cars by 2030. The figure we had forecasted went up by about 20%." **Major connections customer**

- "There are 2.3 million EV registrations per year, which means that there will be a huge number of new cars coming onto the road before the ban on new sales of combustion engine vehicles in 2030. All these new vehicles on the road will put huge pressure on the electricity network across the country. Delivering on this will be a major challenge, so I hope that the Business Plan contains sufficient detail about this area." **Local authority**

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- "The only thing we haven't mentioned is the climate, but if you've already had a workshop on this topic this week then that's great." **Business customer**

- "Yes, I'm happy with the plan. I like the way that you are communicating with stakeholders." **Environmental group**

- "It all looks very positive." **Local authority**

- "You've got net zero by 2028, and I'd like to know more about what you're planning to do to meet that target as it seems to be very ambitious. The target about helping the fuel poor is great as well." **Local authority**

- "I'm all in favour of the commitments you've made on the screen there. My question is more about the zero-carbon context: to what extent is your target dependent on government policy? To what extent does the government's commitment to wind energy (or not) affect our ability to meet the targets? The targets around heat pumps seem quite conservative. There may be a step change in people's attitudes towards them where they start saying things like 'Where is my solar farm?', and are you ready for that?" **Environmental group**
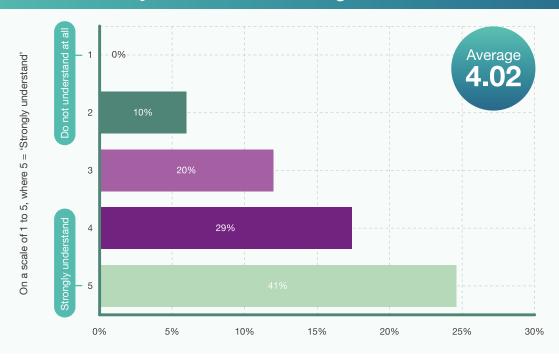
3. What are your views on the bill impacts of WPD's proposals?

- "No one likes bills increasing but if the standard of service remains high it's acceptable. As long as the cost of this isn't all loaded onto commercial customers, that's OK. The standard of delivery and regularity of supply is important and provided these bill increases stay within the limits given, that's acceptable to me." **Business customer**

- "From a planner's point of view I can't really comment. But for our patch it had gone down so I don't really have any negative comments, but it's not my area." **Local authority**

- "I think that most stakeholders I've spoken to have said that, generally speaking, community and local stakeholders are accepting that there will be bill increases and want WPD to be more ambitious on low carbon. They think that WPD hasn't been specific enough on that being the overall driving force; the focus has been too much on keeping bills down. That's not going to prevent us being underwater, which is going to be more expensive in the long term. They want more ambition. They don't want vulnerable customers to pay more and you need to stop that happening but you do need to be more ambitious on low carbon. In the long term it will be more expensive otherwise." **Environmental group**

- "Our area will be the one going up the most but I do understand the reasons for it. It will be interesting though to see the measures being put in place to try and bridge the gap between the areas where it's going down and up." **Local authority**

- "The problem is disadvantaging rural areas. You're disproportionately affecting low-carbon tech because those areas are more suitable for it. So that doesn't support that aim of the plan." **Environmental group**

- "Customers currently pay around £98 per year on the WPD part of the energy bill, and the £2 increase is dwarfed by the wholesale increases in electricity. I don't think it's unreasonable considering that and the challenges around decarbonisation." **Local authority**

To what extent do you understand the regional variance in customer bills?

Average **4.02**

On a scale of 1 to 5, where 5 = 'Strongly understand'

Do not understand at all

Strongly understand

Scale	%
1	0%
2	10%
3	20%
4	29%
5	41%

To what extent do you agree with the following statement? "The regional variance in customer bills is acceptable to me."

Average **3.41**

- 1: Strongly disagree — 13%
- 2: Disagree — 10%
- 3: Neither agree nor disagree — 21%
- 4: Agree — 36%
- 5: Strongly agree — 21%

Don't know / can't say: 1/40

- "Not many people know that the electricity comes from Western Power and that needs to be clearly explained so that people understand the bill increase." **Developer**

- "I understand the rationale behind the bill impacts." **Connections provider**

- "This seems reasonable given the differences between areas." **Connections provider**

- "My perspective as part of the team in Cornwall Council is that Cornwall is one of the most deprived areas in Europe. In a general sense we all have to see investment nationally in addressing climate change, and in Cornwall we've got conditions where we could be helpful to the rest of the country due to all the renewable resources we have, so it doesn't seem fair to penalise the general population of Cornwall, especially considering the challenges they are already facing, in particular given the situation of the last couple of years and also the housing situation in Cornwall, which I'm sure you've all heard about. This also threatens the model, as people in poverty will pay their bills first before paying rent." **Major connections customer**

- "If it's something that's dictated, can you at least make a representation about it in the Business Plan? Because I think it's really important." **Major connections customer**

- "This is a small contributor to the actual cheque that the customer writes, but I don't know if you've missed an opportunity to ask customers how much they're willing to pay extra in order to fund a greening of the network." **Environmental group**

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Workshop Two
Embracing innovation & digitalisation

Yiango Mavrocostanti, Innovation Manager at WPD, began the second session of the day, explaining that WPD planned to dramatically increase its innovation activities over RIIO-ED2. She showed how WPD plans to initiate a culture of innovation, where innovation is celebrated and rewarded within the business. She then outlined some of the ways in which the company will achieve this. Jon Berry, Digitalisation Manager, took over to introduce WPD's approach to digitalisation for RIIO-ED2. He talked delegates through the Digitalisation Action Plan and showed how the three principles of effective governance – people, processes and technology – underpinned a coordinated approach to digitalisation across the business.

Summary

Embracing innovation & digitalisation

There was a good deal of positive feedback on WPD's innovation strategy, with many voicing support for its ambition, and on their experiences of dealing with WPD on innovation in the past. Although many pointed out that it was a challenge for all DNOs to embed innovation and make it business as usual, there was a feeling of reassurance that innovation was a key pillar in the Business Plan, and that bringing along staff by embracing a culture of innovation was a critically important thing to do. Some urged WPD to go even further by reducing the barriers to innovation across the network: they suggested encouraging cross-fertilisation with other partners and DNOs, which would enable other parts of the industry, such as the supply chain, to innovate as well, creating a more streamlined, effective process towards net zero. A key comment here was, "Innovation in a silo keeps clever people thinking about clever things but it never happens, so having it across the business is fantastic."

Delegates from local authorities and connections also wanted to see proactive, early engagement with WPD on innovation, particularly on decarbonisation projects, as this would help to open up a culture of innovation across the network. Some shared stories of innovation projects that stakeholders had advocated for, such as three-phase power to new housing developments, now being widely rolled out following a trial scheme in Wales, praising these as great examples of engagement and innovation embedded as business as usual. In this light, delegates urged WPD to be even more ambitious and integrate more learnings and solutions from trials and innovation projects into day-to-day activities. Discussing radical alternatives, stakeholders saw that the big challenge for WPD on innovation was to create a nimbler, more responsive and flexible way of doing heavy engineering: one suggestion was looking at the modularisation of design patterns to increase efficiency and react more rapidly to a sudden step change.

There was some criticism of the innovation plan, in that delegates wanted to see more detail on the objective of the innovation. These stakeholders felt that the priority for innovation should be the delivery of affordable services in the light of increased load on the system, focusing on reliability and reducing costs to customers, and not leaving vulnerable customers behind in the smart-energy transition. Some wanted more detail on how innovation might streamline the connections process for innovative projects such as grid-scale batteries, while others felt that the figures in the plan were too vague and that some of the percentages did not benchmark current performance accurately enough to allow them to take an educated view.

These differences of opinion were reflected in the electronic voting: when stakeholders were asked whether they agreed with the statement, 'The proposed approach to innovation is acceptable to me', 57% strongly agreed or agreed, 33% were neutral, and 10% disagreed or strongly disagreed. Six stakeholders voted 'don't know / can't say'. There was less acceptance of the ambition of the innovation approach: 36% agreed or strongly agreed that it was ambitious enough, 34% were neutral, and 30% either disagreed or strongly disagreed. Seven stakeholders felt unqualified to answer.

Digitalisation

On the topic of WPD's digitalisation strategy, most approved of the investment and the aspiration, and felt that more network monitoring was critical, but the key takeaway was "it needs to be more tangible to the customer". Delegates praised the commitment to having face-to-face engagement with stakeholders, as it was felt that, while online self-service portals and services were vital, these needed to be backed up and supported by a "real human being". Some delegates voiced frustration that they had not always been able to receive that direct contact, and it was felt that customer knowledge of the network lagged behind the often-complex digitalisation of the industry as a whole: WPD needed to take their customers with them on this journey. Local authorities and community energy groups especially cited their need for an expert contact to guide them through the process of analysing complex data, such as GIS systems being used to show various capacities, outputs and peak demands.

In terms of going further and being more ambitious, some stakeholders called for more data availability from LV feeders, and others wanted to see more digitalisation around infrastructure, to know what was happening at transformer level and to know where exactly the constraints were. Some praised the "low-regret" perspective, and urged WPD to work with other partners interested in steering how the network functions; otherwise, they thought, there could be a situation where flexibility takes away from fairness. A key comment here was, "Digitalisation needs to be a team sport". This focus on partnership working was also emphasised for sharing insights on behavioural trends, where other parties would also benefit from this data: for example, when understanding transport behaviours in terms of EV uptake, learnings need to be shared cross-industry, otherwise DSO will be limited to single-sector interests. Some saw that desegregation of the data from substation monitoring was going to become ever more critical for an effective running of the network into RIIO-ED2.

