

Stakeholders discussing
WPD's support for local
area energy plans at our
workshop in September 2021



Proactively partner with every local authority in our region to help them develop ambitious Local Area Energy Plans

WESTERN POWER DISTRIBUTION
Energy - Connected - Local - People - Plan

What we heard from stakeholders:

- Local authorities and enterprise partnerships should work closely with WPD to deliver aligned energy plans and streamline information sharing
- Greater engagement with local groups could help in assessing gaps, e.g. in electric vehicle charging infrastructure
- The majority of stakeholders wanted greater ambition than engagement with local authorities once every three years

Our proposal:

- Help local authorities develop ambitious local area energy plans through.
- Engagement with over 130 local authorities and local enterprise partnerships, as well as gas companies
- Provision of accessible information and forecasting data
- 4 Local Authority Engagement Engineers dedicated to supporting local authorities and local enterprise partnerships
- Co-development of plans
- Sharing of best practice

Does this CVP meet the needs of customers in this area?

Is WPD best placed to take action?

westernpower.co.uk

MacBook Pro

Welcome

Western Power Distribution (WPD) is the Distribution Network Operator (DNO) responsible for delivering electricity to 8 million customers across the East and West Midlands, South West England and South Wales.

This is Western Power Distribution's Part Two submission to Ofgem's Stakeholder Engagement & Consumer Vulnerability (SECV) Incentive for the regulatory year 2021/22.

2021/22 is the seventh year of the eight year Business Plan period called RII0-ED1. This stands for:

**Revenue = Incentives + Innovation + Outputs
(Electricity Distribution 1)**

It is the regulatory framework introduced by Ofgem and is designed to drive clear outcomes and benefits for consumers, and provide companies with strong incentives to step up and meet the challenges of delivering a low carbon, sustainable energy sector.

Ofgem's SECV Incentive is an annual scheme, which encourages network companies to engage proactively with stakeholders in order to anticipate their needs and deliver a consumer focused, socially responsible and sustainable energy service.

WPD's submission to this incentive is divided into three parts:

Part 1

WPD's stakeholder engagement & consumer vulnerability strategies and key evidence (demonstrating that we meet Ofgem's minimum requirements).

Part 2

Key outcomes resulting from WPD's stakeholder engagement activities.

Part 3

Key outcomes resulting from WPD's consumer vulnerability activities.

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KEY:

The focus throughout this submission is on positive outcomes, delivered by activities which fall in to one of two categories:



New

New, innovative actions, delivered for the first time



Enhanced

Where initiatives have been successful, we have expanded and/or embedded them

1. Introduction

I want WPD to be recognised by customers as the best DNO in the UK. To achieve this, high quality, frequent and challenging engagement with stakeholders is crucial. Our key decisions are always shaped by stakeholder insights and we then work with them to co-create stretching action plans to achieve enduring benefits for our communities.

In a challenging year for our customers, our engagement approach has proven highly adaptable and effective. Over 44,000 stakeholders directly engaged with us, with many returning across a number of events, to collaboratively build our ambitious strategies and plans.

We will get our stakeholders to net zero as soon as they want to, which for some will be as early as 2028. At the same time, we will ensure we achieve a smart energy transition that works for all. This submission outlines how we are already delivering on this promise, working with stakeholders to anticipate potential barriers and build services that are inclusive from the outset.

What sets WPD apart is our laser focus on always turning talking into action – rapidly trialling new initiatives to improve and refine our services. Our Connected Data Portal exemplifies this; the first of its kind in the industry, we are proactively sharing the data we use to run the network, stimulating extensive feedback based on practical, and not theoretical, use. Ongoing engagement in this area is driving significant benefits for customers, ensuring they achieve their net zero ambitions using data which is accurate and actionable.

Thanks to early engagement and action, we have led the industry in a number of areas. Our stakeholders have driven, and benefited sooner from, services that are now being implemented nationally. Our award winning Flexible Power platform has been adopted by four other DNOs, simplifying the process of participating in flexibility services across 75% of Great Britain. This is delivering huge impacts, with innovative domestic-level participation enabling more customers to benefit financially from

flexibility. We were also the first DNO to provide open access to our future energy scenario forecasts, providing a transparent view of their network impact and our investment as a result. This will become an obligation for all DNOs, but extensive engagement has driven us to go beyond industry requirements in the detail of our analysis.

Global events over the last 12 months have forced organisations to adapt in the face of unprecedented change. Our programme is more frequent and agile than ever, with multiple cycles of engagement now undertaken every year, giving stakeholders a voice at each stage of developing and then delivering plans. To facilitate this, engagement is embedded across the organisation, with staff equipped to discuss a wide range of topics in considerable detail.

Simultaneously, new approaches are giving more stakeholders than ever the chance to have their say, driving huge volumes of feedback. Hybrid events, combining online and in person engagement, increased attendance by 28%. We have strengthened the voice of our future and bill paying customers through innovative deliberative engagement, building their capability to provide detailed feedback. It is therefore vital we have transparent ways to consolidate a large range of views, including conflicting feedback, to generate insights WPD teams can act on.

I am proud that our already extensive engagement has grown further in diversity and scale this year. We build enduring relationships which drive high quality insights, engaging stakeholders over many years. This submission demonstrates what this has led to: fantastic services and outcomes for customers. As we continue to make strides towards net zero, these relationships will be key to deliver a transition that works for all.



