

Synthesis report 5
Phase 5a – Business Plan Acceptance
Testing and
Phase 5b – Business Plan Gap Analysis

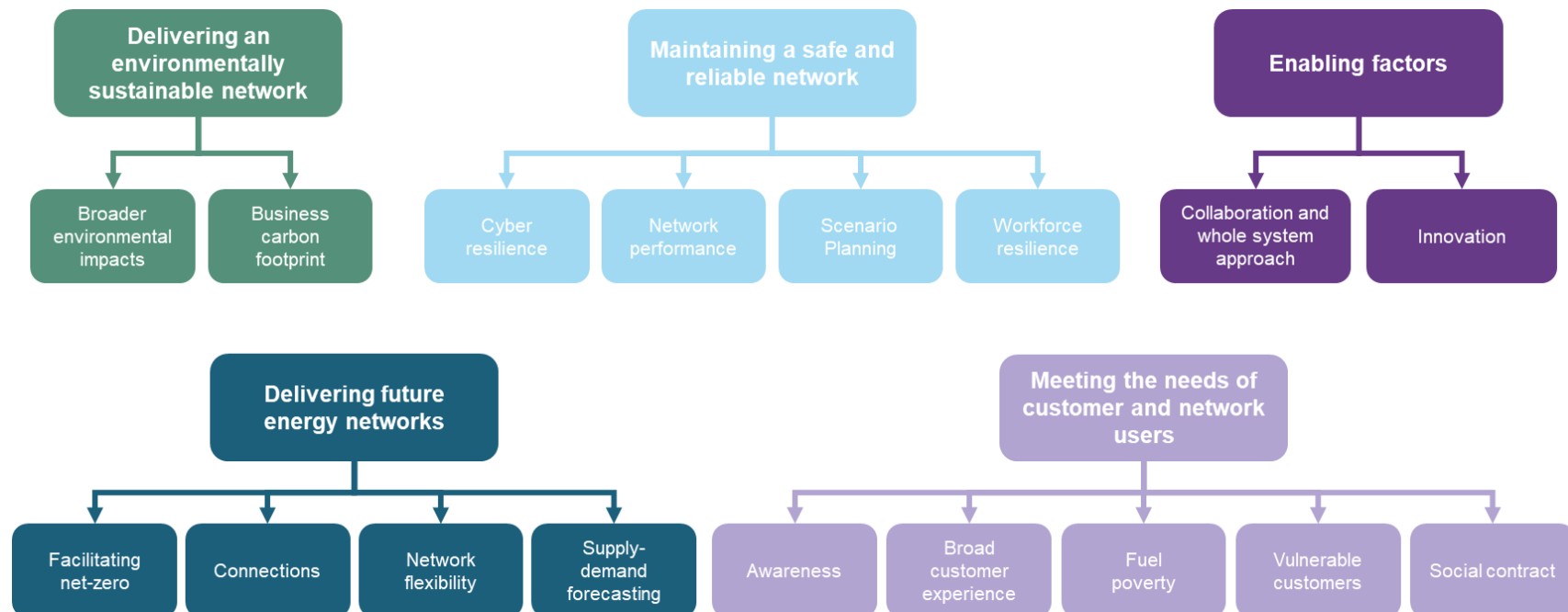
Delivered by Sia Partners

October 2021

Navigating this report

During the preliminary engagement in 2019, stakeholders were given a blank canvas to discuss the issues which were most important to them. Sia Partners, an independent body, analysed the feedback, grouping it into high-level topics – starting with Ofgem’s three output categories, before adding two more for feedback that lay outside of those. Detailed points were then grouped into sub-topics, based on the volume of discussion in each area.

The diagram below visualises the high-level topics, and the sub-topics identified under each one. This report is organised in this structure, with feedback discussed at the sub-topic level. An additional high-level topic has been added in this phase, which contains feedback received on the business plan and its acceptability overall. This is called ‘Business Planning’ and has one sub-topic, ‘Acceptability’. The sub-topics are broadly aligned with the chapters of WPD’s business plan, however, there is a large amount of crossover information. It is therefore important that chapter owners review the content in all relevant sub-topics. Identifying the appropriate structure for feedback early in the process (in 2019), allows WPD to understand how feedback has changed over time; with stakeholder views getting more specific as we approach a final business plan.



The 42 draft commitments

The table below shows how the 42 commitments presented in the Draft Business Plan have been categorised in this synthesis report.

High-level topic: Meeting the needs of customers and network users	
Sub-topic: Awareness	Commitment 38: Keep our children safe by sending electrical safety education packs to every primary school in WPD's region and educate at least 80,000 children per year via direct learning.
Sub-topic: Broad customer experience	Commitment 26: Deliver exceptional service levels by achieving an overall average customer satisfaction of 93% or higher by the end of RIIO-ED2, with separate reporting for emerging technology customers.
	Commitment 27: Ensure a speedy telephony response to customers by answering calls within an average of four seconds and maintain an abandoned call rate of less than 1%, within our UK-based, in-region Contact Centres
	Commitment 28: Ensure a speedy social media response to customers by replying to enquiries within an average of five minutes and Webchats in an average of less than a minute, 24 hours a day
	Commitment 29: Provide greater insight on our planned work activities and interruptions on our network by creating an online viewer
	Commitment 30: When things go wrong ensure we put things right very quickly, by resolving at least 90% of complaints within one day and 99% of complaints within 25 days.
Sub-topic: Fuel Poverty	Commitment 19: Support at least 113,000 fuel poor customers to save £60 million on their energy bills over RIIO-ED2
Sub-topic: Social Contract	Commitment 23: Support and add significant value to our local communities via a 'Community Matters' social initiative associated with the smart energy transition, vulnerability, environment and sustainability. This will include a shareholder-funded annual £1m community support fund and 1,000 volunteer days per year for WPD staff to support local causes.
	Commitment 24: Deliver enduring, long-term support to our communities by publishing an updated WPD Social Contract and performance report every year and maintain our prime Environmental, Social and Governance (ESG) rating
	Commitment 25: Build decarbonised communities and local energy schemes by providing £540,000 shareholder-funded support per year to install solar PV on schools in areas of high economic deprivation
	Commitment 18: Ensure customers are not left behind in the smart energy transition by offering at least 600,000 Priority Services Register customers a bespoke smart energy action plan each year.