Considering the emphasis stakeholders placed on receiving direct, expert advice and support as we move to greater digitalisation of the network and systems, when they were asked whether they agreed with the statement, "I am confident that WPD's digitalisation strategy will achieve benefits that are business-wide", not everyone felt they had the expertise to answer, with 31% remaining neutral and 7 stakeholders responding 'don't know / can't say' as they felt they didn't know. 56%, however, either agreed or strongly agreed. Similarly, when asked whether the digitalisation strategy was sufficiently ambitious, 12 stakeholders felt unqualified to answer, although 73% agreed or strongly agreed.
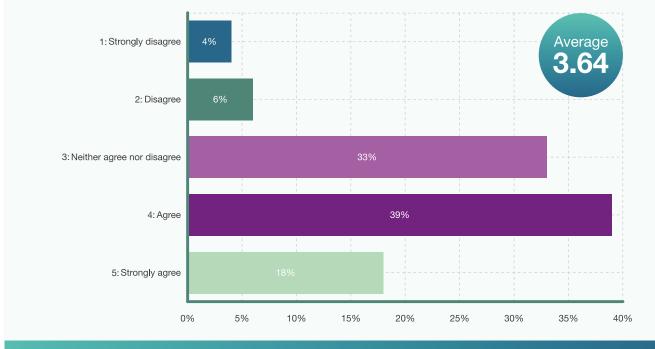
Verbatim comments and voting

Embracing innovation

1. Are you supportive of our approach, is anything missing?

To what extent do you agree with the following statement?
"The proposed approach to innovation in the next Business Plan is acceptable."

Average
3.64

1: Strongly disagree	4%
2: Disagree	6%
3: Neither agree nor disagree	33%
4: Agree	39%
5: Strongly agree	18%

Don't know / can't say: 6/39

- "From my perspective and general experience of working with other DNOs, WPD is really leading the way. I'm supportive of the ambition and drive on display here, but I think that all DNOs generally are struggling with taking innovation and making it business as usual and would like to see more about how WPD plans to tackle this." **Energy consultant**

- "There's a recognition from WPD that its staff is key to delivering innovation, so it's all about ensuring that this innovation culture becomes embedded." **Local authority**

- "It's reassuring to see that innovation is a key pillar to operations moving forward. In our own work in this area, we've had a lot of success with cross-fertilisation with other industries, so it would be interesting to see how WPD could look into that." **Major connections customer**
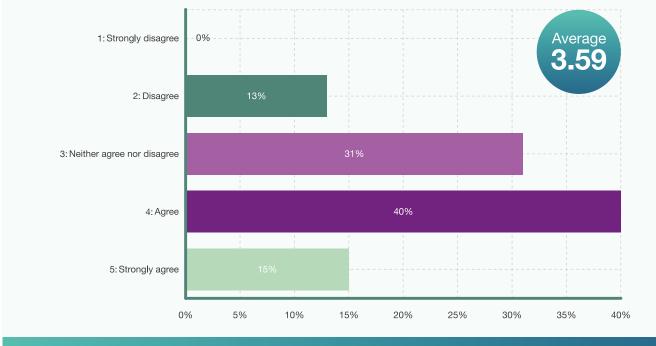
- "For me, the biggest leap that can be made here is being open and reducing barriers to innovation across the network through working more with other partners and DNOs in particular to embed innovation as business as usual. As a result, the wider supply chain would be able to innovate too, which will help us all to work towards net zero." **Major connections customer**

- "We rely on the expertise. Any work WPD is doing to bring along their staff can only be a good thing. My only comparison is Northern Powergrid, and you're approachable compared to them! Being able to pick up the phone and have questions answered is key." **Major connections customer**

- "I'm right behind the need for innovation, particularly in the transition to DSO. Credit where it's due, one of the key things we were asking for as stakeholders was looking for three-phase power provided to new housing developments for things like EV, and we're now being told all new residential schemes will have that, whereas a couple of years ago it was limited to a small trial in Wales." **Major connections customer**

- "I'm supportive of the approach, especially joint working with business teams to drive innovation, which is something we need to do in the council too. I'm keen to see innovation in decarbonisation. We have a large council house estate and we've got good engagement with WPD in Cornwall." **Local authority**

- "Innovation in a silo keeps clever people thinking about clever things but it never happens, so having it across the business is fantastic. The council probably knows what it's going to do long before it does it, so it would be good for the council to have a chat with WPD when it first starts thinking about something. I welcome the fact you reward people for coming up with suggestions." **Consumer body**

- "If you weren't innovating then I would be surprised. Promising to be innovative isn't startling; we don't really know what innovative things you're going to do." **Local authority**

- "I'm not sure if anything is missing but I was hoping to see more detail. For us, we've got schemes that are grid-scale batteries and programmes where there are tens of thousands of customers looking for connections. The process at the moment can take up to 60 working days, which is a real industry killer. I was hoping to see how digitalisation and innovation might streamline this process." **Connections provider**

- "When it comes to innovation, we have to support it as it will be vital going forward in terms of delivery of affordable services. What was missing was the objective of the innovation, which is reducing costs to customers and increasing reliability, i.e. reducing power cuts. Lots has been said about increasing the demands put on the system, so that's where I'd like to see more detail about your innovation." **Business customer**

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- "As a local authority that deals with you, I don't find you innovative at all. There are lots of percentages thrown around in the presentation, for example you say you'll increase such and such by 50%, but if you only have 1 person that could just mean getting one more person in. It's worded to look good but it's actually very wishy-washy. You could improve the way you deal with local authorities generally. We had our power off for 8 hours recently and your customer service was very poor. For example, you told us you needed to wait for permission to close the road, but I know you don't need permission, you can just do it. You didn't seem bothered about the hundreds of people who were unable to work for 8 or 9 hours." **Local authority**

Do you agree with WPD's ambition to celebrate a culture of innovation? What more can they do to help?
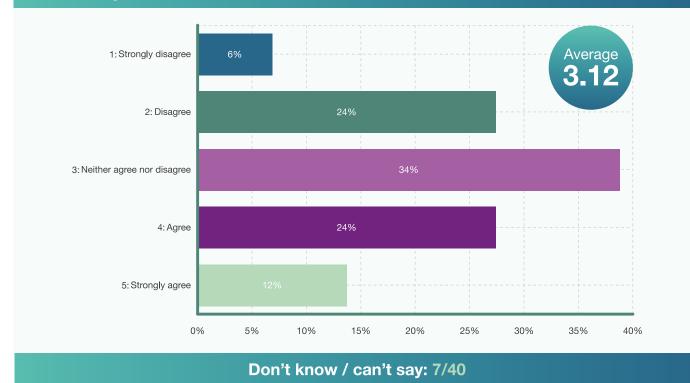
To what extent do you agree with the following statement? "I am confident that WPD's innovation strategy will achieve benefits that are business-wide."

Average **3.59**

Response	Percentage
1: Strongly disagree	0%
2: Disagree	13%
3: Neither agree nor disagree	31%
4: Agree	40%
5: Strongly agree	15%

Don't know / can't say: 6/38

2. Are we being sufficiently ambitious in this area? Are there radical alternatives you would like us to consider?

To what extent do you agree with the following statement? • "The proposed approach to innovation for the next Business Plan is sufficiently ambitious."

Response	Percentage
1: Strongly disagree	6%
2: Disagree	24%
3: Neither agree nor disagree	34%
4: Agree	24%
5: Strongly agree	12%

Average **3.12**

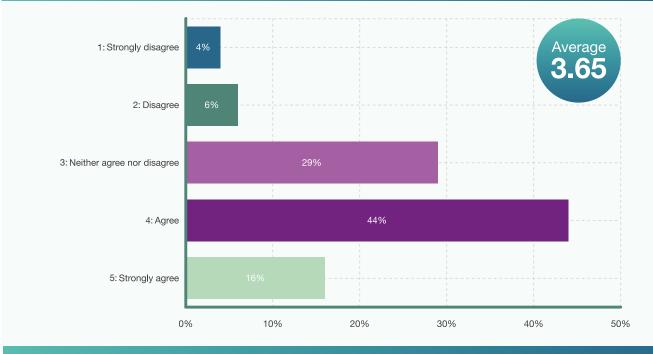**Don't know / can't say: 7/40**

- "I'd like them to be prioritising projects that help us achieve net zero in a way that doesn't leave vulnerable customers behind. That's very basic but not overtly stated here." **Environmental group**

- "It's a matter of what constitutes radical. I think the issue is that the infrastructure is big and heavy technology with a long lead time. The radical element I would try is to look at the modularisation of design patterns so you can become more efficient, especially if we see a sudden step change. You need to have a much nimbler way of doing heavy engineering." **Environmental group**

Digitalisation

1. Are you supportive of our approach, is anything missing?

To what extent do you agree with the following statement? "The proposed approach to digitalisation in the next Business Plan is acceptable."