Phil Swift
WPD Chief Executive

Key outcomes delivered

709MW

of flexibility procured, deferring £48.5m of reinforcement

Industry first

Connected Data Portal

sharing 707 datasets

Over

44,000

stakeholders engaged

Social Contract Launched

- a DNO first

Strategic outcomes for 2021/22

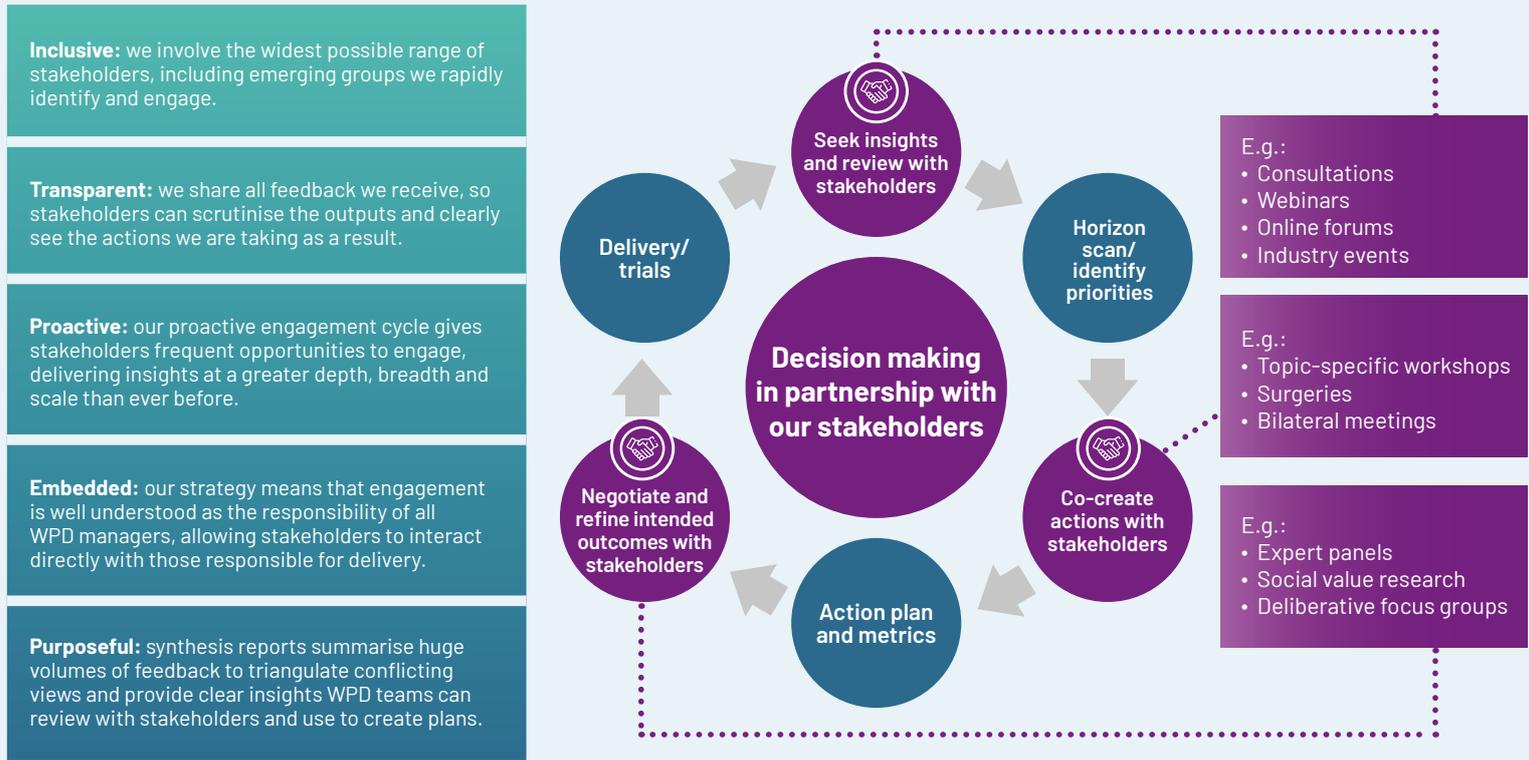
Our established stakeholder engagement strategy (see section 2), ensures we capture the priorities of the widest possible range of stakeholders and are able to rapidly adapt our approach. The remainder of this submission is structured around five outcomes, co-created with our stakeholders, which have delivered significant benefits for our customers in 2021/22:

Tactical priorities	Strategic outcomes
Actively partner with local communities to deliver positive change, beyond our core responsibilities.	1. Social Contract: co-created with with stakeholders, our Social Contract sets out how we will deliver on our company purpose and act as a good corporate citizen in everything we do. It has driven wider and more holistic benefits for communities, enabling WPD teams to generate further social and environmental value in new and existing initiatives.
Getting our stakeholders to net zero quickly - some by as early as 2028.	2. Communities: community engagement and collaboration with expert stakeholders is enabling us to understand and facilitate their low carbon ambitions, with new services and approaches that meet their preferences and reduce barriers to participation. A huge increase in our support for community energy is helping drive this.
	3. Local aspirations: active 'bottom up' engagement with local stakeholders has led to ambitious local energy plans, while improving the quality of the forecasting that underpins those plans.
	4. Open data: early action to make our data open has enabled us to better engage with stakeholders on their requirements, ensuring they can generate value and drive action from our data.
	5. Flexibility: operating the UK's largest flexibility market, we have collaborated with stakeholders to improve the standardisation and accessibility of our services, driving wider participation.

2. Stakeholder engagement strategy

Our core strategy (detailed in Part One), has been in place since 2007, but is updated annually to address the changing needs of stakeholders. Enduring collaboration has enabled us to build long term relationships with stakeholders who return to share their views. They do so because we demonstrate the value of their input and the impact it has on our services. In turn, by increasing their knowledge over time, they are able to scrutinise our plans in greater depth than ever. Our stakeholder engagement strategy has proven adaptable in a range of new contexts; engagement is more important than ever as the industry faces unprecedented changes, in light of net zero and global energy price rises. As a result, our (previously annual) engagement cycle is now repeated multiple times each year, to ensure we understand and respond to the rapid shifts in our operating landscape. Iterative, fast paced engagement gives stakeholders more opportunities than ever before to collaboratively build plans with us.

Working to five key principles, our engagement is cyclical, using tailored methods:



3. Measuring our impact

Measuring the impact of our activities is crucial to our commitment to provide the best value for money possible.

This year, we have applied the social value framework to 17 stakeholder initiatives, detailed throughout these submission documents, to more comprehensively evaluate and prioritise future work. As detailed in Part One, the social value framework was developed in 2020, with other DNOs, to provide a consistent methodology for comparison across the industry. It provides standards, principles, templates, and proxies that can be used to deliver comparable measurements, giving another critical indicator to bolster improved measurement and drive decision making. It is important to note that sometimes

the social return on investment (SROI) of initiatives can be small or even negative. However, we can still choose to deliver the project if it aligns with our strategy, our customers support it and the qualitative benefits are strong.

For example, stakeholders have driven our decision to launch a new traineeship with reduced academic barriers to entry. Whilst the social value framework allows us to measure benefits such as increased employability, financial skills and earnings, the 5-year SROI for this initiative is £0.06 on top of every pound spent (see 4.1). However, our experience delivering apprenticeships has proven that this initiative will have a significant positive impact even beyond five years, providing opportunities for

gainful employment that may otherwise be inaccessible. When triangulating stakeholders' expectations of WPD to support social mobility and achieve a diverse workforce, it is clear the initiative will deliver Social Contract outcomes our customers strongly support. Therefore, we have opted to go ahead with this programme based on the expected benefits - with the goal of evaluating further as the project develops.

Based on the six initiatives measured in Part Two, we have delivered £1.88 of social value in 2021/22 on top of every pound spent. The table below summarises the costs, gross social value benefits and SROI delivered:

Total cost	Direct financial benefits for customers	Societal and environmental benefits	Efficiency savings - leading to customer bill savings	SROI
£1,009,292	£49,221	£47,788	£2,811,305	£1.88

4. Actively partnering with stakeholders to drive

Outcome delivered

As the scope and breadth of our engagement programme continues to expand to meet the needs of an evolving range of stakeholders, it is more important than ever they are given real, meaningful opportunities to provide input that shapes our plans in detail. Letting them set the agenda from the outset, ensuring plans reflect the needs of the people we serve and our approach adapts as those needs change, is crucial to ensure we deliver the best possible outcomes for our customers and communities.