Sub-topic: Vulnerable Customers	Commitment 20: Expand the reach of our Priority Services Register to at least 75% of total eligible customers and 80% of customers with critical medical dependencies to ensure those in greatest need receive targeted support services. This will include registering at least 50,000 additional hard-to-reach customers each year
	Commitment 21: Achieve a 'one-stop-shop' service so that customers only have to join the Priority Services Register once to be registered automatically with their energy supplier, water company, gas distributor and telecommunications companies.
	Commitment 22: Maintain high quality data to allow us to deliver bespoke support to customers in vulnerable situations by proactively contacting over two million Priority Service Register customers once every two years to remind them of our services and update their records (with 60% via direct telephone call)
High-level topic: Maintaining a safe and reliable network	
Sub-topic: Cyber resilience	Commitment 39: Reduce the risk of data loss or network interruption from a cyber-attack by continually assessing emerging threats in order to enhance our cyber security systems.
	Commitment 40: Reduce the risk of disruption to our operations and enhance the resilience of our IT network security as we deliver greater digitalisation, by increasing levels of threat monitoring, prevention and alerting systems, and upgrading our disaster recovery capability to ensure continuity of operations.
Sub-topic: Network performance	Commitment 33: Deliver improved network reliability where on average power cuts are better than one interruption every two years lasting 24 minutes, utilising vulnerable customer data to prioritise network improvement schemes.
	Commitment 34: Improve the service for at least 8,260 worst served customers by undertaking 70 schemes.
	Commitment 35: Counteract deterioration of network assets through an investment of £210 million per annum, delivering a 22% change in risk to keep network risk at similar levels to the start of the price control period
Sub-topic: Scenario planning	Commitment 36: Reduce the flooding risk at key sites by undertaking 102 flood defence schemes and engage stakeholders to reduce the need for new assets in flood risk areas.
	Commitment 37: Increase the safety of around 200,000 children by delivering 780 schemes to underground, insulate or divert overhead lines that cross school playing areas.
	Commitment 41: Demonstrate exceptional embedded employment practices by achieving accreditation with Investors in People by the end of RII0-ED2
	Commitment 42: Achieve year-on-year improvements to the levels of diversity within the business and publish an annually updated Diversity, Equity and Inclusion Action Plan
High-level topic: Delivering an environmentally sustainable network	

Sub-topic: Business carbon footprint	Commitment 10: Achieve net zero in our internal business carbon footprint by 2028 (excluding network losses) and follow a verified science based target of 1.5°C to limit the climate impact of our activities.
Sub-topic: Broader environmental impacts	Commitment 11: Avoid damage to the environment by reducing the volume of oil leaked from fluid filled cables by 50% by 2028 and replacing 90km of the worst leaking circuits with non-oil alternatives putting WPD on target to remove all oil-filled cables by 2060.
	Commitment 12: Significantly reduce our impact on climate change by delivering a 20% reduction in SF6 losses and drive industry partners to develop technological alternatives to reduce overall volumes of SF6 on the system.
	Commitment 13: Significantly reduce the environmental impact of our operations by achieving zero waste to landfill by 2028 (excluding hazardous waste) and delivering an overall 30% reduction in tonnage waste produced.
	Commitment 14: Improve visual amenity by removing at least 50km of overhead lines in Areas of Outstanding Natural Beauty and National Parks
	Commitment 15: Achieve a 10% net gain in biodiversity (in line with nationally recognised assessment tools) for new major projects and for selected primary and grid substation sites
High-level topic: Delivering future energy networks	
Sub-topic: Connections	Commitment 31: Make it as easy as possible for customers to apply to connect individual domestic low carbon technologies by providing a same day connections response via an online self-assessment tool
	Commitment 32: Provide quicker and cheaper connections options for customers by increase the number of flexible connection offers made by lowering the reinforcement cost threshold to >£75k per MW and works that will take more than 12 months to complete
Sub-topic: Network flexibility	Commitment 1: Drive the achievement of net zero across our regions sooner than 2050 in line with stakeholder aspirations (some areas as early as 2028), by ensuring network capacity is available
	Commitment 2: Ensure customers are able to connect low carbon technologies quickly and easily, with the network being ready to connect at least an additional 1.5 million electric vehicles and 600,000 heat pumps by 2028.
	Commitment 5: Maximise the utilisation of the network and keep costs to customers low by adopting a 'flexibility first' approach for assessing all load related reinforcement decisions.
	Commitment 6: Stimulate the development of flexibility markets by implementing simple, fair and transparent rules for procuring flexibility services, with a six monthly tender and exceptional customer satisfaction for flexibility services.
Sub-topic: Facilitating net-zero	-

Sub-topic: Supply-demand forecasting	-
High-level topic: Enabling factors	
Sub-topic: Collaboration & whole system approach	Commitment 3: Drive the delivery of ambitious local area energy plans to achieve Net Zero, by proactively engaging with all 130 local authorities each year via 90 local energy surgeries
	Commitment 4: Deliver a network to meet the evolving needs of our customers by aligning our future energy forecasts with the plans of local regions and the Electricity System Operator (ESO), by updating WPD's Distribution Future Energy Scenarios every 12 months
	Commitment 7: Further improve network efficiency by utilising a whole system approach for major reinforcement to ensure delivery of solutions with the greatest social return on investment, by undertaking three regional collaboration trial schemes by 2025 involving gas, electricity, water, waste, transport and heating sectors.
Sub-topic: Innovation	Commitment 8: Significantly increase the volume of community energy schemes, connecting at least 30 Community Energy Groups to the network each year by holding 60 community energy surgeries per year and providing a dedicated WPD community energy representative to assist with connection and flexibility offers.
	Commitment 9: Support a growth in community energy schemes by facilitating their access to available funding streams.
	Commitment 16: TBC: Deliver an additional stretch efficiency saving of [£53m] through RIIO-ED2 (on top of £705m of efficiencies already included in the plan) by utilising innovation to improve our processes and show a positive carbon impact.
	Commitment 17: Enhance access to data that is tailored to the individual needs of our customers, by making 60% of WPD's network data available via an interactive Application Programming Interface

Figure 1: Categorisation of the 42 commitments under each high-level topic and sub-topic

Summary of Phase 5 Engagement

WPD recently completed the fifth stage of the RIIO-2 engagement programme. This stage builds on the previous “Business Plan Refinement” work by testing stakeholder opinions on and acceptability around the business plan as a whole and any refined or new commitments and their ambition.

This document collates the feedback collected during the fourth phase of engagement, drawn from 17 sources, covering 6,283 stakeholders, resulting in a total of 1,473 of feedback – summarised and detailed in the pages below.

A summary of the feedback collected during the previous phase has also been included for each sub-topic. Thus far over Phases 1, 2, 3, 4 & 5 WPD has engaged 14,232 stakeholders, collecting a total of 10,370 pieces of feedback, across 102 total sources.

Topics covered

As mentioned above, the synthesis work during the Business Plan Acceptability Testing and Gap Analysis phase tested stakeholders’ understanding and acceptability of commitments’, CVP’s and key areas’ level of ambition and bill impact. Stakeholders were engaged across a variety of workshops, some on specific topics such as Customer service and Consumer vulnerability, Innovation and digitalisation, Connections and Community Energy, while some others were regional and were looking to get the views of stakeholders across the four areas. Stakeholders also shared their future plans during the Distribution Future Energy Scenario workshops. Two stages of acceptability testing research were conducted, one in June 2021 and one in November 2021.

Each sub-topic is discussed separately and includes a breakdown of the commitments proposed, as well as the number of pieces of feedback collected. The full detail on each source of feedback can be found in the table in the appendix. The content compiled on each sub-topic has been divided into themes where it is discussed and summarised. The summaries identified under each sub-topic will ultimately validate the triangulation process – informing WPD’s decision-makers of any outstanding key customer and stakeholder concerns.

Stakeholders engaged

The figures below provide a picture of the ‘Business Plan Acceptability Testing and Gap Analysis’ stage in terms of the stakeholders engaged, their knowledge levels, and the regions covered. Although all engagements were online, due to the Covid-19 pandemic, a regional breakdown is provided based on the regionality of stakeholders engaged. Where such information was not recorded, it has been indicated that there were no regional data available. Four methods of engagement were utilised for this engagement phase: online workshops/meetings (58%), research (18%), panel (12%) and focus group (12%).