Response	Percentage
1: Strongly disagree	4%
2: Disagree	6%
3: Neither agree nor disagree	29%
4: Agree	44%
5: Strongly agree	16%

Average **3.65**

Don't know / can't say: 9/40

- "It's a complicated approach, but it needs to be so." **Academic institution**

- "I'm very comfortable with WPD investing in digitalisation. We need more network monitoring. You need to work with partners interested in steering how the network functions. Otherwise, you'll have a situation where flexibility takes away from fairness. Digitalisation needs to be a team sport. This comes down to the ESG of DSO serving local areas." **Energy consultant**

- "Looking at this diagram, one thing came to mind: looking at the scheduling tool and the term 'contract', it gives the impression that you're giving delivery milestones to customers. Are you contractually liable if you don't hit them? Large sums of money can hang on these deadlines, so people need confidence that they will be hit. Does the Digital Strategy have these caveats?" **Academic institution**

- "It looks very good, and I support it. It takes a low-regret perspective, which is good." **Energy consultant**

- "There's a lot of aspiration in this, but I'm still trying to envision how this will look to customers and internal employees. Of course, there is definitely a customer benefit to it, as things will be much better monitored and managed internally, meaning that the customer will get a better service. However, generally speaking, it needs to be more tangible to the customer, I think." **Local authority**

- "I'm very supportive of WPD's approach to digitisation. It's a really good strategy on this. They have a commitment on still having face-to-face conversations with less tech-capable stakeholders and that's really important. The local energy engineers coming in with ED2 – it's really important that that sits alongside a human face that anyone can talk to. It's really important that sits alongside their traditional way of providing excellent customer service. It helps people find the most efficient and affordable ways to connect." **Environmental group**

- "It's very good to have self-service things online. A real human being helps a great deal for delivering this to a customer end, even via email initially. Digitalisation and technology are wonderful but there is still a need to keep the human element within it." **Energy consultant**

- "I like the idea of self-service where you log on and if the information is already in WPD's system then you can proceed right there and then. If the information isn't available, then you should be notified of this and given a timescale for it." **Connections provider**

- "I think the strategy is really good and it's the way forward. My concern is how long it will take to get there. In the meantime, there's quite a lot of work going on for existing connections customers, who want more information on the cost of connecting new EV chargers and are also keen to get more out of their existing connections and use them off-peak. You're trying to get more out of your network, as are connections customers. The information needs to be there sooner, and I'm concerned that you'll be past the curve by the time it's all on there." **Energy consultant**

- "I'd specifically ask for more information on LV feeders, so when a customer comes to you for the connection of an EV charger, it's not just looking at demand on the network but profiling this information over the years. For a lot of the feeders, the information needs to be on there much sooner to give a transparent picture." **Energy consultant**

- "The main thing that customers need to have is a better understanding of the network. As the business grows and demand for energy increases, customers need to understand early on in the process if there are any constraints and how to understand them. On the generation side, there is a lot of frustration around connections. Some of that will be for EV but also other things. It's ensuring WPD is ahead of the game and can deliver timely solutions while communicating as clearly as possible, because time can be critical for farmers who might be diversifying away from farming, for example." **Business customer**

- "One of the big frustrations for our members is having that direct contact. All too often, everything ends up going through a central point and unfortunately this isn't the answer in many cases." **Business customer**
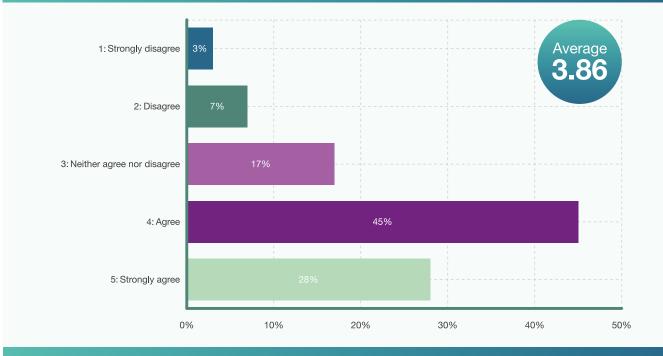
- "There's already some digitalisation in terms of GIS systems being used to show various capacity and outputs and peak demands. It's all available for us online. However, we still massively rely on a contact at WPD who we liaise with for specific advice. They work with us to help us see what enhancements and reinforcements will be needed. It's not a piece of work we can do without a contact at WPD. We don't have the expertise to do this alone." **Local authority**

- "Self-help to a point is helpful, but sometimes the level of detail and expertise needed requires an expert. It's quite hard to forecast things. You're never certain if things are going to happen but it's a piece of work that needs doing and it needs to be expert-led." **Local authority**

- "The information we get isn't detailed enough. It's a major frustration for our members. From a practical day-to-day point of view, there are frustrations around communications from WPD. It's basic comms which any large organisation struggles to keep on top of. Our farmers need to know the status of their connections application or whether WPD is planning works on the land." **Business customer**

- "Continued engagement as we develop projects and increased access to data is very welcome. There is only so much you can get done through portals." **Local authority**

- "I would like to see more digitalisation around the infrastructure, more information about what is happening at transformer levels and to be able to know exactly what the constraints are". **Academic institution**

- "Getting to net zero requires everyone to act. That's fine for the people whose job it is to do this, who understand the terminology and what forms to fill in, et cetera, but there are thousands of small businesses and community groups across WPD's license area who don't have that technical background to give them the result they want: how to get low-carbon technology connected in an affordable and efficient manner. Developers work faster and have people finding the best connection sites. Community energy groups don't have this and they are disadvantaged by the nature of their position as stakeholders in this market. To encourage a level playing field you have to cater for not just the stakeholders who are able to engage as it's their day job. You have to cater for everyone. It's good for WPD to continue with a human face to provide that excellent customer service." **Environmental group**

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2. Are we being sufficiently ambitious in this area? Are there radical alternatives you would like us to consider?
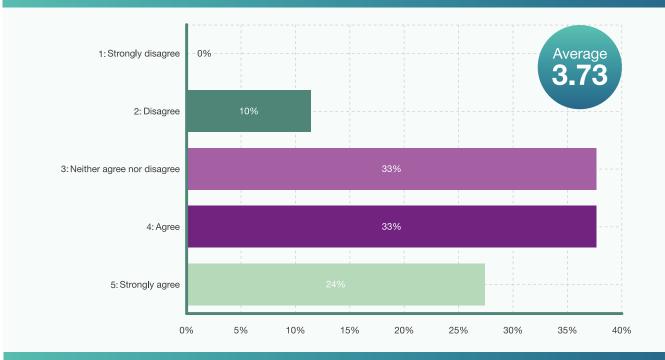
To what extent do you agree with the following statement?
"The proposed approach to digitalisation in the next Business Plan is sufficiently ambitious."

Average
3.86

Response	Percentage
1: Strongly disagree	3%
2: Disagree	7%
3: Neither agree nor disagree	17%
4: Agree	45%
5: Strongly agree	28%

Don't know / can't say: 12/41

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To what extent do you agree with the following statement?
I am confident that WPD's digitalisation strategy will achieve benefits that are business-wide."

Response	Percentage
1: Strongly disagree	0%
2: Disagree	10%
3: Neither agree nor disagree	33%
4: Agree	33%
5: Strongly agree	24%

Average **3.73**

Don't know / can't say: 7/40

- "WPD is outstanding at sharing their findings. It's about taking all that into business as usual." **Energy consultant**

- "The process and approach are solid enough but making it accessible to customers and groups is the problem: that's how you have to move forward. On your decarbonisation objectives, more public reporting on that would bring people with you." **Environmental group**

- "Even from substation monitoring you need to have desegregation of the data. Even without individual monitoring components, that type of information can be crucial for the running of the network and its demographics." **Connections provider**

- "For a business like WPD it's been a big transformation from what you used to be to what you are now, and this is a good step from where you used to be to where you are now but there is more work to do. Having worked with other distribution companies, I know they're on a similar journey." **Local authority**

- "On the people side, digitalisation is about anticipating behavioural trends. There are other parties that need to understand the customer behaviour from the same digitalisation approach. Partnerships will be key. If we don't understand transport behaviours and share insights with interested parties then DSO will be done largely for single-sector interests." **Energy consultant**

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- "On our side, being able to apply for network reinforcement, getting a price quickly is critical. We often work across a large area with multiple sites, and it is important that we can see what the costs of upgrades would be across each site. Also, the innovation hub – the digital interaction would be an interesting place where we may well see opportunity to dive in to take part". **Trade association**

- "It's difficult to say. I think the intention to increase digitalisation is the right way forward. I think it makes sense for a company like WPD to try and future-proof and digitalise their operations as much as possible. Is it going far enough? I don't know." **Local authority**

- "I think one of the big challenges with digitalisation will be the low-voltage network because that's where EVs and heat pumps will happen. There are investigations into monitoring devices and so on, but that will need to be implemented carefully in order to future-proof the network. Digitalisation has been happening for a long time, and it's true that there's mostly been someone with an overview of that, but there is potential to do more." **Connections provider**

- "If you can drill it down to the end user, it would be good to have displays so that if people are charging their EV they can see the genuine usage rate, which isn't always the case at the moment, so more of a push for technology is good." **Energy consultant**

Workshop Three
WPD's independent Distribution System Operator & managing uncertainty

Ben Godfrey, DSO Manager at WPD, introduced the third session of the day. He showed how WPD's core commitments under DSO had been revised in line with stakeholder feedback and to support the delivery of Ofgem's expectations of a DSO. He then explained that there was a risk of conflict between WPD as a DSO (system operator) and as a DNO (asset owner), and that WPD planned to enact accountability, transparency and justification of its investment decisions to mitigate this potential conflict. Finally, he discussed how WPD plans to deal with uncertainty, particularly around the timing and location of additional capacity to support low-carbon technologies.