4.1 First DNO to publish a Social Contract

Objective: enable WPD to become a better corporate citizen and deliver huge value to our communities

Outcomes

- **1st DNO to publish a Social Contract with an annual action plan:**
 - Includes 36 specific actions that take us significantly beyond our core business purpose, delivering major social value.
- **20 science, technology, engineering and maths (STEM) ambassadors recruited**, delivering education to 5,000 people within schools and community groups.
- **Levelling up vulnerable communities** within our region; new traineeship scheme offers employment and personal development opportunities to 16 people who may otherwise face barriers to gaining employment.
- **1st Diversity, Equity and Inclusion Plan published**, with 12 key actions for 2022.
- **Increased scope and diversity of recruitment** through partnerships e.g. paid summer placements:
 - Two students receiving training and development opportunities via #10,000BlackInterns.
 - 4th year recruiting via Change 100, working with students with a disability or long term health condition; 66% retained following their placement.

Social value

- Social value delivered over the next 10 years on top of every £1 spent:
- **£1.03** by our school solar panel pilot
 - **£0.06** by our new traineeship (note: social value is low but strong stakeholder support and alignment with our Social Contract have driven this initiative)
 - **£729,544** benefits for customers over 10 years.

Our stakeholders expect more from WPD than just a reliable supply at a reasonable price. They want us to be accountable in a wider context—actively partnering with our communities and going further to deliver wider social, environmental and economic benefits.

Our Social Contract provides the focal point to achieve better outcomes; setting out ambitious solutions to the challenges that customers tell us matter most, with a framework to transparently report our impact. Actions are delivered in three key areas: 'Environmental Steward', 'Empowered Communities' and 'Employer of Choice'.

Our Social Contract is highly refined as a result of multiple rounds of 'playing back' feedback and proposed actions to check our understanding with stakeholders at each step, before updating our proposals as a result.

A range of stakeholders have co-created our Social Contract, from expert stakeholders such as Sustainability First, to future customers with little prior knowledge of WPD, e.g.:

→ **Deliberative customer focus group:** provided vital insights from creation to refinement (see 4.2); e.g. driving us to reevaluate and clarify how the contract exceeds our core purpose.

✓ **Working group:** senior managers oversee and champion the Social Contract's development and delivery throughout the organisation, e.g. launched at our annual, leadership conference in May 2021.

→ **Customer Panel:** played a key role in the development of our Social Contract, establishing a subgroup that enabled us to further refine our focus areas and strategic approach (see below):

Environmental Steward

Why

Our stakeholders want us to help them get to net zero urgently, some by up to two decades earlier than UK and Welsh government targets, while ensuring everyone can participate in a more sustainable energy system.

How we delivered

- ✓ We piloted a scheme to install solar panels at schools to help them benefit from renewable energy and lower bills.
- ✓ Through our Customer Panel 'buddy' scheme, we identified opportunities to apply WPD's skills, resources and expertise to expand the project's outcomes. In addition to the solar panels, we are working with local experts to trial biodiversity measurement and improvement activities at the school - providing hands-on learning opportunities to students and methods that can be applied at WPD sites.
- ✓ We established touch-points in the community, to deliver educational outreach, promote our PSR and fuel poverty services, and identify further social and environmental benefits that can be scaled across our region, targeting areas of high deprivation.

Empowered Communities

Why

Our deliberative focus group told us that improved educational outcomes in areas of poor social mobility are important to bridge skills gaps and level the playing field of opportunity.

How we delivered

- ✓ We launched a new traineeship, requiring no formal qualifications to apply. Trainees receive assistance with writing, mentor reviews, individualised learning plans and safeguarding training.
- ✓ Our enduring, shareholder funded 'Community Matters Fund' was launched to support grassroots community organisations (see Part Three, 5.1).

Employer of Choice

Why

Stakeholders at our topic-specific workshop wanted WPD to do more to attract different people into the sector; improving our approach to support and grow a diverse workforce, representative of the communities we serve.

How we delivered

- ✓ We appointed a Diversity Champion; representing WPD at national best practice events and partnering with organisations to recruit, support and retain diverse talent.
- ✓ We have committed to achieve the gold standard accreditation with Investors in People by 2028. Work has begun, with all 6,600 WPD staff invited to participate in a staff survey and regional focus groups to seek qualitative feedback.

Our Customer Panel - a key voice in the co-creation of our Social Contract

We do not do talking shops. Playing a leading role in the creation of our Social Contract, our Panel provides essential consumer insights, driving new initiatives that continually deliver better outcomes for our customers. Adapting in response to changes in our operating environment, the depth, scope and frequency of their engagement is constantly evolving; building knowledge and understanding through iterative processes to deliver increasingly collaborative solutions and benefits, for example:

✓ **Buddy system:** Panel members 'buddy' with a WPD colleague to provide advice and challenge via a two-way learning process - each bringing expertise to drive specific aspects of WPD's activities and increase each other's understanding of key issues.

→ **Sub-groups:** Smaller 'breakout' groups that provide granular scrutiny and input, increasing the focus and influence in specific areas e.g. Community Matters Fund.

✓ **Surgeries:** Topic-specific surgeries with member-led agendas enable in-depth discussions and formation of long term, effective relationships e.g. electric vehicle (EV) surgery led to best practice sharing around EV charging infrastructure and the decarbonisation of company fleet vehicles, supporting the ambitions of a major energy user.

→ **Online information sharing platform:** Facilitates remote sharing of feedback and ideas; enabling frequent, accessible, detailed engagement with broadened scope.

e better customer outcomes

First DNO to publish a
Social Contract

5,000 people
reached by 20 science,
technology, engineering and
maths (STEM) ambassadors

28% increase
in workshop attendance due
to innovative hybrid approach

Number of stakeholders engaged



4.2 A mature engagement programme built on co-creation

Objective: seek the widest range of input and involve stakeholders at every level of decision making

Outcomes

More informed stakeholder feedback, in greater depth than ever, has driven the outcomes detailed throughout this submission, as a result of our enhanced engagement this year:

- **Achieved greater variety of insight** to develop our connections action plan; attendance at annual workshop up 28%; 93% told us the approach worked well.
- **Triangulation of feedback is truly embedded**, with real time calibration of different views and priorities. Our online programme enables a broader range of stakeholders to share their views on a topic, and enabled **29% of stakeholders to attend multiple workshops**.
- **5 synthesis reports published to date**, summarising key engagement feedback and helping to shape the development of 17 strategies – outlining how we will act on feedback.
- **Deliberative focus groups embedded** as part of our core engagement programme; giving a stronger voice to future and end-user customers.
- **71% of this year's workshop delegates have attended over multiple years**, enabling them to engage at a deeper level than ever before.

To ensure we continue to deliver the most effective engagement possible, we have recognised the need to move significantly beyond the traditional 'informative' and 'consultative' approaches used by many. Enabling maximum stakeholder input in our decision making, we are driving new

standards for negotiated, co-created plans that truly reflect their needs, and deliver the best outcomes for customers.

Why

Stakeholders told us the lasting impacts of Covid-19 and a shift in working attitudes and behaviours has changed how some want to engage. Whilst our engagement approach has traditionally favoured face-to-face events, we must adapt to maintain meaningful participation from stakeholders via other methods; generating detailed discussions across more topics, as stakeholder interests become broader and increasingly interdependent.