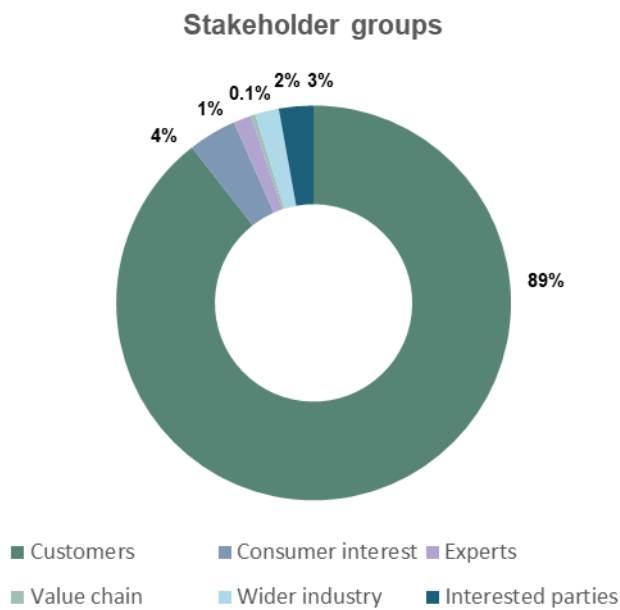


Figure 2: Breakdown of stakeholder knowledge level during the business plan acceptability testing phase

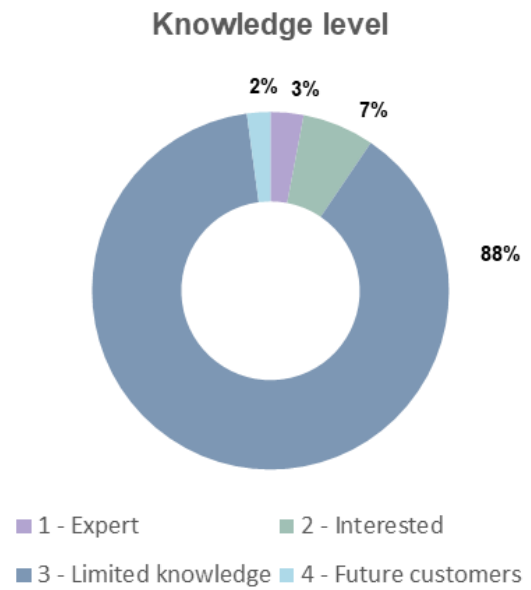


Figure 3: The proportions of stakeholder groups engaged during the business plan acceptability testing phase

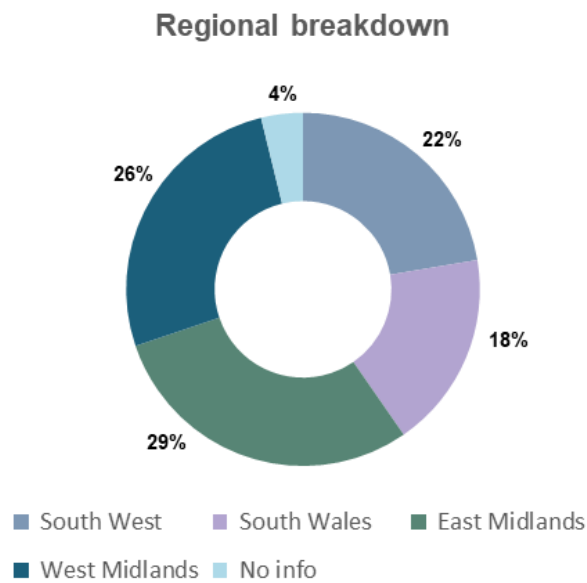


Figure 4: Regional breakdown of the business plan acceptability testing phase

The table below details the number of stakeholders that attended phase 5 of ED2 business development engagement events from each segment.

Stakeholder group	Segment	Number attended
Customers	Major energy users	0
	Domestic customers	4,688
	Distributed generation customers	32
	Business customers	779
	Fuel poor/vulnerable customers	0
	Major connections customers	1
	Future customers	133
Interested parties	Local authorities	105
	Other	64
	Non-governmental organisations	0
	Local Enterprise Partnerships	2
	Emergency services	2
	Trade associations	4
	Healthcare	0
Consumer interest	Parish councils	3
	Charities	27
	Vulnerable customer representatives	195
	Consumer interest bodies	11
Wider industry	Utilities	111
	Community energy groups	12
Experts	Energy Consultant	30
	Academic institutions	16
	Government	44
	Environmental groups	2
	Electric vehicle manufacturers	0
Value chain	Developers	7
	Storage/renewables providers and installers	8
	Electric vehicle charge point manufacturers and installers	2
	Connections providers	1
	Flexibility service provider	0
	IDNO	4
	Energy aggregators	0
Total		6,283

Figure 5: The number of stakeholders from each segment that attended the business plan acceptability testing events.

Feedback collected

Feedback from these stakeholders was initially recorded by the organisation running the events – either WPD, Accent or EQ communications - and has now been documented in WPD’s central feedback database. Each specific point of view has been recorded as a separate statement and grouped into high-level topics and sub-topics by Sia Partners who are running the process.

The table below sums the feedback, organised by high-level and sub-topics, collected throughout phase 5 of WPD’s ED2 engagement events. The remainder of this report will cover the detail, laying out the specific comments in each area.

High-level topic	Sub-topic	# of feedback
Meeting the needs of customers and network users (11%)	Vulnerable customers	162
	Broad customer experience	44
	Fuel poverty	1
	Awareness	17
	Social contract	94
Maintaining a safe and reliable network (1%)	Workforce resilience	14
	Network performance	28
	Scenario planning	2
	Cyber resilience	8
Delivering an environmentally sustainable network (4%)	Business carbon footprint	64
	Broader environmental impacts	24
Delivering future energy networks (14%)	Facilitating net-zero	201
	Connections	66
	Supply-demand forecasting	2
	Network flexibility	67
Enabling factors (9%)	Collaboration and whole systems approach	126
	Innovation	129
Business planning (29%)	Acceptability	424
Total		1,473

Figure 6: The breakdown of feedback volume collected for each high-level topic and sub-topic.

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High-level topic: Meeting the needs of customers and network users

Sub-topic: Awareness

What we heard in mid 2021:

In general, the majority of stakeholders supported the proposed commitments and only a small minority wished to propose alternative commitments for the topic. For the commitment to 'Distribute safety advice information to stakeholders', most supported the option to distribute 200,000 leaflets per year. Alternatives for this commitment included suggestions for more measurable and effective actions to achieve public safety, such as through social media channels and SMS. Moreover, for the commitment to 'Educate a minimum number of children per year about avoiding danger from electricity', the most prevalent response was to educate 80,000 children per year. Conflicting feedback included that the effectiveness of this cannot be easily measured, while an alternative suggested was sending an information pack for schools with a video and information that schools could share with their pupils.

Summary of Phase 5 feedback

- 1.1 The focus of the Awareness topic was on the issue of Safety, both internally for WPD's operations and externally, in terms of WPD's role to educate stakeholders, especially young children.
- 1.2 Most stakeholders agreed with and considered the company's approach to safety acceptable. There was agreement that fostering a safety culture where employees can report near missed and issues is important, while there was also a request to share best practices with the industry. Stakeholders also wanted more publicity on reporting down or low lines.
- 1.3 A total of 17 pieces of feedback were collected for Awareness during phase 5 engagement, which adds to the 44 pieces collected during phase 4, 37 collected during phase 3, 94 pieces collected during phase 2, and further 36 pieces collected during phase 1.