Summary

WPD's independent Distribution System Operator

There was a strong sense from delegates that, for now, the approach to DSO and managing uncertainty was ambitious enough, given the huge volumes of unknowns and the rapid rate of change. This was reflected in the electronic voting, where 72% agreed or strongly agreed that it was acceptable, and 65% agreed or strongly agreed that it was ambitious, with five and four stakeholders answering 'don't know / can't say', respectively. They were pleased to see WPD being transparent about uncertainty, and that options to pivot and invest more were baked into the plan. For many, the challenges lay on a national scale: the Welsh Government banning gas boilers, for example, would have huge implications for both capacity and demand on the network, and there was concern that local authorities had declared climate emergencies without knowing what this meant in practice. With this in mind, many saw that a national framework and a centralised policy to enable LCTs was vital, because making decisions on a regional basis is ultimately less effective and leads to piecemeal innovation. Local authorities cited that they saw plans change often, making it hard to predict uptake and required reinforcement: they felt that proactive engagement and annual reviews were a good approach. Discussing flexibility, delegates were pleased to see commitments to enabling flexibility markets and efficiency savings, but urged WPD to ensure that flexibility came from low-carbon sources. It was felt that currently the market was encouraging fossil fuel generation, with gas plants being installed that take up critical capacity on the network, discouraging renewable generation and connections from community energy groups.

In this context, there was some robust debate around radical alternatives that WPD could consider. Some proffered a strong business incentive, where the effective running of the DSO might eventually become a commercially biddable service and be bought out by a company such as Google, allowing WPD to take over other operations in other licensing areas in the UK. For others, this idea "sent a shiver" down their spine: they wanted to see greater socialisation of the network, empowering wider communities to have more local ownership of energy projects to build resilience and expanded levels of locally driven renewable generation. For these stakeholders, WPD's power to drive the market was seen as a social responsibility, and they wanted to see decarbonisation prioritised, although they acknowledged the tension and conflict here with making profit for shareholders. Building in requirements around carbon reduction was seen as critical for these delegates, particularly around flexibility services and tendering for these contracts. However, others felt strongly that part of WPD's role as a DSO was not to "pick a winner" and that they must remain technology-neutral.

Reflecting on the potential for a conflict of interest between WPD's DSO and DNO operations, most felt that having an independent systems operator dealt with this adequately and that the possibility of greater conflict was therefore avoided. Others saw that there were more competing priorities than competing interests, and that being clear about what each side were trying to achieve would help to mitigate the issues. However, in the electronic voting it seemed there wasn't perhaps adequate knowledge of the issue to cast a definitive opinion: 33% were neutral on this question and eight stakeholders felt unqualified to answer, although 44% agreed or strongly agreed that the DSO strategy does adequately remove the potential for conflict. Delegates saw the main conflict lay in managing and forecasting risk and stranded assets, and felt that the proposed uncertainty mechanism went some way to addressing this.

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Managing uncertainty

Expanding on the uncertainty mechanism, many urged greater engagement as key to identifying areas of growth. To these ends, using the social contract framework was seen as useful for capturing early adopters and vulnerable customers at the same time. Greater communication was also seen as critical to avoid underinvestment in some areas, and overinvestment (and therefore stranded assets) in others.

The majority of stakeholders wanted to see WPD provide capacity either where stakeholder engagement supports more being delivered, or where upper forecasts predict more being needed. Many regarded the approach whereby reinforcement is driven by actual connections requests as being "historic" and felt it led to unworkable delays. Those from local authorities advocated constant dialogue to determine need and saw local authorities' planning processes as "shop windows for certainty", giving a robust idea of where growth is planned, such as housing and electricity grid expansion, and cited general enthusiasm for decarbonisation as a key driver. Others wanted to go even further and rely on upper forecasts, with a key comment here being, "Local energy stakeholders don't have the capacity and resources to provide fully invested models of where the low-carbon technology will be connected." Investment ahead of need was seen as critical to enabling LCTs, which some delegates expected to exceed even the most ambitious forecasts, with some urging for more weight to be given to speculative energy storage to cater for this increased demand.
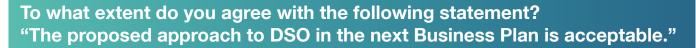
In the electronic voting, 72% felt that the proposed use of an uncertainty mechanism in the Business Plan was acceptable. 23% felt neutral, 5% strongly disagreed and two stakeholders voted 'don't know / can't say'.
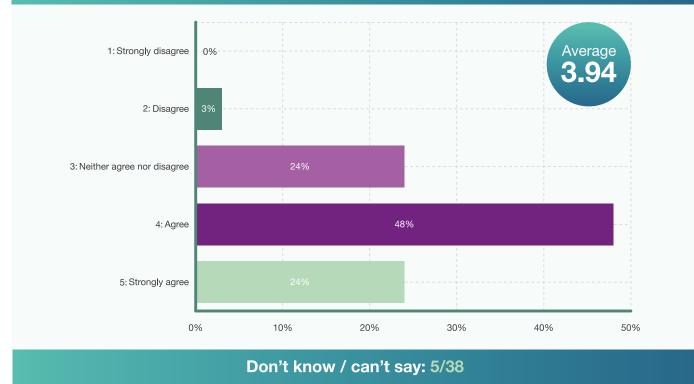
Verbatim comments and voting

1. Are you supportive of WPD's approach, is anything missing?

**To what extent do you agree with the following statement?
"The proposed approach to DSO in the next Business Plan is acceptable."**

Response	Percentage
1: Strongly disagree	0%
2: Disagree	3%
3: Neither agree nor disagree	24%
4: Agree	48%
5: Strongly agree	24%

Average **3.94**

Don't know / can't say: 5/38

- "From my perspective, given the current regulatory framework, it is ambitious enough. However, the legal separation of asset owner and systems operator is almost inevitable, due to the perceived conflict of interest. Is there a contingency plan in place should Ofgem rule that they need to become standalone entities?" **Energy consultant**

- "I think this is great. It's a challenge and a new area. It looks like WPD is taking a clear approach. There's huge uncertainty but I'm pleased they are being transparent about that from the start, but it gives them the chance to pivot as things change. The commitments look good. It's hard to measure the ambition level when you're working in a new area. It feels like for where you are at the moment, it is the right level of action plan. You can see whether more or less ambition needs adding in as the years move on." **Trade association**

- "It's a great job you're doing. There are some things you won't be able to do. There's a danger things won't go far enough. You're talking to RESO and it's great to see the transparency diagram but you're not having business-as-usual discussions. Will there be some decisions that make the barriers of entry higher for some consumers to participate in flexibility?" **Energy consultant**
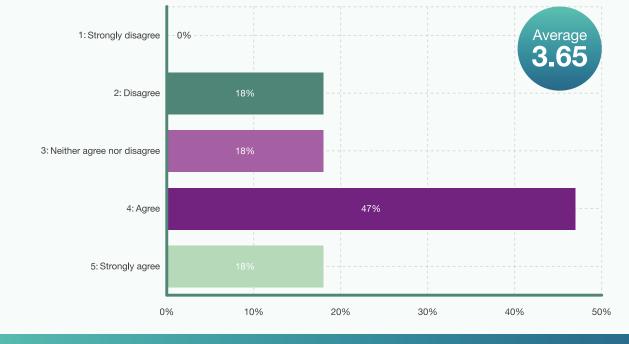
- "The Welsh Government recently announced the banning of the use of gas boilers. On their timescales there would be enormous implications for electricity DNOs because of added heat pump demand. This can lead to firefighting in some regions. You have a very difficult task. A lot of climate emergencies have been declared without knowing what that means in practice." **Energy consultant**

- "Regarding commitment 35, as a DNO it's easy to say to the end customer, 'If you want to add to your load then you're paying for it.' I completely agree that with any new technology we should be giving a response that if you're using your charger outside of office hours then it's not additive. It's that conflict between DSO and DNO that comes into play. At the end of the day the end customer benefits from using capacity more effectively and not having to pay the extra charge." **Energy consultant**

- "You do see plans change very often. I'm on the policy side so we try and make predictions around planning. We get a lot of speculative applications. It's important to keep on top of things. Local authorities have to produce trajectories each year. Annual reviews are probably a good idea." **Local authority**

- "Something that's missing from the equation at the moment is the need for a central direction to coordinate the roll-out of infrastructure with the roll-out of availability of electric vehicles across the whole country. The range of EVs, as in how far they can drive before they need to be recharged, is an issue. We need a network that's compatible with the number of vehicles. It's difficult to make decisions on a regional basis. It requires a national framework as well as DSOs working together. We need the figures of EVs on the road to know how many charging points are needed and where." **Business customer**

- "It was a very informative presentation. I think it is very difficult because I can't see how you will work out how many chargers you'll need. EVs are still way out of a lot of people's reach; a lot of people are still driving around in £500 petrol or diesel cars, so how will we attract them to get EVs? A centralised policy is needed to help with this." **Local authority**

- "WPD should be ensuring flexibility is coming from low carbon. At the moment the market is encouraging fossil fuel flexible generation. That doesn't enable low-carbon tech to participate. Solar can't without battery because of it being evening. It's also not taking any social consideration of where that flexibility is coming from. So there's the environmental factor but also the issue of ownership: is it locally owned by the local authority? We're seeing gas plants being installed to meet the market and that's taking up critical capacity on the network. This is preventing community and local energy groups from connecting. It's very concerning." **Environmental group**

- "I've spoken to a couple of LAs specifically about forecasting capacity needs. I've picked up on the uncertainty that comes with a lack of understanding. LAs are in a good position with demographics. But with DNOs they have to come in at the end. I think that the LAs want the DNOs to be proactive in the process earlier on." **Local authority**

- "Until the government decides what they're going to do with Project Rapid Charge, WPD don't really have much of an input. I don't think changing the name from DNO to DSO changes much. Changes have got to take place anyway because the world is changing, not just from a name change."
  Major connections customer

2. Are we being sufficiently ambitious in this area? Are there radical alternatives you would like us to consider?

To what extent do you agree with the following statement? "The proposed approach to DSO in the next Business Plan is sufficiently ambitious."