How we delivered

- ✓ We developed a hybrid delivery model, allowing engagement in person and online simultaneously, so stakeholders can attend in their preferred format. This has boosted attendance, with 163 stakeholders participating in two events, enabling us to maintain relationships with a broader cross-section of stakeholders who provide a wider range of views, without compromising the quality of engagement.
- Conducting events online has increased participation from stakeholders who no longer need to travel to attend. As a result, stakeholders were able to attend multiple, topic-specific workshops, increasing the scale and reach of our engagement.
- We adapted online workshops to offer a more topic-specific focus, enabling 137 stakeholders to build knowledge and engage at greater depth across four events.
- Webinars offer an easy entry point for stakeholders to increase their understanding of WPD; gaining direct,

concise information from WPD experts and becoming better equipped to provide informed feedback via other forums. 82 stakeholders participated in RII0-ED2 knowledge-building webinars, enabling them to respond to consultations and bespoke commitment setting workshops.

Why

The widespread and mature nature of engagement within WPD means we are generating unprecedented volumes of insights. Beyond datasets, this needs to be useable so managers across the business can meaningfully turn feedback into action.

How we delivered

- Our engagement database consolidates a dynamic range of views, organising and interpreting feedback. Searchable, granular data can be easily interrogated to identify key trends and exceptions. These insights are regularly shared with managers to ensure stakeholders' views are promptly actioned.
- To date, our five synthesis reports (see Part One, section 2) have pulled together 10,370 pieces of feedback, helping to provide a clear thread between engagement, feedback and decisions made in response. They provide actionable insights to managers across our business, embedding and enhancing the quality of our day-to-day engagement.
- At workshops, through round-table discussions and negotiations, we seek to build consensus around key priorities proposed by different stakeholder segments. Live triangulation exercises, where stakeholders review and critique the feedback of others, help to ensure the resulting strategies, that have been co-created to address their insights, achieve very high customer acceptability.

Building customer knowledge from the ground up, to enable informative input

Why

Detailed engagement with customers is often challenging, where a lack of starting knowledge can limit their ability to provide thorough feedback. Using a new, innovative approach, we have sought to gain valuable customer insights by developing their expertise over time through deliberative, non-leading discussions.

How we delivered

- An enduring group of 96 customers, with little prior knowledge of WPD was formed. The group included domestic customers (from a range of ages and socio-economic groups), businesses and future bill-payers. Initial 'homework' tasks provided context to generate spontaneous insights on specific topics, before small groups were brought together to build knowledge, leading to more informed feedback.
- Members could engage and reflect at their own pace, before sharing learnings with the wider group.
- ✓ Retaining this group generates invaluable insight into the long term impacts of changes facing our network, e.g. how the pandemic has altered customers' priorities. Continuing to build their capacity over time, the group can provide informed judgments on our strategies and insights on how customer views are evolving. Recent impacts include:



They said

- Barriers for customers to access low carbon technologies (LCTs) need to be understood and removed.
- Communities must be informed and supported, helping people make greener or/and more energy efficient choices.

We did

- Introduced a new connections process, making it quicker and easier for households to connect their heat pump or electric vehicle charger (see 6.1).
- Appointed a dedicated Community Energy Engineer to act as a point of contact for all community energy representatives across our licence areas.

5. Local energy plans building a whole system a

Outcome delivered

WPD must take a leading role in the delivery of net zero, understanding stakeholder needs and adapting rapidly to meet them. Building on a strong track record of early engagement in this area, we have refined our approach to recognise the huge variation in local authorities' targets and ambitions.

Improving the accessibility and quality of information for stakeholders and informing WPD's forecasting, we are working collaboratively to find the most economical and efficient whole system solutions for our customers to decarbonise at the pace and scale they want to.

5.1 Local engagement drives collaborative local area energy planning

Objective: work in partnership with local authorities to shape local energy plans that are ambitious and deliverable

Outcomes

- **Increased transparency** for stakeholders of how scenario volume projections could impact the distribution network – first DNO to publish comprehensive reports on customer behaviour assumptions for all DFES technologies.
- **Partnered with 130 local authorities (LAs)** to support the creation of ambitious local energy plans and ensure our scenarios reflect their pace and progress towards net zero; our assumptions for nine LAs changed in 2021 accounting for updated ambition.
- **Delivered enhanced DFES engagement programme** resulting in our most credible 'best view' scenario to date.
- **Improved granularity of forecasting data through wider LA engagement.**
- **Improved publications** of our DFES data to include energy projections at LA level – allowing stakeholders to interrogate and update them based on the specific technologies and scale of net zero challenges in their areas.
- **24 LAs achieved WPD's most accelerated 'leading the way' status**, setting a benchmark for WPD to help others achieve.

Why

Stakeholder engagement is crucial to the development of distribution future energy scenarios (DFES). These are a range of credible forecasts that help us to understand and predict volumes of new demand and low carbon technology (LCT) connections (such as electric vehicles, battery storage and heat pumps). Huge variation in the ambitions and delivery capabilities of LAs means that adaptable, locally led engagement solutions are more vital than ever so we can effectively support and inform local area energy plans (LAEPs).

How we delivered

→ WPD invited all 130 LAs within our network area to collaboratively build a joined up energy plan. Building on initial engagement in this area, feedback was sought on WPD's current assumptions and projections of the potential growth of new LCT connections. Over 10,000 new LA development records were processed, resulting in our most accurate and granular DFES forecasts ever.

→ Our annual local investment workshops were adapted to lay the foundations for enhanced DFES engagement, increasing stakeholder knowledge and understanding of the process. Held online to maximise

participation, the events gave 129 stakeholders the opportunity to discuss local energy plans with their WPD teams, and to understand and influence our projected scenarios for their region. These were supported by ten net zero surgeries; offering one to one detailed discussions with WPD experts.



Why

For WPD, talking must always lead to action; but when it comes to net zero, many LAs are still at the learning phase. Stakeholders are clear that WPD should take a leading role in driving the development of LAEPs; delivering detailed, quality engagement that provides accurate forecasting data and planning frameworks to help LAs chart an efficient, ambitious course to net zero.

How we delivered

We must align development of the distribution network with the needs of our communities to ensure customers can benefit from decarbonisation. Improvements to the quality and consistency of our LA engagement has strengthened the value and credibility of our forecasting to reflect local ambitions, at both local and combined authority levels. For example:

→ Our DFES engagement uses a multi-layered approach, encompassing a range of engagement methods (including webinars and bilateral discussions). Supplementary information is now provided to LAs at the final touchpoint within our annual forecasting process to provide stakeholders with an overview of the existing engagement, data and assumptions to be used. This provides essential context to determine we have the right scenario that best aligns with their local ambitions.

→ The scoring framework used to establish WPD's 'best view' for each LA has increased in scope, allowing for valuable input from expert service providers with detailed knowledge of LAEPs, LAs and our local teams.

Allowing each to self-select the scenario they believe best reflects the ambition and deliverability of the LA, ratifies the existing scoring methodology used by WPD. This process enables us to identify future improvements e.g. defining which technologies will be driven by national rather than local policy and refine the scenario used for strategic network planning. Establishing a more accurate 'best view' has also enabled WPD to highlight where flexibility services could be provided as a more affordable and efficient alternative to network reinforcement for customers (see 8.1).