Detailed feedback

Feedback for Awareness can be divided into one main themes:

- Safety

Safety

- 1.4 In the electronic voting, 92% agreed or strongly agreed that the approach to safety was ambitious enough, and 79% agreed that it was acceptable (E096).
- 1.5 Delegates were supportive of the commitments proposed under Safety, particularly around the changing of the safety culture, where employees feel comfortable and empowered to flag issues and report near misses, without fear of reprisal. One local authority stakeholder noted that there is a cost and time implication too, so targeting the highest risk sites first is appropriate to them (E096).
- 1.6 Stakeholders from other industries such as connections and academic wanted to see WPD sharing their best practice and approaches on this so they could filter into their own businesses and institutions (E096).
- 1.7 More specifically, on whether WPD is being sufficiently ambitious in this area and whether there are radical alternatives to consider, an academic institution stakeholder said they know that there is a lot of focus around safety as a matter of course. They thought that the culture of being risk aware and near-miss reporting, which exists strongly within WPD, needs to come out more clearly (E096).
- 1.8 Others emphasised the refreshing of safety training, and the development of new tools to aid safety, such as tools to detect low wires. Suggesting ways in which WPD could be even more ambitious, delegates wondered if there could be more information and publicity on poles on how to report down or low lines: they saw that opening up this process to the public might increase both responsibility and awareness of safety (E096).
- 1.9 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Safety is the most supported area (82%) and the most sufficiently ambitious one (70%) (E109).

Commitment 38: Keep our children safe by sending electrical safety education packs to every primary school in WPD's region and educate at least 80,000 children per year via direct learning

- 1.10 The proposal to reach over 80,000 primary school children per year with safety packs was also welcomed, with a caveat to ensure the packs are useful for schools, and aligned with the national curriculum, so the packs are utilised effectively and embedded in a wider programme of learning (E096).
- 1.11 Some delegates questioned why WPD were solely focusing on primary school age children, with a key comment here being: 'Every science teacher in the land would welcome input on electricity to educate secondary school pupils' (E096).
- 1.12 91% of June 2021 Acceptability Testing participants understood the commitment, of which 80% supported it, 15% neither supported not opposed it, 3% opposed it and 2%

said they do not know. Also, 73% supported its ambition, while 13% did not and 14% said they do not know. Lastly, 75% supported its proposed level and bill impact, while 21% preferred to see the commitment reduced & see potential bill decrease, and 3% preferred to see the commitment increased & see potential bill increase (E108).

1.13 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were shown 9 core commitments and asked to pick the top 3. 200,000 school children safer was the sixth most important aspect for 29% of customers. Future customers, those in the South West, those 16-29, female, those in the DE segment, the vulnerable and those struggling financially were significantly more likely to choose this commitment as top priority (E109).

Commitment: Deliver safety action plans informed by two Safety Climate Surveys with all our staff and contractors during RIIO-ED2

1.14 90% of June 2021 Acceptability Testing participants understood the commitment, of which 82% supported it, 14% neither supported not opposed it, 1% opposed it and 2% said they do not know. Also, 78% supported its ambition, while 9% did not and 13% said they do not know. Lastly, 80% supported its proposed level and bill impact, while 15% preferred to see the commitment reduced & see potential bill decrease, and 5% preferred to see the commitment increased & see potential bill increase (E108).

Sub-topic: Broad customer experience

What we heard in mid 2021:

Most stakeholders were supportive of the customer service commitments, with only a 10% minority wanting to suggest alternative commitments. These were about the expected rise of electric vehicle charge points, and about keeping costs low for consumers. For the output to 'Maintain a high standard customer satisfaction score across all key services areas', the majority voted for a 90% satisfaction rate, while the only two comments urged WPD to be more ambitious and for call centre staff to chat to elderly customers to help prevent loneliness. The two compliance commitments presented a binary choice, with the overwhelming majority agreeing with them, 98% and 96% respectively, and only raising comments regarding clarity, more context, and cost. Moreover, 95% agreed with the commitment to 'Answer calls within an average of four seconds and maintain an abandoned call rate of less than 1%, within our UK-based in-region Contact Centres', with comments to include a response time for webchat, an option to answer calls within 10 seconds to provide a reduced cost to the customer, and that it should not be about the response time, but the time taken to resolve the issue. For the commitment to 'Respond to social media enquiries and power cut reports quickly', the majority of stakeholders voted for responding within five minutes, with the bill impact the same as today. However, three stakeholders argued that response to social media enquiries and power cut reports should be treated separately. Lastly, 94% agreed with the commitment to 'Resolve at least 90% of complaints within one day & resolve 99% of complaints within 31 days', with a stakeholder seeking clarification on how communication would be maintained during this time.

Summary of Phase 5 feedback

- 2.1 When discussing the customer experience commitments, stakeholders were very supportive of WPD reaching an exceptional service level however, given the current score has risen to 91% there was uncertainty on whether the bill impact would be justified. Some stakeholders suggested WPD should instead focus on addressing regional discrepancies in customer service levels.
- 2.2 In regard to the social media commitment, the majority of stakeholders agreed with the ambition of this, although it was noted that a response time target should not affect the quality of the service. The point was raised that social media is not the preferred means of communication for vulnerable people who do not have access or are not digitally literate, and that are less reliable during power cuts and in areas with broadband issues.
- 2.3 A total of **45** pieces of feedback were collected for the broad customer experience during phase 5 engagement, which adds to the **19** pieces collected during phase 4, **222** collected during phase 3, **120** collected during phase 2, and further **21** pieces collected during phase 1.

Detailed feedback

Feedback for Broad customer experience falls under two themes:

- Customer service commitments
- Customer and Community

General customer commitments

General

- 2.4 A stakeholder discussed seeking employees to be ‘agents’ of the business. This could be the intelligent infrastructure approach where local champions exist for particular issues in addition to their day job (E102).
- 2.5 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Customer service is the fourth most supported area (75%) and the third most sufficiently ambitious one (67%) (E109).
- 2.6 Distributed generation customers raised some concerns contact details data being overwritten on the generation portal. WPD will investigate this with the website developers. They Customers asked for a confirmation email from WPD for any contact details changes they make for sites on the generation portal (E110).

Commitment 26: Deliver exceptional service levels by achieving an overall average customer satisfaction of 93% or higher by the end of RIIO-ED2, with separate reporting for emerging technology customers.

- 2.7 Since WPD’s baseline performance for its customer satisfaction score has risen from 89% to 91%, stakeholders were asked whether the company’s proposed customer satisfaction target (90%) should be reviewed (E095).
- 2.8 The majority of stakeholders (69%) felt that this target showed an appropriate level of ambition. Those in favour of retaining the 90% target explained that this is already a high score and cited the cost impact as a reason for not raising ambition further (E095).
- 2.9 One attendee suggested that rather than focusing on raising the target, WPD should instead address regional discrepancies in customer service levels. Similarly, it was noted that “trends are more interesting than targets” for some stakeholder groups, while focusing on improving other metrics such as power cut reductions will likely boost customer satisfaction scores (E095).
- 2.10 On whether stakeholder would like to see this target changed, an environmental group stakeholder noted that 92% is really good and we would all like to be as close to 100 as possible but given the increase to the bill I do not think it is justified to bring it up to 93. That money could be better spent elsewhere (E095).