Response	Percentage
1: Strongly disagree	0%
2: Disagree	18%
3: Neither agree nor disagree	18%
4: Agree	47%
5: Strongly agree	18%

Average **3.65**

Don't know / can't say: 4/38

- "I think that it's a bit of an open question: you need to have an efficient operation, which can be achieved through a DSO model, but you don't want to be seen to have a conflict of interest. The current scope is fine in terms of ambition, but maybe there needs to be more thought about becoming more adaptable as business models adapt in the future. What if we get to the point where a DSO becomes a commercially biddable service, where someone like Google could take over? With that, WPD would have a great business opportunity to take over operations in other licensing areas in the UK."
  Energy consultant

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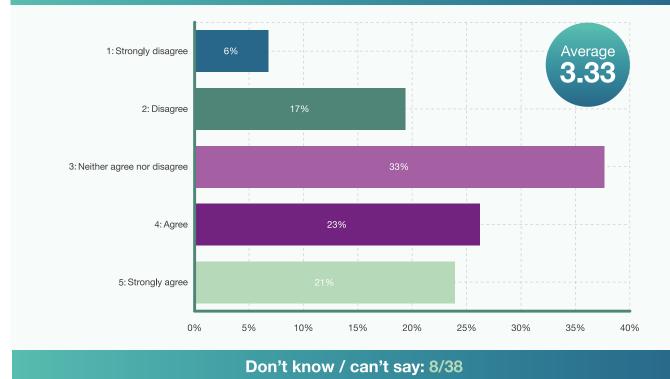
- "I'm interested in the socialisations within this framework, particularly around community energy initiatives, and opportunities to have more local ownership of energy projects. As a result, that comment about getting companies like Google involved sent a shiver down my spine. We need to take this opportunity to empower wider communities and instil a level of resilience that we haven't had before. On that basis, local authorities need to be involved more prominently." **Academic institution**

- "I agree that more local authority engagement is important. In a way, local authorities are uniquely placed, as they can communicate with a wide range of local bodies, and that can be a benefit. WPD's part is being more proactive than before, which can only be a good thing." **Local authority**

- "I am very supportive of the presentation proposals and the core commitments, particularly 36 with regards to net zero. We are glad to see 39 in there and we are working as best we can to coordinate with that. We're hoping to secure support from the government to pilot local energy plans. We are hoping to work with WPD on that. It is critical in terms of dealing with uncertainty. We will soon be progressing our climate emergency document in terms of special planning and DSO function. We believe there is a requirement for a regional strategic planning function. The dialogue with Ofgem needs to be integrated with the DSO and development planning. Only by coordinating those elements will we be able to achieve net zero. Beyond that, we are looking for a financing bridge function to finance developers in doing that." **Local authority**

- "If we're making overarching statements about getting to net zero, you can't then take action that's doing the exact opposite in encouraging new fossil fuel generation." **Environmental group**

- "You guys have enormous power in how the market is developed; other DNOs are copying you. And you're informing Ofgem and the government on what to do to ensure standardisation across the UK. And you have a kind of responsibility, in my opinion, to make sure that you're driving that market to be not just low carbon but socially responsible. That's difficult because it doesn't always meet your business model of making shareholders money. There's tension there. You have a lot of influence to be able to influence what Ofgem are asking for. But we're seeing the installation of fossil fuel generation that is taking up critical space on the network." **Environmental group**

- "Make sure you have requirements around carbon reduction when procuring flexibility services. You need to ask the flexibility providers to provide what you want, achieving net zero faster. It's just a feature of your tendering process." **Environmental group**

- "The last thing we want is DNOs picking the winner. They have to be technology-neutral. You can't ask DNOs to promote a particular technology. If we'd done that last week we'd have had to shut down half of demand because gas and coal has been meeting that in the last week. Once we get sufficient generation that is predictable then I would agree, because then it becomes neutral. But with the market economy we have to live with what we've got in terms of generation. I don't want to see hospitals, schools and factories closed down because we don't have enough generation." **Trade association**

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3. Are you confident that WPD's DSO strategy adequately removes the potential for conflict?

To what extent do you agree with the following statement? "WPD's DSO strategy adequately removes the potential for conflict."

Average **3.33**

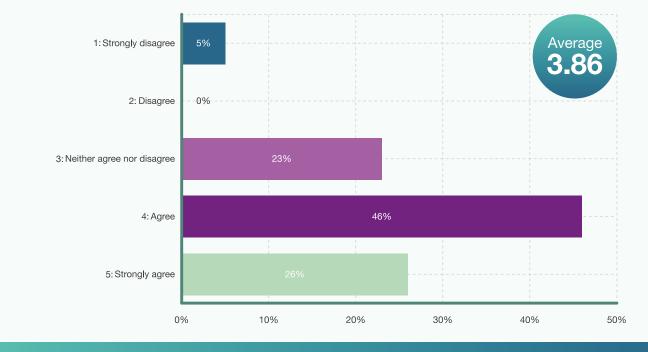| Response	%
1: Strongly disagree	6%
2: Disagree	17%
3: Neither agree nor disagree	33%
4: Agree	23%
5: Strongly agree	21%

Don't know / can't say: 8/38

- "I can see where there would be conflict but if it wasn't WPD acting as system operator there could be bigger areas of conflict. I don't have any strong opinions on this." **Business customer**

- "Can you allow new markets for future energy flexibility to be organically market-driven? Or do you need planning and ring-fencing for expected phases of LCT evolution? If it's just driven incrementally, those privileged first movers will set the trends and the money from people's bills will go into serving markets that only a few people can participate in. We are already regretting certain things about connections." **Energy consultant**

- "WPD is the DSO and DNO at once, so you are both owner and operator of the asset, so it's more competing priorities rather than conflict of interest, and you need to be clear about what you're trying to achieve in order to address that issue." **Business customer**

- "I personally believe that DSO and DNO should be two separate entities to make sure there aren't any conflicts of interests". **Academic institution**

- "What is now happening is that generation and consumption are taking place in the same places. That's the big thing that's being missed: the industry sees people still as consumers and not what we once called prosumers." **Environmental group**

- "I'm supportive of the move from DNO to DSO but it's a whole new approach that you need to adopt. You need to manage your network in real time to take on all these resources, it's a lot more complicated. It's a big change in your role and a culture change for you, and the system changes will need to be borne out in the price control. The uncertainty as to how the system will be developed, and ways of forecasting the pinch points in the system, is important. You can still forecast that, although there is still the danger of stranded assets. You need to start enforcing on the forecast that these things are going to happen. Some of those things are in your gift to manage and some are not, so the uncertainty mechanism is a good way of handling that." **Local authority**

- "It's particularly the ability to manage risk and this term 'stranded assets'. When things are installed, they're not installed for life, and that's something that has to be managed. If I, with my group, had £50 million and offered to buy every electron in Shropshire and store it, why can't I do that given that I might have the expertise to help? This comes back to almost the mission of Ofgem. I understand you need a DSO to regulate things, but you do have larger national issues." **Environmental group**

4. Are you supportive of WPD's proposed use of an automatic uncertainty mechanism?

To what extent do you agree with the following statement?
"The proposed use of an automatic uncertainty mechanism in the next Business Plan is acceptable."

Average
3.86

Response	Percentage
1: Strongly disagree	5%
2: Disagree	0%
3: Neither agree nor disagree	23%
4: Agree	46%
5: Strongly agree	26%

Don't know / can't say: 2/37

- "This is going to get trickier and trickier as time goes on, as demographic modelling around uptake will get harder, due to newer technologies becoming more and more mainstream. In the meantime, you need to keep the focus on keeping the lights on and trying your best underneath that while using the data that you already have." **Energy consultant**

- "Using the social contract framing for applying the uncertainty mechanism will enable you to get multiple benefits, as you could capture vulnerable customers and the early adopters at the same time. By engaging extensively with the local communities, you will have a smoother glide path along this process to decarbonisation." **Academic institution**

- "Community communication and engagement is key." **Local authority**

- "I think that part of it needs formalising in order to decrease the uncertainty, which will help WPD plan ahead." **Local authority**

- "We take the DNO for granted. The population needs to be greener. On capacity, I think we'll be alright if we can flick a switch and the lights work. We are going with the flow. Developers will only do what we're forced to do by market trends." **Major connections customer**

- "Maybe there needs to be more regular engagement to ensure you are working in parallel with stakeholders rather than coming back to us every so often, in which case you might be underinvesting and getting left behind or overinvesting. Agriculture has a net zero ambition by 2040. Many of our members have started generating energy where they can and storing it." **Business customer**

- "It's a great baseline as that path might not materialise, so you've got the flexibility to go faster or slower. One issue is that fuel poverty customers want certainty in their bills, so saying their bills might be this much but might be more doesn't give them that certainty. Also, this doesn't need to be a barrier to net zero." **Consumer body**

Should WPD only provide capacity where connections have driven the requirement?

- "It's difficult for you, as how do you predict capacity? How do you predict where there will be more solar parks? That's driven entirely by developers, land suitability, et cetera. WPD is not in the business of deciding what land is suitable. Is it WPD's business to decide where the equivalent of an Esso service station is located? No, it's not. You need to work with whoever is building the forecourt to make sure the connection is there." **Energy consultant**

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Should WPD provide capacity where stakeholder engagement supports more being delivered?