✓ As a result of this strengthened engagement, 24 LAs, who have demonstrated ambitious energy plans and embraced LCTs, have been assigned WPD's most accelerated 'leading the way' scenario; acknowledging that their route to reaching net zero is significantly ahead of national targets.

Case study

Having attended one of WPD's engagement workshops, Bassetlaw District Council reached out to us for support and guidance with local area energy planning. Starting their net zero journey, they had strong aspirations but required a deeper understanding of the concept of LAEPs, current forecasting for the Bassetlaw district and how the DFES process worked. Since this initial dialogue, WPD has supported them to achieve:

- Unanimous agreement for Bassetlaw's LAEP to be produced within the next 12 months.
- More proactive energy planning in Bassetlaw rather than reacting to individual applications when submitted.
- Increased knowledge on completing an LEAP, including sharing a best practice framework.
- Ongoing, two-way engagement with WPD's expert forecasting team and their local Distribution Manager.

In partnering with WPD, the Council are significantly further along their decarbonisation journey than they would have been without our input and we have fostered an enduring relationship that will both support and enable them to meet their net zero aspirations.

Approach

Partnered with **130** local authorities to create ambitious local energy plans

24 local authorities 'leading the way' for others

Enhanced DFES engagement provided **most credible 'best view' to date**

Forecasting for **9** local authorities improved

Why

To achieve a bottom-up, stakeholder informed approach, it is essential that WPD managers are equipped to deliver in-depth, specific engagement to proactively assist the development of local energy plans; learning from experience and maximising opportunities to drive decarbonisation from the ground up.

How we delivered

- ✓ In collaboration with the Centre for Sustainable Energy, we developed additional training for local Distribution Managers to support their DFES engagement with LAs. Standardising approaches and enabling teams to identify and facilitate best practice is driving more ambitious LAEPs across our region.
- ✓ We designed and delivered a survey to assess the capabilities of our Distribution Managers to support and meaningfully influence local stakeholders in the development of their LAEPs; and to better understand the barriers faced in delivering this crucial engagement. Feedback has aided the development of a bespoke training programme that provides

WPD managers with the required tools and knowledge to effectively support local decarbonisation planning.

Why

Stakeholders have been clear that they need more accurate and timely information to help with their plans. WPD's transparent approach to DFES has driven the feedback for us to understand stakeholders' needs so that we enhance the depth, frequency and usefulness of the information we publish.

How we delivered

- ✓ Stakeholders are being given full transparency of our investment planning process, with results and assumptions published at every stage. We were the first DNO to publish a Distribution Network Options Assessment (DNOA) and Shaping Subtransmission reports - explaining the impact of DFES on our network and how we plan to solve constraints. This directly contributed to the development of a new licence requirement to publish a Network Development Plan (NDP), which uses DFES forecasts to identify future network issues. Early engagement with

our stakeholders has meant we are well placed to not only meet this requirement but go much further; using detailed electrical analysis to provide accurate representations of how we plan to invest in the network to solve constraints. Additional feedback from an NDP focussed webinar has also helped shape the format of the NDP and DNOA so it is easy to use and understand.

- ➔ Increasing the frequency of our DFES engagement has generated more accurate information for both stakeholders and WPD in predicting the pace and impacts of LCT uptake. Ultimately, this has led to more ambitious and deliverable LAEPs. Now published annually, and on an interactive web map, WPD's DFES and its subsequent consultations provide further opportunities for stakeholders to engage with us on a range of factors key to the delivery of net zero.
- ➔ Our interactive web map has been improved to include projections at LA level; providing more granular forecasting data so each can better understand the scale of different technologies in their areas.

5.2 Whole systems collaboration ensures customers can connect when they need to

Objective: deliver whole system outcomes to achieve the most efficient and effective route to decarbonisation for our regions

Outcomes

- **Increased coordination and cross sector working** has enabled greater certainty of network reinforcement requirements for customers.
- **Customers can connect immediately with new MW Dispatch product** - developed with stakeholders to address the forecasted constraints of reaching 2.6GW of connected Distributed Energy Resource in the South West.

Why

For WPD to facilitate the ambitions and varied net zero targets of our communities, we must ensure network capacity is never a barrier for customers to connect their EVs, heat pumps and renewable generation.

Stakeholders want to see significant coordination between network companies, government and key participants to ensure the most efficient whole systems solutions can be developed to facilitate customer needs. Our pioneering Regional Development Programmes (RDPs), in collaboration with National Grid (NG) are revealing the benefits of this approach, driving new solutions to avoid constraints in the Midlands and South West. RDPs provide detailed analysis of areas of the network which have large amounts of Distributed Energy Resource (DER) and known transmission/distribution network issues in accommodating that DER.

How we delivered:

- ➔ Since 2018 our South West RDP, in collaboration with NG (the first of its kind), has driven innovative approaches to tackle anticipated network constraints. The RDP identified issues when connecting 2.6GW of DER - a threshold we expect to breach in the next 18 months. Our RDPs have driven engagement to:
 - Increase understanding of the complex interaction between the transmission and distribution networks.
 - Use data led analysis to identify flexibility solutions that are more economical for customers and enable quicker and more efficient connections.
 - Simplify our implementation process to achieve a minimum viable product for flexibility. This has increased market participation.
 - Broaden our approach by including water, heat and transport in our Whole Systems Strategy for RII0-ED2.
- ✓ In 2021/22 we actively engaged with stakeholders on solutions to address forecasted constraints on the transmission system in the South West. Working with stakeholders to understand the market requirements, we have co-created a new product, MW Dispatch, making it easier to participate in flexibility services. This joint flexibility service product allows generators to connect immediately in transmission constrained areas, by granting Electricity System Operator (ESO) access to flexibility on the distribution network (managed by WPD on NG's behalf), with value payments to customers. Taking a design-by-doing

approach and focussing on options to tackle real-time situations, the MW Dispatch pilot enables us to deliver solutions rather than waiting for industry forums to agree changes to existing frameworks.

Collaboration

- ➔ WPD have collaborated with key stakeholders supporting the Welsh Government (WG) in the development of 'Net Zero Wales' - with 123 policies and proposals to reach net zero in the Welsh public sector by 2030, and deliver 70% of electricity demand from Welsh renewable electricity sources.
- WPD has:
 - Helped assess long-term impacts for the decarbonisation of heat and transport in Wales on the committee of Renewable UK Cymru, with WG, Arup, Welsh Transport, SP Energy Networks (SPEN) and NG.
 - Provided key information on the impacts of these electrical demands and potential solutions to accommodate this growth.
 - Developed, with NG, SPEN and WG, RII0-ED2 proposals presented to Ofgem.
 - Committed £2 million of specific resources to collaborate and assist the WG to identify the challenges faced by the Welsh energy system and assess potential solutions.