- 2.11 No stakeholders who expressed an opinion felt that the company should do less, but almost a third (31%) wanted the company to go further. One stakeholder abstained (E095).
- 2.12 Stakeholders calling for greater ambition felt that WPD should continue striving to be the leader in its field (E095).
- 2.13 In terms of Willingness to Pay, Improving the service outcome to 'Further improve average customer satisfaction (%)' from 'Improve from 8.9/10 to 9.2/10' to 'Improve from 8.9/10 to 9.5/10' ranked 8th among household participants and 12th among non-household participants (E103).
- 2.14 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Further improve customer satisfaction' is £1.82 for household participants and 0.18% for non-household participants (E103).
- 2.15 In June 2021, the previous version of this commitment to 'Maintain a 90% customer satisfaction score across all key services areas with separate reporting for emerging technology customers' was among the 4 commitments with the most support for its proposed level of commitment and associated cost impact, with 83% (E108).
- 2.16 94% of June 2021 Acceptability Testing participants understood the commitment, of which 86% supported it, 12% neither supported nor opposed it, 1% opposed it and 1% said they do not know. Also, 73% supported its ambition, while 11% did not and 16% said they do not know. Lastly, 83% supported its proposed level and bill impact, while 13% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).
- 2.17 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were shown 9 core commitments and asked to pick the top 3. Above 93% on average for customer satisfaction was the seventh most important aspect for 28% of customers. Those in the West Midlands, the non-digitally excluded, those 65+, male, and those in the AB segment were significantly more likely to choose this commitment as top priority (E109).

Commitment 28: Ensure a speedy social media response to customers by replying to enquiries within an average of five minutes and Webchats in an average of less than a minute, 24 hours a day

- 2.18 Over three quarters of voters (77%) strongly agreed that the company's commitment to social media response times was acceptable, although, at the other end of the scale, 15% strongly disagreed with this proposal (E095).
- 2.19 Although stakeholders were broadly supportive of WPD's social media commitment, the company was advised against focusing on response time to the detriment of the quality of service. A vulnerable customer representative said they think the focus here should be on the quality or outcome of the contact, rather than how quickly it is dealt with. It would be better to wait longer to ensure that they give you what you need,

rather than rushed through to hit a time-based target (E095).

- 2.20 Although there were plenty of supportive comments, particularly as a prompt response is important to customers during power cuts, WPD was advised not to neglect telephone and face-to-face communication, particularly since many customers in vulnerable situations prefer not to use social media or do not have internet access. A community energy group stakeholder noted that the emergency black-out phone service has been automated now and the one time that they needed it, they got the information very quickly. There has been excellent progress on that front (E095).
- 2.21 A vulnerable customer representative said that there needs to be a balance between online and phone customer service, particularly with broadband issues in parts of the South Wales operating area.
- 2.22 Moreover, some felt that social media communication was less well suited to addressing complex problems involving customers on the Priority Services Register (PSR), and that it should not be used as a box-ticking exercise (E095).
- 2.23 A utility stakeholder said that a five-minute wait sounds quick, but if you are actually sitting there with the issue, then five minutes seem like a long time. Four second response time is phenomenal. It is just the balance between improving the intervention and the cost of the intervention. It is not as easy as when it is a fault and getting all the bodies required is tough (E095).
- 2.24 In June 2021, this commitment still had a high level of support but was among the 6 least supported commitments, with 72% (E108).
- 2.25 93% of June 2021 Acceptability Testing participants understood the commitment, of which 72% supported it, 20% neither supported nor opposed it, 5% opposed it and 3% said they do not know. Also, 77% supported its ambition, while 9% did not and 14% said they do not know. Lastly, 74% supported its proposed level and bill impact, while 22% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

Commitment 29: Provide greater insight on the planned work activity and interruptions on our network by creating an online viewer

- 2.26 94% of June 2021 Acceptability Testing participants understood the commitment, of which 82% supported it, 15% neither supported nor opposed it, 2% opposed it and 1% said they do not know. Also, 76% supported its ambition, while 11% did not and 13% said they do not know. Lastly, 81% supported its proposed level and bill impact, while 16% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Answer calls within an average of four seconds and maintain an abandoned call rate of less than 1%, within our UK-based, in-region Contact Centres

- 2.27 In June 2021, the commitment to “Answer calls within an average of four seconds and maintain an abandoned call rate of less than 1%, within our UK-based, in-region

Contact Centres” was among the top 3 understood commitments, scoring as high as other 2 commitments with 96% (E108).

2.28 96% of June 2021 Acceptability Testing participants understood the commitment, of which 81% supported it, 15% neither supported not opposed it, 3% opposed it and 1% said they do not know. Also, 75% supported its ambition, while 12% did not and 12% said they do not know. Lastly, 77% supported its proposed level and bill impact, while 23% preferred to see the commitment reduced & see potential bill decrease, and 0% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Resolve at least 90% of complaints within one day and resolve 99% of complaints within 25 days

2.29 In June 2021, the commitment to ‘Resolve at least 90% of complaints within one day and resolve 99% of complaints within 25 days’ was among the 4 most highly supported commitments, with 88% (E108).

2.30 94% of June 2021 Acceptability Testing participants understood the commitment, of which 88% supported it, 9% neither supported not opposed it, 0% opposed it and 2% said they do not know. Also, 74% supported its ambition, while 12% did not and 14% said they do not know. Lastly, 81% supported its proposed level and bill impact, while 16% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Achieve full compliance with the Customer Service Excellence Standard and British Standard for Inclusive Service

2.31 In June 2021, the commitment to ‘Achieve full compliance with the Customer Service Excellence Standard and British Standard for Inclusive Service’ was among the 4 most highly supported commitments, with 89%, and the 4 most sufficiently ambitious commitments with 84%. It was also among the 4 commitments with the most support for its proposed level of commitment and associated cost impact, with 84% (E108).

2.32 93% of June 2021 Acceptability Testing participants understood the commitment, of which 89% supported it, 10% neither supported not opposed it, 1% opposed it and 0% said they do not know. Also, 80% supported its ambition, while 9% did not and 11% said they do not know. Lastly, 84% supported its proposed level and bill impact, while 14% preferred to see the commitment reduced & see potential bill decrease, and 2% preferred to see the commitment increased & see potential bill increase (E108).

Customer and community

2.33 In the June 2021 Acceptability testing, ‘Social’ was rated as lower priority (third out of four priorities with 7%), similarly to the November 2021 testing where ‘Customer and Community’ was also rated third out of four priorities with 21% (E108, E109). Customers who were significantly more likely to favour ‘Customers and community’ as a top priority are shown below (E109):

Customer group	%	Weighted Base
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HH	23%	1,280
West Midlands	24%	506
Digitally Excluded - Yes	29%	149
45 to 64	25%	463
C2	25%	312
DE	25%	394
Vulnerable	26%	349
Struggling Financially	25%	824

Sub-topic: Fuel Poverty

What we heard in mid 2021:

Stakeholders continued feeling that Covid-19 had raised new issues and that greater focus should be placed on fuel poverty, namely concern that customers will be facing greater financial challenges in RIIO-ED2 and that there has been a change in energy consumption patterns due to homeworking.