- "I definitely think this is the right approach. Our target is 2030 for net zero. Equally a lot of the new settlements we are planning are significant and have large timescales. The intention is for energy efficiency and carbon neutrality but there's still uncertainty because you don't know what the market is going to do. That's why constant dialogue is so important so you can be proactive as far as possible, rather than reactive." **Local authority**

- "Looking at the slide regarding uncertainty, I'm absolutely certain we should be in the middle. Buildings are going onto a business park, yet we cannot get connections for PV because the substation can't take the power back. This has been going on for two to three years. It's extremely frustrating." **Local authority**

- "Looking at the three options, the historic approach of just being driven by the actual connection requests is just going to cause delays. Obviously if you need an actual upgrade, that could take months or years. If you are able to work on some level of forecasting, I like the idea of this middle ground of stakeholder engagement supporting forecasting. It means not just upgrading on immediate information but on knowledge, experience and forecasting." **Trade association**

- "One of the biggest shop windows for certainty is around the local authority's processes. That gives you a fairly good idea of where growth is planned, such as housing and electricity grid expansion. We're very animated by the climate emergency, and we're looking to improve our capability for net-zero carbon. There's some uncertainty around that. The other uncertainty is around major commercial renewable energy generation. We're already seeing discussion around solar farms and speculation from companies. The issue with that is around how big and where, and you generate your most electricity when the sun shines and for the longest, so can you flex around that when all networks are flooded with solar energy?" **Local authority**

Should WPD provide capacity where upper forecasts predict more being needed?

- "The plan should sit on the far-right side. LCTs will cut into and eventually exceed the headroom in the initial design principles of the network. 2030 was on the slides but this may come quicker than thought with EVs. Keeping in mind people often have more than one car, there is a potential cliff edge for the network." **Business customer**

- "I would lean more to forecasting. If you don't have capacity in place then this will cause delays." **Academic institution**

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- "I can come in on that one. What does WPD decide to champion? We've got an issue in batteries and even solar panel developers will put in multiple applications where they haven't decided on the final site where they want to build. WPD is then faced with a problem. Does it invest in all potential connections, or does it try to predict which will get final approval? We have to come away from the top version." **Trade association**

- "Absolutely, the network needs to be investing ahead of need. Local energy stakeholders don't have the capacity and resources to provide fully invested models of where the low-carbon technology will be connected. At the moment we are relying on under-resourced groups to determine where capacity is going to be needed." **Environmental group**

- "I think in terms of investment, regarding uncertainty, we have wind and solar farms, and we need to look at the land availability. There are more subtle changes going on in terms of the low-voltage network, which is affecting the storage capability of the network. You have a chance to get ahead of time with regard to increasing voltages, as well as increasing the statutory voltage amount, and the payoff from that would be worthwhile." **Connections provider**

- "Ofgem attach a lot of weight to local planning investment, but they attach less weight to speculative energy storage, and they need to do more than that rather than rely on the 'certainty' of national plans." **Environmental group**

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Workshop Four
Connecting to a smarter grid to facilitate Net Zero & community energy

Tim Hughes, Connections Policy Manager, presented the final session of the day. He worked through WPD's new Connections Principles: supporting connections prior to application by providing accurate, comprehensive and user-friendly information; ensuring simplicity and transparency through the application process; and facilitating the delivery of timely and economical connections. Lastly, he explained how WPD planned to support the creation of community energy projects.

Summary

Connecting to a smarter grid to facilitate Net Zero

Given the urgency of the topic, there was a good deal of debate around the issue of connections, and when voting on the connections package as a whole, delegates were broadly approving: 89% agreed or strongly agreed that the proposed approach was acceptable to them, and 71% felt that it was ambitious enough. No one responded 'don't know / can't say'.

Supporting customers prior to making a connections application

Stakeholders were pleased to see the commitments under 'Supporting customers prior to making a connections application', with many citing that both a strong working relationship and point of contact at WPD, and more data available online, would inevitably smooth the process for customers looking to connect. The availability of connections was raised across the discussion groups, with many feeling this information had previously been missing, lacking or incomplete, and the changes proposed in the plan to address this were welcomed. Some urged more availability of fresh data, wanting to know of other applications that could have a knock-on effect on their own plans, thereby gaining a more reliable forecast of the likelihood of capacity "disappearing". Some wanted more data on disconnections and interconnections to build up a relatively certain application. Delegates from local authorities, while praising tools such as capacity maps, mentioned that they don't have the in-house expertise to be able to analyse them adequately: more workshops, engagement and training were seen to be a key part of improving the connections process prior to application. In the electronic voting, a clear majority of 81% either agreed or strongly agreed that the proposed initiatives to support connections stakeholders prior to application were acceptable to them. Only one stakeholder answered 'don't know / can't say'.

Ensuring simplicity and transparency throughout the connections process

There was clear appetite for improvement in the area of simplicity and transparency throughout the connections process. Some focused on the practicalities of transparency: how would it work in practice? Expanding on the importance of knowing about other applications in the pipeline, one stakeholder suggested sharing a chronological list of applications. Some saw that linking up strategic reinforcement ahead of need would enable customers to more easily understand where they could connect: this was key to simplicity in the process. Some felt that simplicity and transparency needed to be a level playing field, and that every participant, from community energy to large-scale developers, needed to have access to the same information to really meet the goals of this commitment. In the electronic voting, another clear majority, 83%, agreed or strongly agreed that the proposed initiative to ensure simplicity and transparency through the connections process was acceptable to them. No one abstained.

Delivering timely connections

It was clear that the process of delivering timely connections was of huge value to delegates, even though they saw that these timescales would necessarily vary between large customers and smaller, domestic interventions. Setting concrete timeframes was seen as an excellent commitment. However, they accepted that, while large developers would welcome a response in 24 hours, the complexity of these projects would necessitate longer timescales.

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Some stakeholders were interested in discussing the strategies that would be employed to make sure customers received their connection slots in a timely manner, with care taken to communicate any prioritisation of connections to customers. Others wanted to see WPD do more to make sure that major developers, with more knowledge and contacts in the industry, did not sit on time slots for capacity, blocking them up for other potential users. In the electronic voting, a resounding 88% agreed or strongly agreed that the proposed initiative to deliver timely connections was acceptable to them. No one abstained.

Community energy

There was clear consensus that the commitments under 'Community energy' were positive and went in the right direction, and many had suggestions for how to further refine and expand on WPD's goals. The community energy engineers were seen as "pivotal" to the success of enabling community energy projects, with a further suggestion for WPD to adopt a "prospecting" approach, where projects are assessed on need and whether they are viable in the area. Some wanted to see more alignment and synergies between community energy and other parts of the Business Plan, such as the energy efficiency advice commitment, fuel poverty, decarbonisation and the social contract. It was argued that if there were fewer barriers between these departments in the business, WPD could make a more seamless offering to customers, and fulfil the criteria of innovation as well.
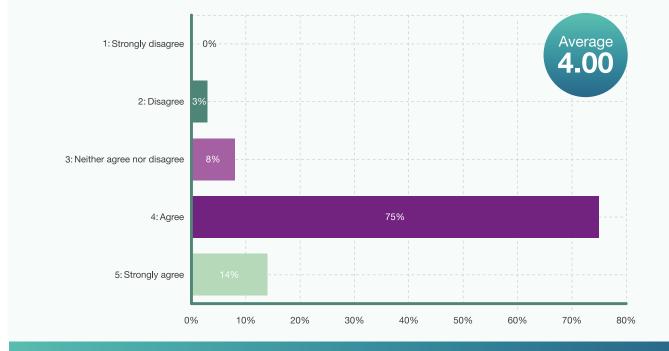
Some delegates felt that a community energy forum commitment was missing, which would underpin the ability of community energy groups to build their own network and have a more constructive relationship with WPD and local authorities. Another issue was raised around funding and financing. Delegates felt that there should be a way of paying a reservation fee on a connection because it may take community groups much longer to secure the funding for an upfront cost, the risk being that a big developer could swoop in and secure that capacity, laying waste to an enormous amount of community energy groundwork. Further workshops and support were felt to be needed in the area of financing and investment for community energy groups. Even with these caveats in mind, 77% either agreed or strongly agreed that the proposed approach to community energy was acceptable to them, with only one stakeholder abstaining. However, stakeholders did seek more ambition. While 53% agreed or strongly agreed the proposals were sufficiently ambitious, a sizeable proportion (38%) felt neutral. Again, only one stakeholder abstained.

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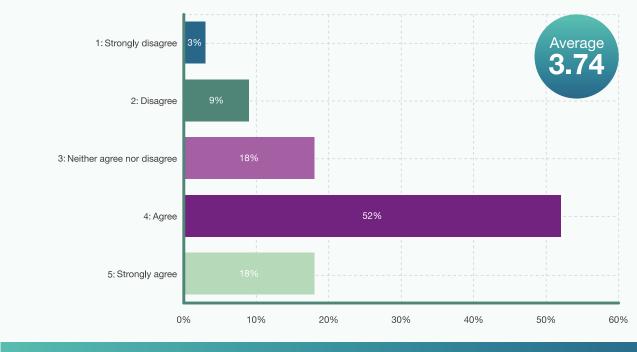
Verbatim comments and voting

To what extent do you agree with the following statement? "The proposed approach to connections in the next Business Plan is acceptable."