6. Deliver the net zero ambitions of our communities

Outcome delivered

Net zero cannot happen without us and we take our role very seriously. We are enabling our stakeholders to achieve net zero as soon as they want to, which for some will be as early as 2028. But while speed is important, the way we achieve this transition is vital - we are taking action and engaging extensively to ensure we meet the needs of our customers and anticipate potential barriers to ensure our new services offer maximum inclusivity from the outset. Stakeholders have asked us to lead the way by decarbonising our own operations, and utilise our role as a trusted, neutral advisor to share learning and advice with our communities, particularly community energy groups. Far from just talking about the changes needed to reach net zero, we are actively delivering new services that our customers want and need, while working with other key industry stakeholders to achieve the best outcomes.

6.1 Low carbon technologies - ensuring access for all

Objective: enable the net zero aspirations of our communities and facilitate the rapid uptake of LCTs by reducing barriers

Outcomes

- **Customers able to connect LCTs quicker:** more than **18,829** customers have benefited from connections approval within 24-48 hours via our streamlined connections process.
- **280 additional types of heat pump** are now readily accepted by WPD without further assessment, compared with the standard Energy Networks Association (ENA) process.
- **Customers able to meet their net zero ambitions: 23,605 new electric vehicle (EV) charge points** installed without reinforcement this year (taking our total to 45,685) - a 107% increase this year.
- **New electric vehicle and heat pump strategies published** - with tailored guidance for different customer needs.

Social value

- **£3.67** social value delivered in 2021/22 on top of every £1 spent in our same/next day LCT connections initiative.
- **£1.1 million** benefits for customers in 2021/22.

Why

We estimate that by 2028, there will be approximately 1,600 LCTs connected to our network every working day. Stakeholders at our topic-specific workshops said WPD must play a prominent role in facilitating the uptake of EVs and heat pumps on a mass scale. They were unanimous that the process for new connections should be easy - including clear guidance and a simple application process.

How we delivered

- ✓ Building on innovative trials, we developed a new, streamlined connections process, making it quicker and easier for households to connect a heat pump or EV charger. Applications are now approved on the same/next day, with any remedial works taking place following connection. Centralised for speed and consistency, the change ensures faster, simpler connections and frees up WPD's network planning team to quickly respond to more complex customer connections.
- ✓ We shared our new connections process and policy with another DNO, enabling them to learn from our experience to improve their service - and making connections simpler and consistent for customers across the UK.
- ✓ Our new process uses information the installer can provide upfront - we are collaborating with SPEN to integrate their app-based application tool, which uses

artificial intelligence to enable installers to self-serve their answers, without the need for technical knowledge. We are also working with the ENA to develop a UK-wide approach to simplify connections applications.

→ We published our 2021 Heat Pump Strategy, helping customers connect heat pumps at a time and place of their choice.

Why

We collaborate with industry stakeholders across the full spectrum of LCT types to quickly identify solutions to the barriers they face, unlocking better services for our customers.

Engagement has shown that visible and plentiful charge points will help reduce range anxiety for EV users. Charge point operators (CPOs) want to provide charging availability similar to that of a fuel forecourt, giving the 40% of drivers who do not have off-street parking somewhere to charge their EVs quickly and conveniently. At the same time, CPOs tell us they often have short leases at charging sites (e.g. 15 years), and WPD's standard lease terms could cause barriers.

How we delivered

→ In 2019 we were the first DNO to publish an EV Strategy that was co-created with a broad cross section of relevant stakeholders. Ongoing engagement has enabled us to update it annually, providing a detailed overview of WPD's activities to enable EVs. It is the most comprehensive in the sector, developed in consultation with LAs, fuel station operators, UK and Welsh government, Go Ultra Low Cities, house builders, vehicle manufacturers, fleet operators, bus companies and Local Enterprise Partnerships. We annually update our EV guides for businesses, LAs and domestic users and this year we will publish a guide on the electrification of HGVs, reflecting insight and engagement in this area.

✓ WPD is leading the industry on a DNO collaboration to provide a solution for on-the-go charging agreements. We have developed substation land acquisition terms that can be offered to CPOs as 'back to back' lease agreements. This reduces difficulties for operators and makes the connections process quicker. Learnings from this approach are informing our role in the government Office for Low Emissions Vehicles' project Rapid, increasing the pace of EV charger roll-out at 48 motorway service areas to provide accessible in-journey charging for customers.

✓ Working with BP Pulse and Schneider Electric, we have co-created a new solution to provide multiple rapid electric chargers in urban locations. In a WPD first, we are providing a 1.5MVA rapid charging hub, enabling 10-12 150kW chargers to be connected. This model is ready to be scaled across our region, ensuring all customers have access to convenient, fast charging.



Case study

Working with Pobl, a Welsh housing association, and Sero homes, we are improving our understanding of how to modify our design rules for new build properties. The sustainable housing estate contains 238 houses, each fitted with a complete suite of LCTs, including: solar panels, heat pumps, battery storage, EV chargers, smart white goods, internet access and smart meters, facilitated by a three phase low voltage supply.

Energy management systems ensure households can maximise these LCTs to save money. Sero Homes are also creating an 'electricity co-op' to offer the estate's battery storage to flexibility services, generating revenue to reduce residents' fuel bills. Anonymised data allows us to understand the impact of heat pumps on our network, and has driven changes to our connections policy, enabling more heat pumps to be connected faster. Continuous monitoring will inform our design policy going forward and influence our approach in other areas, e.g. by highlighting impact of storms on LCT-connected housing.

18,829 customer connections approved in <48 hours via new process

23,605 EV charge points connected without reinforcement

Zero Carbon Business website
6,300 new users

New Community Energy Engineer provides enhanced support

6.2 We will be a net zero business by 2028 - and we are helping others to get there fast

Objective: deliver our stakeholders' ambition of net zero by 2028, and share learning to help customers decarbonise

Outcomes

- By meeting our Science Based Target we will **limit our impact on climate change to 1.5°C** and be aligned with the Paris Agreement on Climate Change.
- Our improved Zero Carbon Business website is helping WPD to engage with a huge number of small businesses. **The website has supported 6,300 new users since its launch in October 2021**, enabling us to better understand and begin to address the barriers they face.
- **47% of new company car orders are now electric**, thanks to increased support and guidance around EVs.

Social value

- **£427,993** benefits for customers over the next five years through reduced carbon emission and cost reductions in our move to EVs.

Why

Our stakeholders drive us to be ambitious and show leadership. When we initially proposed to reach net zero by 2043, they challenged us to do it by 2028, and pushed us to rapidly electrify our company vehicles. While we will achieve this in full during RIIO-ED2, we do not rest on our laurels - our stakeholders wouldn't allow it - and major work is therefore already underway. For our customers, this means we are delivering immediate environmental benefits, with our teams better able to support them and build confidence in LCTs.

How we delivered

- ✓ Virtual 'Ask the Experts' sessions, seminars on smart meters, electric vehicles and heat pumps and a new podcast exploring key topics ensure employees are well informed to provide consistent customer support.
- ✓ We have established a Science Based Target (SBT) which has been validated and accepted by the UN Science Based Target initiative. By following the target we ensure our activities limit the impact on global climate change to no more than a 1.5°C increase.
- We are reducing carbon emissions across our operations, and making 89% of our commercial van fleet electric by 2028. We have already installed one of the largest private charging networks in the UK with 248 EV charger bays across 48 sites, supporting 142 electric fleet vehicles and 184 electric company cars. This improves our environmental efficiency and enables us to engage with other fleet owners (e.g. via our Customer Panel 'buddy' system - see 4.1) to share best practice and drive EV take up.