For the commitment to 'Support fuel poor customers to make savings on energy bills over RIIO-ED2', the majority of stakeholders opted for the option of supporting 113,000 customers to save £60m, which was the highest. Conflicting feedback and alternative suggestions focused on partnerships to spread news and offer support, suppliers playing a bigger role, specific innovations to help the fuel poor and promoting the cheapest energy source.

Summary of Phase 5 feedback

- 3.1 Due to lack of specialised feedback, any feedback for this topic has been grouped under 'Customers in vulnerable situations' and is therefore reported in the Vulnerable Customers section below.

Sub-topic: Social contract

What we heard in mid 2021:

It was noted that Covid-19 and its implications on affordability, the environmental crisis, and increased need for workforce resilience are key drivers that bring the social contract at the centre of attention for stakeholders. Although generally considered a 'hard-to-read' document, there was agreement that a clearly documented social purpose is important and expected – across future, current domestic and business customers. Some stakeholders suggested that some areas such as climate change adaptation and mitigation were missing, while others thought it covered all the right areas.

Stakeholders categorised the core and 'over and above' elements for each category, Customer, Environment and Community. For the first one, it was felt that some high-level outcomes were what would be expected of any business, such as having an 'excellent safety culture', and stakeholders pushed for more ambition, such as more commitments on training the workforce. For the second one, there was widespread support for the local focus, however stakeholders identified several missing high-level outcomes, including a plan around three-phasing homes to boost community resilience; filling the gap created by the lack of information from the government on smart energy; providing more information on electrical safety. For the third, reaction was mixed, as there was a degree of scepticism from stakeholders that the commitments looked a bit thin and wanting to know whether WPD would be offsetting or reducing emissions. Partnering with local councils and social housing providers was suggested, while a missing area was unlocking opportunities for sharing surplus electricity through the smart energy network and microgrids.

Only 7% were of the view that they would like to suggest alternative commitments for this area. 97% of stakeholder agreed with the commitment to 'Publish annual reports in a simple, easy to understand format, setting out WPD's total expenditure, the impact on customer bills and actual regulatory returns', with comments that information on WPD's rate of ROI should be included as well as the sources of investment capital and benefits to stakeholders. 95% also agreed with the commitment to 'We will, as a minimum, maintain our prime Environmental, Social and Governance (ESG) rating from a recognised agency.'

The most prevalent response to the commitment to 'Support local people in our communities via an annual 'Community Matters' Fund', was the £1m option with 44%, followed by 32% for the £2m option 4: £2m. It was noted there was concern about whether it was appropriate that customers' money should be given to activities of this nature. Lastly, the majority supported the option of 1,000 volunteer days per year option for the commitment to 'Provide staff with paid leave to volunteer to support local community initiatives associated with vulnerability and environmental initiatives', while a major energy user expressed conflicting feedback saying that the companies need to aim a little higher.

Summary of Phase 5 feedback

- 4.1 Stakeholders discussed the focus areas of the social contract, how they want to be involved and how to maintain communication, and the relevant commitments proposed.
- 4.2 Most stakeholders agreed with the proposed focus areas of the social contract although they flagged the issue of trust, given that customers do not know the company as the provider of their electricity. A stakeholder proposed areas around flood management and biodiversity.
- 4.3 When asked how stakeholders would like to be involved and kept up to date, stakeholders focused on maintaining transparency, having a single point of contact, working with partners that are delivering customer variability initiatives and having a showcase page on the website.
- 4.4 Regarding the 'Community Matters' fund and volunteer days commitment, the majority of stakeholders wanted WPD to go further on this, arguing that more money is needed to deliver meaningful impact. They also raised issues around the lack of experience of distributing grants, eligibility requirement and the focus of the projects, and those volunteers should be invested long term in causes rather than parachuted in and out.
- 4.5 Regarding the commitment to fund solar PV in schools in areas of high economic deprivation, the majority of stakeholders were in favour of building these decarbonised communications and local energy schemes. However, some flagged that the number of schools targeted was very low and wondered how they would measure economic deprivation. Others also argued that each building can get the maximum benefit from a different technology and therefore PV might not be the best solution in all circumstances. Similarly, it was asked what the benefit of this is when schools are not in operation during evenings, weekends, and holidays and some urged WPD to partner with others to grow this.
- 4.6 A total of **94** pieces of feedback were collected for social contract during phase 5 engagement, which adds to the **267** pieces of feedback collected during phase 4, **112** collected during phase 3, **5** pieces collected during phase 2, and further **11** pieces collected during phase 1.

Detailed feedback

Feedback for the Social contract can be divided into three themes:

- The focus of the Social Contract
- Involvement and communication
- The social contract commitments

The focus of the Social Contract

- 4.7 Stakeholders were overwhelmingly positive about the focus areas of the Social Contract, and this was borne out in the electronic voting, where 92% indicated approval (E095).
- 4.8 Suggesting areas where WPD could go even further, some wanted to see more articulation of emergency response and community support to flood or natural disaster under Environmental Stewardship and Enriching Communities, and diversity and inclusion under Employer of Choice (E095).
- 4.9 Others, while appreciating the intentions of the Social Contract, saw a challenge for WPD in some areas in that they are not known to customers as the provider of their energy. The critical importance of building trust and visibility in order to support communities and carry out the goals of the Social Contract was therefore emphasised (E095).
- 4.10 On whether stakeholders agree with the proposed focus areas for WPD's Social contract, an academic stakeholder said that they have worked on this as part of their role on the CEG and think it is really good. Certain elements in terms of customer value and employee value are always being worked on. An academic institution stakeholder also commented that it is a very sensible presentation of it. Admittedly in some of these areas there are obligations, and they do feed into the business plan because you are obliged to meet these. It is a healthy distinction to make if you separate these out (E095).
- 4.11 An environmental group stakeholder said that there is a good opportunity there, with the interest in a decentralised system. Although WPD's name is not as well-known as suppliers, it is a constant so there's value in that. Doing these things will benefit WPD in the long term. Similarly, an academic institution stakeholder said that a lot of it is about WPD's community engagement and reaching out into those communities that you are the DNO for. One of the problems for a network operator is that consumer relationship. The problem you have always got is that you are not the name on the bill, even though you supply the power to that household. It gives an opportunity for WPD to create a public visibility that you do not unfortunately get because of how we do our billing. You do not have that consumer relationship, and it is only a problem when the lights go off. It is that difficult thing, because there's all these things going on in the background and how do you provide support to customers that need it while also taking care of the environmental impacts (E095).
- 4.12 On whether anything is missing from the proposed focus areas for WPD's Social contract, an environmental group stakeholder said that they find the employer of choice should be done by WPD anyway. So for them, the focus areas are the 'empowered communities' and 'environmental steward' and looking at the communities

and social mobility side of things is more important (E095).

- 4.13 An academic stakeholder suggested WPD could have a combination of flood management with wetland and biodiversity support. Working with environmental groups as well as on flood risk management can create opportunities (E095).
- 4.14 A stakeholder did feel to achieve IIP by 2028 is not ambitious enough, although WPD stakeholder explained that stakeholders scaled back the ambition to be platinum (top 4%) and go for gold (top 10%) (E100).
- 4.15 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Workforce resilience is the twelfth most supported area (58%) and the eleventh most sufficiently ambitious one (60%) (E109).