Average
4.00

- 1: Strongly disagree — 0%
- 2: Disagree — 3%
- 3: Neither agree nor disagree — 8%
- 4: Agree — 75%
- 5: Strongly agree — 14%

Don't know / can't say: 0/36

To what extent do you agree with the following statement? "The proposed approach to connections in the next Business Plan is sufficiently ambitious."
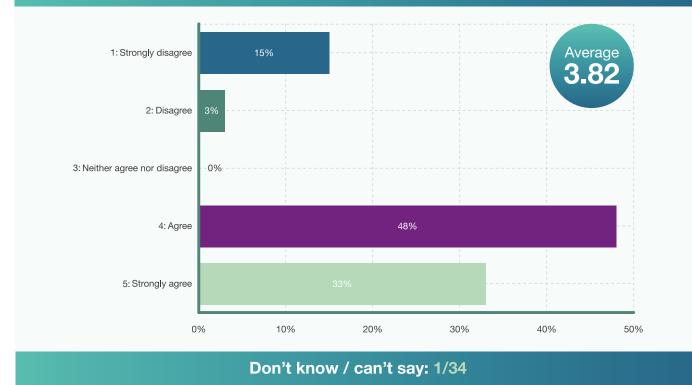
Average
3.74

- 1: Strongly disagree — 3%
- 2: Disagree — 9%
- 3: Neither agree nor disagree — 18%
- 4: Agree — 52%
- 5: Strongly agree — 18%

Don't know / can't say: 0/34

Supporting connection stakeholders prior to making an application

1. Are you supportive of our approach, is anything missing?

To what extent do you agree with the following statement?
"The proposed initiative to support connection stakeholders prior to making an application is acceptable to me."

Response	Percentage
1: Strongly disagree	15%
2: Disagree	3%
3: Neither agree nor disagree	0%
4: Agree	48%
5: Strongly agree	33%

Average **3.82**

Don't know / can't say: 1/34

- "As a local authority, we put in numerous connections and we have a very good working relationship with our depot, which helps no end. Having more availability online prior to going through the process would be an advantage. Due to issues around costs and grid connections, we do budget estimates about potential connections before we go any further, to see whether projects are feasible." **Local authority**

- "WPD is in a unique position to monitor trends. There is nowhere in the connections process that you can be sensitive to the needs of other parties in the area. There's an argument that says WPD is not the right organisation to convene groups. There needs to be a plug-and-socket approach in the WPD connections system that allows bodies who are the right parties to convene and make the best use of the connections explosion that we are about to see." **Energy consultant**

- "It would be amazing if you could offer flexible connections, so that's going into demand-side management really." **Energy consultant**

- "More immediate information as to availability of connections has been missing, difficult and expensive, so I really welcome this solution." **Business customer**

- "It's about what's your point of view. If you're looking at all these connections, you need to make sure your connections business is adequate, and I don't think it is. It would be difficult for local authorities to manage this as we're the ones predominantly affected." **Local authority**

- "It's a great approach. It's quite ambitious. We have concerns around having up-to-date information. We know at the moment that if someone makes an application and gets an offer it takes capacity out of the system, but WPD needs to keep the system up to date. We need to know when the capacity disappears; we don't know how many applications are in the system. My concern for individual applications is that if someone signs up for 800 watts from a local power station, it has a knock-on effect for all the local solar power, et cetera. So up-to-date, fresh data is necessary." **Energy consultant**

- "One big issue is the payment mechanism; you don't progress that connection request until the applicant has paid. That causes us issues because you know there is an application, but we don't, and then you contact us and say 'This customer wants a connection yesterday'." **Local authority**

- "I'm quite positive about this, with a view to simplifying and making things more accessible. We love GIS and make a lot of use of your existing GIS data. I would be keen to make sure that that side of things doesn't disappear." **Trade association**

- "I think this addresses some concerns I had. I would like to check, does this look at disconnections also? Also, how do you look at interconnections that are interlinked, for example, where you want to put different technologies in a certain area?" **Academic institution**

- "I don't think there is a radical alternative here. It's about having the data and making an informed decision about what you can viably connect subject to what the network can accommodate. I'm a little concerned about the idea of a portal. We use the SPEN portal in our industry, which is renowned for being a very difficult system to use." **Energy consultant**

- "We don't have the in-house expertise to interpret the capacity maps properly. They're already updated quite frequently, which is good. It's useful to a point but from a more detailed planning perspective, it's better to have more informed reports. However, as a starting point, the mapping is very useful." **Local authority**

- "Anything you can do to advance the development of the tool and make data available will be useful. Is there something you could do in supporting local authority teams, like training or workshops, around this? A two-way process or training process would be useful. There's lots of ranges of data we use when we're looking at sites. Even just to give updates or say what's coming up." **Major connections customer**
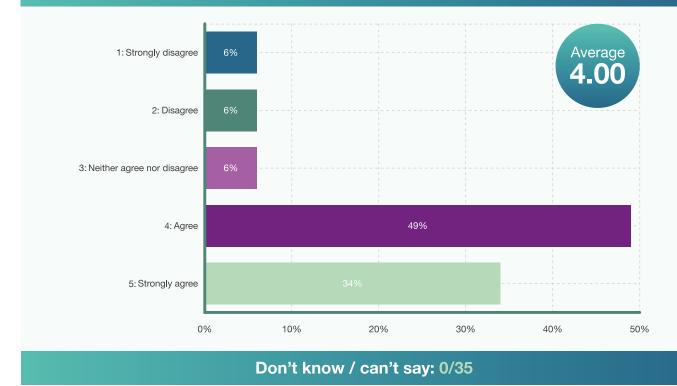
- "It's having the accessibility of information for me. It's so key when making any decisions around LCTs or local growth. On any new switchgear installed, I'm sure that information will become more and more available. It'd be great to click on a map and have all this information there to be able to make an informed decision." **Energy consultant**

- "The mapping and data sharing is important. It saves us time and means that we don't have to speak to WPD about every little thing. I'd also support the idea of workshops with local authorities." **Local authority**

- "I think it's a good step forward to provide some support before people apply for connections. The more information prior to making an application is great. Human contact is missing. If I don't know the questions to ask, then it's not ideal. Dialogue right from the beginning would be good." **Business customer**

Ensuring simplicity and transparency through the applications process

2. Are you supportive of WPD's approach, is anything missing?

To what extent do you agree with the following statement?
"The proposed initiative to ensure simplicity and transparency through the applications process is acceptable to me."

Average **4.00**

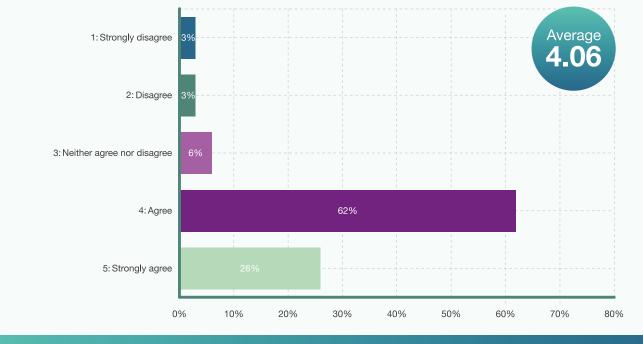|	
1: Strongly disagree	6%
2: Disagree	6%
3: Neither agree nor disagree	6%
4: Agree	49%
5: Strongly agree	34%

Don't know / can't say: 0/35

- "Anything you can do to make it more transparent is really good, especially for the highways authority. I appreciate it's difficult for you, but if we could be informed of potential areas where reinforcements are going to be required it would be good. It's particularly an issue with highway surfacing, where we resurface the road because we don't know you're planning anything." **Local authority**

- "I'm interested in the practicalities for improving transparency. It would be excellent to have a chronological list of applications that people could access. There could be a privacy issue, that's one for you to contemplate, but it would be helpful to know what's in the pipeline." **Business customer**

- "This is very positive again. No criticisms again on this." **Trade association**

- "Mostly the stakeholders have had really good experiences in connecting once they understand where they need to connect. Usually it's medium-scale tech they're looking to connect: five megawatts of solar in a field, that kind of size. The barrier has been at the earlier stage of 'Is there capacity?'. So the proposal of signalling where capacity is is great, but there is no way of replacing the conversation between engineers and non-tech persons trying to connect, to find the most suitable place to connect. Once those conversations happen with engineers they are 99 percent positive conversations. You need to link up strategic reinforcement ahead of the need we know will be there." **Environmental group**

- "Large customers, for a start, it's a more complex thing that they're asking for initially. It would be great if they could get an answer in 24 hours but I doubt they would because of the complexity involved. But everything I've seen from Tim is welcome: speeding up, simplifying. Most customers want a single point of contact, a named person to contact to answer their questions, answer what's required. But I welcome what I've seen today." **Trade association**

- "Wanting a named contact is not just for large consumers but it's true for small consumers too. I think you'll be providing that through your engineers." **Environmental group**

- "One comment is, simplicity and transparency for whom? There will be community groups, DIY property owners and people who go to their local contractor, and they all have different needs. It's important that everyone has access to the same information. I have an understanding that compliance is important if you're connecting to the grid, but making things compliant is a fairly skilled business and not something that community groups will have access to. Another thing is, how do you say no nicely? Do you just reject them or do you give reasons and try to be more helpful?" **Environmental group**

Delivering timely connections

3. Are you supportive of our approach, is anything missing?

To what extent do you agree with the following statement? "The proposed initiative to deliver timely connections is acceptable to me."