Why

Engagement with small and medium enterprises (SMEs) tells us that the compounding impacts of Covid-19, rising energy costs and the net zero transition are causing them major challenges. Expert stakeholders suggested that we are well positioned in the energy market, to provide trusted advice and support to businesses struggling with their energy costs while simultaneously driving decarbonisation across the sector.

Collaboration

WPD is working with Northern Powergrid, Electricity North West Limited, the Federation of Small Businesses, British Chambers of Commerce and The Broadway Initiative to create a Zero Carbon Business website bringing together tools, advice and support in a single place, to help SMEs reach net zero. Building the service iteratively ensures the platform meets users' needs.

This year, we:

- Launched a website enabling users to browse topics, access sector-specific advice and find local support.
- ✓ Established an Oversight Board to coordinate shared investment and the development of new content.
- ✓ Welcomed new funding partners, HSBC and NatWest, ensuring a range of industries take part to maximise the scope of support provided to SMEs.
- Gained detailed feedback from user testing and sector-specific working groups to improve the site, including a review of retail content from topic experts: British Retail Consortium and British Independent Retailers Association.
- ✓ Collaborated with BEIS, identifying ways to support their initiatives.

Our next webinar will focus on immediate actions UK SMEs can take to cut bills through energy efficiency.

6.3 Helping community energy to flourish - with over 23% of the UK's schemes and counting

Objective: continue to be an industry-leader in community energy support, with quicker connections and broader, more inclusive schemes

Outcomes

- Our 2022 Net Zero Communities Strategy, co-created with stakeholders, contains **17 new commitments and a key focus on vulnerable customer support**.
- WPD's tailored support, helping groups respond to Network Innovation Allowance 'calls for ideas' has resulted in an **innovation trial with WREN** to support vulnerable customers.

Why

Since 2014 we have led the industry in championing community energy - with 99 groups, representing 23% of the UK, based in our region. Our Customer Connections Steering Group and

workshops have engaged community energy schemes from the moment they emerged, and we collaborate with groups at bespoke community energy workshops to ensure they can steer our plans. Our extensive and enduring engagement with groups has stimulated a paradigm shift; from requiring 'hand-holding' with the connections process, to now co-developing opportunities to help communities substantially decarbonise and support those in vulnerable situations.

How we delivered

- ✓ Appointed a new Community Energy Engineer: a dedicated member of staff focused on engaging with community energy groups and supporting them to maximise the benefits of their schemes. This role is pioneering a huge increase in the bespoke support

we are providing, trialling new, tailored approaches.

- Co-created our 2022 Net Zero Communities Strategy with community energy groups, detailing progress made since our last strategy was published and setting out new commitments for the year. Community energy groups asked us for more information around using community energy locally, so we updated the strategy with new guidance and case studies, as well as publishing a 'Jargon Buster' and 'A beginner's guide to the electricity network'.
- Engaged with 159 community energy stakeholders at bespoke surgeries and workshops, including a forum to help groups understand the impacts of Ofgem's Significant Code Review and enabling them to respond to the consultation.

7. Unlocking value from open data

Outcome delivered

Data is key to the energy transition. By taking early action to make our data open, we have been able to better engage with stakeholders on their requirements, ensuring they can generate value and drive action from data which is accessible, tailored and usable. We are leading the way, making the largest volume of data available and being the first to launch a standardised open data portal, which we continue to enhance in response to regular stakeholder feedback. This means we are providing customers with the information they need in real time, to drive forward net zero plans at pace and scale.

Over
118,000
monthly downloads
of our data

707 datasets
shared
allowing for increased
access and tailored use

7.1 Leaders in open data – someone downloads our network data every 22 seconds

Objective: move from data sharing, to data-driven outcomes, by engaging a wide range of emerging stakeholders

Outcomes

- **More than 118,000 monthly downloads** of our data and 16,000 monthly application programming interface (API) calls - optimising customers' network investment and interaction decisions.
- **Added 666 datasets to our Connected Data Portal**, 16 times more than 2020/21, giving customers significantly more data access and granularity.
- **Over 1,000 submissions** to our data science challenges have led to the acceptance of five technical papers by recognised data science/energy bodies, and the launch of our Data Science Online Repository to drive ongoing collaboration and generate value from our data for customers.
- **Customers will get connected quickly**, with our 'beta' low voltage connection design and costing solution, providing instant answers 24/7.

Why

The route to a smart, net zero grid will require our stakeholders to develop a range of new, innovative energy services. The demand for timely and accurate data is therefore greater than ever. It will enable stakeholders to make connections and network interaction decisions and inform their net zero planning. In 2019, we achieved an industry first by launching our Energy Data Hub, which presented a library of open datasets.

User feedback was very positive, but ongoing engagement revealed they wanted us to develop a more interactive, customisable data portal, akin to a Google-style search engine. At our strategy development workshops, stakeholders also emphasised that data must be granular, frequently updated and tailored to the requirements of different groups.

How we delivered

→ In a DNO first, we launched the 'beta' version of our Connected Data Portal (CDP) with 41 datasets in March 2021. Following extensive engagement and user testing, it now provides a single place for WPD data in a standardised and interoperable format so users can understand and derive greater value from it. This has enabled customers to access more than 700 datasets, including real-time operational data, volumes of LCTs and network connectivity information. The data on our portal, now accessed once every 22 seconds, is empowering customers to make optimised investment and interaction decisions to support the delivery of net zero.

→ Our CDP offers multiple ways for customers to search and interrogate data, tailored to the diverse needs of our stakeholders. This includes graphs and maps to visualise data, download options for offline analysis and API for advanced users to create real-time views and synchronise with other datasets.

→ Common Information Model (CIM) is an internationally recognised file format for the sharing of electricity network asset and connectivity data. We are the only UK DNO to share CIM compliant data. This benefits our customers by providing high voltage and extra high voltage data monthly via our CDP to enable a significant increase in system information granularity and access. Our CIM approach improves data confidence and delivers significant time savings for customers, who previously had to build their own network models from our data tables.

→ To make data as useful as possible, we tailor information to a wide range of audiences and use cases. To do so we worked with our stakeholders to create 16 user personas with a bespoke offering to match their unique data needs.

Why

Our future energy scenarios forecasting shows that volumes of new connections will rapidly accelerate over the next decade. Customers at our topic-specific workshops and connections events have expressed the need for quicker, clearer and more transparent processes when making new connections to the network.

How we delivered

- ✓ We launched a new platform, 'ConnectLite', enabling customers to self-serve connections quotes in real time. The 24/7 service trial speeds up the connections process for customers, ensuring they can assess their new connection options at a time that suits them, with instant answers.
- ✓ We implemented two new design tools to automate data population, which previously network planners and design engineers sourced manually. Using the latest technological approaches, along with greater standardisation and consistency, these tools significantly reduce design time, providing faster new connections services for all customers.
- ✓ We established an internal Data Catalogue, giving all employees access to a single source of data 'truth'. This reduces the time spent accessing data and optimises decision making, improving our speed of response to customer enquiries and enhancing the skills of our staff to meet the needs of customers in a smart energy future.