Involvement and communication

- 4.16 When asked how stakeholders would like to be involved and kept up to date, a connections provider mentioned that a lot of people like to understand what we are doing and where the money is going. Transparency and being able to report on these types of initiatives are key (E095).
- 4.17 A community energy group noted that it could be useful to have something on the website saying what is available. In addition, they would use social media to publicise upcoming events and people who are available to help in local areas (E095).
- 4.18 An environmental group said that they that it would be really beneficial to work with your partners delivering the customer vulnerability initiatives. Maybe some kind of single point of contact with WPD could help, as we could talk to people when we are developing our projects and there is scope for a WPD member of staff to be involved (E095).
- 4.19 Replying to 'What should happen, in the unlikely event we under-deliver', stakeholders supported that honesty and acknowledging when things do not go right, and that you are trying your best and looking to engage and improve if things do not go right to start with is what people want (E095).

The Social Contract commitments

Commitment 23: Support and add significant value to our local communities via a 'Community Matters' social initiative associated with the smart energy transition, vulnerability, environment, and sustainability. This will include a shareholder-funded annual £1m community support fund and 1,000 volunteer days per year for WPD staff to support local causes.

- 4.20 79% of stakeholders in the Customer Value Proposition workshop agreed that WPD is best placed to take this action. However, only 22% felt that the level of ambition was right, with 65% calling on WPD to go further or much further and 14% responding 'not sure / don't know'. This was reflected in the discussion, where it was felt that more

money would be needed for this fund to make a real impact, relative to the company's turnover. Stakeholders sought clarification around eligibility for the fund and whether the money was aimed at supporting small-scale or larger projects. One questioned whether communities should actually have more say in what they want the money to be spent on (E098)

- 4.21 When asked to rate this CVP's acceptability, three-quarters of respondents agreed or strongly agreed that it is acceptable, while the remainder felt neutral or could not say. The proposition's scope to bring together different organisations was welcomed, and one attendee commented that such initiatives demonstrated the clear benefits of bottom-up funding, which creates exponential benefits for wider society and brings different organisations together (E098).
- 4.22 On whether the CVP to 'Deliver an annual £1m community matters fund' meet the needs of customers in this area, a local authority stakeholder said that this idea is good, but don't think that the amount of money provided is enough, a utility stakeholder also think this is absolutely brilliant, and the key point about getting other organisations to participate in matched funding to increase the funds could really work well, an environmental group stakeholder wanted the application process to be simple enough. However, a local authority stakeholder was not convinced that the fund would be funded by shareholders. A business customer noted that as climate change worsens, we need to help improve the resilience of people. This fund should include assistance to do just that (E098).
- 4.23 One local authority stakeholder said that due to resource cuts, they are having to make do at the moment and would benefit from WPD helping them, while another one noted that they are not sure it is reasonable for a private company to finance social objectives, so you should look for support from central government seeing as it is a general benefit. A business customer urged that this must be done in collaboration with other stakeholders (E098).
- 4.24 Replying to if all these outcomes are achieved, how acceptable is this CVP to stakeholders, a community energy group said that if you divide £1 million by 500 it only works out at £2,000 per organisation, so it will be interesting to see how much people can apply for and what they are expected to achieve with that money. Another such stakeholder said that there needs to be an overall, holistic strategy to make sure individual project objectives do not conflict with each other – for example, that initiatives to help vulnerable customers do not conflict with net zero objectives (E098).
- 4.25 On whether stakeholders agreed with the proposed refinement WPD has made to its initiative on staff volunteering days, a connections provider said they are supportive of this and especially STEM and vulnerability and added that providing meal support to those impacted by the works is a lovely thing. A vulnerable customer representative agreed and said it is aspirational about improving rather than penalties. Lastly, the main thing that an environmental group stakeholder would recommend is consulting with the groups delivering the programmes to ensure that the volunteers are used in the best way (E095).
- 4.26 On whether WPD is best placed to take action on the CVP to 'Deliver an annual £1m community matters fund' meet the needs of customers in this area, a community group stakeholder said WPD should be better placed to do some of the things the energy suppliers are doing. Fuel poverty alleviation is so fragmented, with different organisations delivering different schemes. The one constant that is always there is

the DSOs. They would be inclined to take more funding from the energy suppliers and give it to the distribution companies (E098).

- 4.27 On whether anything is missing in relation to the Social contract, an environmental group stakeholder said that staff volunteering can be useful, but, as a charity, they have seen companies trying to shoehorn staff into charitable initiatives for the sake of it or in attempt to look good, so they do feel slightly wary about the volunteer days. You need to ensure that you are only involved in initiatives that add value to the communities (E095).
- 4.28 A vulnerable customer representative said that they used to run a volunteer centre, and the most important piece of advice that I would give around volunteering is that you must ensure that you embed a volunteer into the organisation's work and ensure that they really understand it. Do not parachute people in and out. Moreover, a vulnerable customer representative commented that it is frustrating when staff volunteers are unable to make worthwhile commitments in terms of their time. It has to be a meaningful commitment, not just an hour a week (E095).
- 4.29 A community energy group said that they think that the volunteers need to be fitted into a carefully drafted plan. In a year or so, we are looking to be doing a lot more with how decarbonisation will affect low-income households, particularly with heat pumps and EV charging points. It would be good to have some WPD experts available for community events to provide this advice (E095).
- 4.30 An environmental group stakeholder said that something of particular interest is around community energy and providing support to those. The 1000 volunteer days per year sounds great, but how many staff do you have? With 6000 staff that's a couple of hours per year per employee and looking at other employers in other sectors it is a lot higher. They often have 1-2 days per year as volunteer days, so that is a challenge there (E095).
- 4.31 An environmental group commented on the shareholder-funded annual £1m community support fund, saying that they are not sure what the expertise and experience within WPD is with regards to distributing grants, asking for it not to be too onerous for those that are receiving the grants. They also noted that using local partners to administer the funding would be really useful and that they would like to get regular reports on the distribution of those grants (E095).
- 4.32 In June 2021, this commitment still had a high level of support but was among the least supported with 69%. However, it was also voted as one of the top 4 sufficiently ambitious commitments with 83%. It was also among the 4 commitments with the most support for its proposed level of commitment and associated cost impact, with 83% (E108).
- 4.33 As a CVP, in the November 2021 acceptability testing, 'Deliver an annual £1million Community Matters Fund, funded entirely by shareholders, to achieve positive community outcomes in relation to vulnerability, environment and education' was 88% understood, 81% accepted, 71% sufficiently ambitious and 69% supported in terms of CVP and associated cost impact. Those in the East Midlands, those not on the PSR and female were significantly more likely to accept this CVP. In terms of the support of the proposed CVP and its associated cost impact, the regional breakdown is as follows: West Midlands 69%, East Midlands 72%, South Wales 71%, South West 60%

(E109).

Commitment: Deliver 1,000 volunteer days per year for WPD staff to support local community initiatives associated with vulnerability and environmental initiatives, with annual reporting in WPD's Social Contract of the positive impacts achieved

4.34 89% of June 2021 Acceptability Testing participants understood the commitment, of which 70% supported it, 23% neither supported nor opposed it, 6% opposed it and 2% said they do not know. Also, 73% supported its ambition, while 11% did not and 16% said they do not know. Lastly, 67% supported its proposed level and bill impact, while 29% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Support local people in our communities via an annual £1m 'Community Matters' fund, funded entirely by shareholders at no cost to customers

4.35 92% of June 2021 Acceptability Testing participants understood the commitment, of which 84% supported it, 11% neither supported nor opposed it, 3% opposed it and 2% said they do not know. Also, 81% supported its ambition, while 7% did not and 12% said they do not know. Lastly, 83% supported its proposed level and bill impact, while 12% preferred to see the commitment reduced & see potential bill decrease, and 5% preferred to see the commitment increased & see potential bill increase (E108).