Response	Percentage
1: Strongly disagree	3%
2: Disagree	3%
3: Neither agree nor disagree	6%
4: Agree	62%
5: Strongly agree	26%

Average 4.06

Don't know / can't say: 0/35

- "This is really good. A lot of the connections work I do would be via IDNOs. My main role is on the design side but in terms of construction, getting those dates and being able to resource it, an online portal would be really beneficial for those teams." **Energy consultant**

- "An online portal is valuable. If it's live, up-to-date information, that is of value. At some point, you can't find everything, so that access to a human is critical. To develop the tool, some form of stakeholder workshop would be useful." **Business customer**

- "All a good idea. Setting timeframes, getting back to people as quickly as possible… I think it looks really good. Trying to get back within a day is very positive." **Local authority**

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Business Plan Workshop: Embracing innovation & digitalisation; WPD's independent Distribution System Operator & managing uncertainty; connecting to a smarter grid to facilitate net zero; & community energy | 17 September 2021
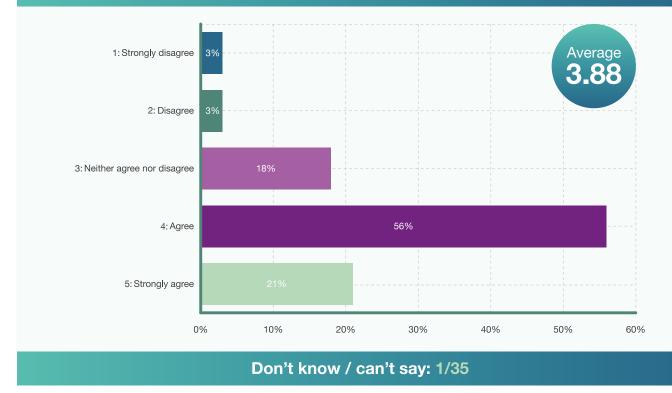
- "What you're proposing here is almost a supermarket shopping approach – you click then we click. What you need to look at is what strategies you're going to use to make sure people get their connection slots. I wonder whether that kind of thing will have to be managed quite carefully if you're going to do this. A lot of engineers are putting a lot of time and money in, and you're also at the mercy of the weather and subcontractors. Anyone that's worked with builders and other contractors knows that that's a potential area for disaster. The word 'prioritisation' didn't appear in the presentation, but it is constricted by resources and that needs to be communicated to the end users; the transparency of that process is important. A developer could pre-book a contractor privately and they go to WPD and say they've already got the man to do the work." **Environmental group**

- "A major developer could just blag those time slots for capacity, and you need to make sure that they're actually going to take up those slots, so that could block things up for other potential users." **Local authority**
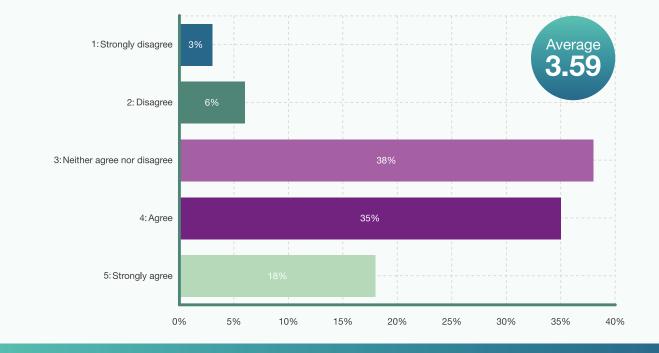
Community energy

4. Are you supportive of WPD's approach, is anything missing?

To what extent do you agree with the following statement? "The proposed approach to community energy in the next Business Plan is acceptable."

Average **3.88**

1: Strongly disagree	3%
2: Disagree	3%
3: Neither agree nor disagree	18%
4: Agree	56%
5: Strongly agree	21%

Don't know / can't say: 1/35

To what extent do you agree with the following statement? "The proposed approach to community energy in the next Business Plan is sufficiently ambitious."

Average
3.59

1: Strongly disagree	3%
2: Disagree	6%
3: Neither agree nor disagree	38%
4: Agree	35%
5: Strongly agree	18%

Don't know / can't say: 1/35

- "I think that the pivotal aspect of this approach is based around the community energy engineers engaging proactively in their local area. I would suggest adopting a kind of prospecting approach, based around assessing the need for projects (such as EV charging point projects, for example) and whether they are viable. This could facilitate the changes needed for a net-zero future and empower local communities." **Academic institution**

- "I would agree. I think dialogue is needed, especially for community energy groups. They don't tend to have any contacts to go through to discuss connections. It's not just the visibility of data, it's about how it's presented." **Community energy group**

- "It seems to me that at the moment the DNO has to be even-handed around providing a connection, but it's the first one that sends in the cheque who gets the connection. There needs to be a way of paying a reservation fee on the connection, because it may take community groups a year to get funding together and if they need to pay all upfront charges then a big developer could come in and take the opportunity, so all their work would be for naught. It's all about how you reserve your slot. It's akin to futures in any other market." **Environmental group**

- "I think the community energy engineers are a good one. That will really help before they get to the application stage, which incurs cost. But I can't see any alignment between that and the energy efficiency advice commitment. You'll have new community energy engineers and energy efficiency advice workers but they're not in the local authority team. Also, the fuel poverty alleviation. When community energy groups think of energy they think holistically. How does it ensure fairness and justice, connecting new technology? They need to see it all aligned into one group in WPD. And at the minute it's in different silos across a large organisation. You need much more alignment so that it is a more seamless offering for customers. There's no community energy forum commitment, and that's underpinned the network for community energy groups to build their network and have a more constructive relationship with WPD and local authorities. That is missing. It's a really vital part of supporting community energy groups but that commitment is missing." **Environmental group**

- "Two good commitments are the community engineers and their surgeries. But community engagement and energy forums need to be there too. Without that, community and local energy stakeholders are less able to engage. Forums give the opportunity to collaborate with WPD to achieve net zero in a fair way. There's no commitment there and there needs to be. Also, the funding which I mentioned before." **Environmental group**

- "I'm on the edge of community energy. Definitely the surgeries will be very useful. There are lots of people who don't understand the energy system and grid system, and they definitely need help. A colleague of mine who is involved in a community energy scheme has terrible trouble getting invoices paid, having got the grant agreed, and that's maybe where help is needed too." **Local authority**

- "I welcome the direction of travel, but the access to funding is a complicated subject. The other thing that is linked to funding is this whole issue of building insulation. I wonder how those can be put into the domain of your engineers. It's very easy to say that the job of our engineers is to sell more electricity, but the job should really be to do less." **Environmental group**

- "Anything that makes access for community groups easier, to decentralise energy, is welcome, but the challenge is in delivering that. The conversations I've had with community energy groups, it can be often difficult to find the right person in WPD so anything that makes that easier is welcome." **Local authority**

Appendix 1
Participants

A total of 47 stakeholders attended the workshop, representing 42 organisations. The organisations represented on the day are shown below:

Ashfield District Council

Brush Power Distribution

Camlin

Capgemini

Carmarthenshire County Council

CEG

Cenex

Ceredigion County Council

Cornwall Council

Country Land & Business Association

Coventry City Council

Forest of Dean District Council

Gloucestershire County Council

Green Frog Power Ltd

IBECCS Ltd

ICP Services Ltd

Kier Utilities and Rail

Leicestershire County Council

Low Carbon Electric

Major Energy Users' Council

Mendip District Council

National Farmers Union

NIE Networks

North Kesteven District Council

North Northamptonshire Council

Pollock Associates

Regen

Richard Hosking

Rippon Homes

Shropshire Council

SMS PLC

Solihull Metropolitan Borough Council

SW Energy Hub

The Schumacher Institute

Transport For West Midlands

Treveth Development

University of Nottingham

Wattify Limited

Woburn Sands Town Council (Climate Change Group)

Worcester City Council
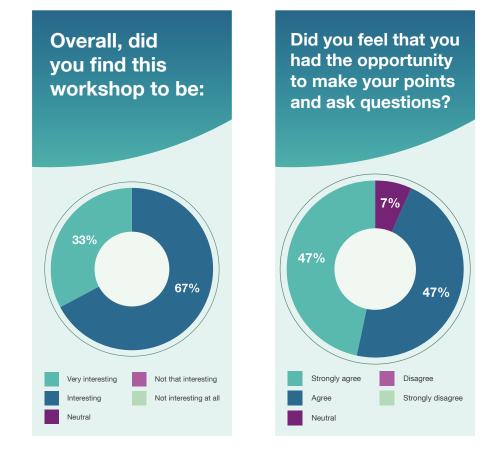
Wychavon District Council

Zero Carbon Shropshire

Appendix 2
Workshop feedback

Overall, how satisfied were you with today's workshop?

On average, stakeholders rated their satisfaction 8.87 out of 10.

Overall, did you find this workshop to be:

- Very interesting
- Interesting
- Neutral
- Not that interesting
- Not interesting at all

33%
67%

Did you feel that you had the opportunity to make your points and ask questions?

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

7%
47%
47%

Did we cover the right topics for you on the day?

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

20%
7%
13%
60%

"Good event, well managed, useful for me, thanks."

"Well run session and the technology worked!"

"Glad to see / hear some ambitious targets from WPD."

What did you think of the way the workshop was chaired by your facilitator?

- 7%
- 27%
- 67%

Legend:
- Very good
- Good
- Neutral
- Poor
- Very poor

How well do you think the online format worked?

- 7%
- 40%
- 53%

Legend:
- Very well
- Well
- Neutral
- Not well
- Not well at all

Any other comments?

- "This is the best virtually managed event I have attended, thank you for the invitation."

- "Thank you, excellent session and good to see progress with Business Plan."

- "Thanks for the honest and open dialogue of Execs in this process"