Collaboration

Why

While organisations sharing their individual asset data is useful, many stakeholders have expressed the need for a single and consolidated map for gas and electricity transmission and distribution assets in Great Britain.

How we delivered

→ We collaborated with network operators and the ENA on the Network Energy Systems Map (NESM). Our CDP has facilitated a dynamic link between the NESM and our data, enabling effective data matching between systems. This grants customers access to all relevant data without the need to consolidate and interrogate separate datasets, reducing time and technical skill barriers for users.

Why

Stakeholders at our strategy workshops asked WPD to go beyond just sharing data, by showing how it can be used to drive insight and action.

How we delivered

- ✓ In collaboration with the Energy Systems Catapult, we delivered a series of data science challenges focused on using data to investigate real and relevant problems, such as future investment requirements based on LCT volumes. The challenges stimulated over 1,000 submissions from 45 teams in nine countries, demonstrating the varied possibilities and value of energy data.
- ✓ Our data science challenges showed the importance of making data useable and useful for the wider data community. We recognised the need to demonstrate how our data can be used both to inform customers and to actively partner with them to generate greater value. This led us to establish a Data Science Online Repository, enabling multiple users to work collaboratively with our data. Engaging the wider data community, the repository allows users to share how data-derived insights can drive better customer outcomes.

8. Wider participation in flexible services

Outcome delivered

We operate the UK's largest distribution flexibility market, with more flexibility contracted and dispatched than anyone else. This has huge benefits for customers, unlocking network capacity which enables them to connect renewable energy and LCTs to the network. Not only are we keeping our costs low by maximising the utilisation of the existing grid, customers can also benefit financially by engaging in flexibility contracts. As a result of our engagement, we have taken major steps to increase participation and enhance accessibility, leading to a huge increase in domestic flexibility this year.

2.4 million customers served via flexibility

709 MW of flexibility procured, deferring £48.5m of reinforcement

8.1 Flexibility services that benefited 2.4 million customers this year

Objective: increase the opportunities to participate in flexibility services for a wider range of providers

Outcomes

- In 2021/22, an estimated 2.4 million WPD customers were served via flexibility procured through the Flexible Power platform.
- In 2021 we called on 25GWh of flexibility to support our network operations.
- £48.5 million of reinforcement was deferred by flexibility, at an annual cost of £715,000.
- Our total contracted flexibility is now at 709MW, an increase of 254MW this year, covering 27% of our primary substations across 62 constraint areas.
- 152MW of domestic flexibility contracted this year - up from 2.6MW in 2020/21.
- Improved flexibility offerings have enabled 318 providers to participate in tenders, including domestic electricity suppliers and aggregators.
- 29,088 hits on our Flexible Power platform this year - now enabling customers to view flexibility services for 5/6 DNOs.

Social value

- £0.85 social value delivered in avoided reinforcement in 2021/22, on top of every £1 spent on contracted flexibility.
- £1.4 million benefits for customers in 2021/22.

Why

Flexibility must not be a theoretical tool; it is one thing to contract for services, but WPD is leading the UK by a distance in the real-time, frequent deployment of flexibility. Our 'best view' forecasts and widespread engagement on LAEPs anticipates a huge increase of new and upgraded connections for LCTs.

At our specialist connections workshops and expert steering group, we heard that the costs and timescales for conventional reinforcement can be a barrier. We've therefore worked with stakeholders extensively to overcome these challenges. By deferring or removing the need for reinforcement, flexibility services can unlock and accelerate new connections, delivering huge cost savings to the connecting customer and wider consumers.

Stakeholders want us to prioritise three key things to drive the creation of flexibility markets:

1. Make data accessible and useful
2. Simplify processes to increase participation
3. Clearly explain requirements for customers.

How we delivered

Making data accessible and useful:

→ Our flexibility services are managed on WPD's Flexible Power site. Four other DNOs have now adopted our platform, which won the Disruptor award at the Utility Week Awards, achieving peer recognition that our engagement-driven approach is leading to fantastic flexibility services and outcomes for customers. The platform provides customers across 75% of GB a consistent view of flexibility locations, requirements, procurement notices and documents in a single place.

Flexible Power – winner of the 'Disruptor' award



Simplifying processes to increase participation:

→ We are continuing to develop our flexibility offerings to provide whole system solutions, enabling services to be combined (or 'stacked') across transmission and distribution systems. Jointly procured flexibility will be signed to a common contract, enabling both the ESO and DNO to access services, without the need for duplication. Ensuring our products are compatible not only simplifies the process for customers, it also enhances the viability of schemes and unlocks access to participate in multiple opportunities at the same time.

Clearly explaining requirements for customers:

→ To provide further commonality, we have adopted the ENA's standard contract for flexibility, which now aligns DNO and ESO approaches. Early engagement enabled us to revise our flexibility agreement terms to maximise participation and reduce complexity. We shared learnings to improve the service for all UK customers via the ENA's Open Networks Project, to lead the creation of standard terms. Further engagement and consultation has led to the development of a second version of the agreement—the first to be utilised by both DNOs and the ESO, thereby improving accessibility and participation.

→ To provide consistency and certainty to help customers' investment decisions, we now signpost our flexibility requirements for up to five years. Contract duration can also be agreed between one and four years with an option to extend, should the flexibility requirement remain in place.



Flexible Power

Why

Stakeholders at our workshops and expert panels have emphasised the importance of ensuring the transition to net zero is fair and benefits can be accessed by all. It is therefore vital that flexibility extends beyond large scale commercial providers to the domestic and community energy level, enabling as many customers as possible to participate.

How we delivered

Working with OVO Energy, WPD became the first DNO to provide flexibility services from domestic properties. Engagement between specialist WPD staff and industry experts has enabled us to develop this area of the market from scratch.

→ In collaboration with Everoze and Smart Grid Consultancy, we delivered a pilot scheme for domestic flexibility, Sustain-H, involving over 310 homes and seven suppliers and aggregators. The NIA funded trial concluded in July 2021, demonstrating that a scheduled service is effective at leveraging flexibility from homes – by asking providers to drop their demand to (or below) a pre-agreed level at pre-agreed times and hold that usage for a four hour period. This provides a simplified product to make flexibility services more accessible. This year, we published a Roadmap outlining the transition of Sustain-H to business as usual commercial procurement from early 2023. Findings from the trial and stakeholder consultations have helped shape the final design of the Sustain service which will be offered through our Flexible Power platform.

→ Over half of the contracted flexibility secured this year was from domestic flexible demand. WPD's Flexible Power team deliver regular engagement around the flexibility procurement cycle with over 100 stakeholders attending webinars, interactive workshops and surgery days in 2021/22. Increased engagement between our DSO function and suppliers, aggregators and virtual power plant providers has driven a surge in domestic flexibility contracts. Helping customers to combine their efforts, we are unlocking even greater capacity from the grid and enabling more customers to benefit financially from flexibility in return for small adjustments to energy use.

Paul Jewell, System Development Manager presenting at our connections workshop hybrid event, held simultaneously in-person and online.



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