Commitment 25: Build decarbonised communities and local energy schemes by providing £540,000 shareholder-funded support per year to install solar PV on schools in areas of high economic deprivation

4.36 Just over two-thirds of stakeholders (69%) agreed that WPD was best placed to take this action. However, when asked to rate this CVP's level of ambition, the majority (53%) felt WPD should go further or much further. This was borne out in the discussion, where it was felt that the number of schools targeted was woefully low relative to the number of schools across WPD's patch. Some local authority stakeholders wondered if it is better to invest in the network to support a broader uptake of renewables rather than investing in renewables for schools (E098).

4.37 As for its overall acceptability, three-quarters of those polled agreed or strongly agreed that the proposition was acceptable to them, but sought greater clarification around the PV initiative, particularly around how WPD was planning to measure economic deprivation, whether schools would have to bid for the solar panels, and whether other forms of support (such as insulation or double glazing) would be offered if PV was not felt to be appropriate in certain cases (E098).

4.38 One stakeholder said that WPD should be careful not to muscle in on community energy groups which are already running these kinds of projects and have the necessary local expertise. Similarly, the point was made that WPD must not 'parachute in and do things for the sake of CSR', while a local authority stakeholder asked which criteria is going to define economic deprivation? Furthermore, a local authority stakeholder expressed concern that people living in deprived urban areas may show up in the statistics, whereas people in rural areas may not. This means they will not get the support they need (E098).

4.39 Unsurprisingly, one suggestion which enjoyed broad support was for WPD to provide funding to existing projects in this area rather than creating its own initiative, while a

local authority stakeholder suggested matched funding: partner with other organisations, get them to do the heavy lifting and then match them, so you get more bang for your buck (E098).

- 4.40 On whether this CVP meet the needs of customers in this area, a community energy group stakeholder does not think consumers should be paying for this. If shareholders are paying that is fine. They asked who is going to decide which schools get the solar panels and whether it will be competitive? Similarly, a local authority stakeholder said you have to choose the right technology for each building in order to gain maximum benefit. PV may not be right in all circumstances. You have to understand the structure of each building and how it is insulated (E098).
- 4.41 In relation to the above, replying to how acceptable is this CVP to stakeholders, an energy consultant said that WPD needs to be wary of unintended consequences and be more joined up. But if it led to solar panels being a trend across a fuel poverty area, then what happens is the LCT quality in that area is dominated by solar, and this could impact people because it leads to developments in the system that are not necessarily best for the area (E098).
- 4.42 Similarly, an energy consultant discussed the sensitivity surrounding how these schemes kind of privilege the first movers compared to people in fuel poverty, and if they lead to network reinforcement that favours these schemes rather than the needs of the locality then they are not modelling fairness in the energy system (E098).
- 4.43 On whether WPD is best placed to take action on this CVP, an academic institution asked in terms of the funding, what's to stop WPD partnering with others to grow this? WPD could bring its technical insight and other organisations might be able to offer specific funding for education or low carbon energy projects. An environmental group stakeholder agreed and urged the company to use social indicators. Also, a community energy group stakeholder noted that a lot of community energy groups are already doing such projects. They already have a good understanding of what the community needs, so WPD is well placed to support these projects rather than undertaking them itself. It would be the wrong approach to push out organisations who have been trying to do this for years and years without support, just so WPD can show themselves to look good (E098).
- 4.44 A utility stakeholder supported that instead of WPD, local authorities should be at the front. In more detail, another stakeholder expressed that schools are a great place to start, no doubt. But if you think about a lot of the financially challenged households, there is a high correlation with non-attendance at school. It would be great if the local authorities took care of schools, and WPD took care of those places where youth go to when they have been excluded from schools (E098).
- 4.45 In terms of the positive outcomes and value WPD intends to deliver, a local authority stakeholder wondered who is going to be benefitting from this during the times that schools do not use energy, such as weekends, evenings, and holidays. At the same time, a local authority stakeholder think that a more holistic approach may be better for school buildings, as putting PV cells on the roof of a draughty school will not do much. I would instead suggest something like better insulation or double glazing (E098).
- 4.46 An academic institution thought that the idea of having a local community energy network – that in itself is revolutionary and if this is an entry point into that realm, WPD

will have really cracked it.

- 4.47 In terms of Willingness to Pay, Improving the service outcome to 'Fund education relating to solar power and the wider Net Zero transition for schools in areas of high economic deprivation' from '0 students educated' to '205,000 children educated' ranked 6th among household participants and 7th among non-household participants (E103).
- 4.48 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Fund education on net zero' is £2.18 for household participants and 0.28% for non-household participants (E103).
- 4.49 As a CVP, in the November 2021 acceptability testing, 'Build decarbonised communities and local energy schemes by funding solar PV on schools and community buildings in areas of high economic deprivation' was 91% understood, 80% accepted, 75% sufficiently ambitious and 66% supported in terms of CVP and associated cost impact. The digitally excluded were significantly more likely to accept this CVP. In terms of the support of the proposed CVP and its associated cost impact, the regional breakdown is as follows: West Midlands 67%, East Midlands 71%, South Wales 58%, South West 64% (E109).

Commitment: Deliver transparency and enable stakeholders to scrutinise our performance by publishing annual reports in a simple, easy to understand format, (including WPD's total expenditure, the impact on customer bills and regulatory returns)

- 4.50 90% of June 2021 Acceptability Testing participants understood the commitment, of which 82% supported it, 15% neither supported not opposed it, 1% opposed it and 2% said they do not know. Also, 78% supported its ambition, while 11% did not and 12% said they do not know. Lastly, 82% supported its proposed level and bill impact, while 16% preferred to see the commitment reduced & see potential bill decrease, and 2% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Annually publish an updated WPD Social Contract, reporting the positive outcomes delivered for customers and as a minimum, maintain our prime Environmental, Social and Governance (ESG) rating

- 4.51 82% of June 2021 Acceptability Testing participants understood the commitment, of which 82% supported it, 14% neither supported not opposed it, 2% opposed it and 2% said they do not know. Also, 77% supported its ambition, while 8% did not and 16% said they do not know. Lastly, 82% supported its proposed level and bill impact, while 14% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

STEM

- 4.52 At the CVP workshop discussion, attendees were very supportive of WPD rolling out support with STEM subjects. A local authority stakeholder expressed that WPD is well placed with rolling out support with STEM subjects (E098).

Sub-topic: Vulnerable Customers

What we heard in mid 2021:

There was broad support for WPD's current vulnerability strategy, with much discussion of collaboration and coordination among organisations, and positive feedback for efforts to maintain a wide range of communication formats. Voting revealed that stakeholders felt that WPD was showing a relatively high level of ambition in its proposals related to Ofgem's baseline expectations to provide a range of communication formats and meet a minimum standard of Accessibility AA, to provide a wide range of support in relation to supply interruption and to provide dedicated lines. However, stakeholders wanted more ambition in relation to proposals on the data and information strategy, and maintaining a good understanding of relevant social issues, while the lowest-scoring area was proactive and targeted advertising of the PSR.

Stakeholders praised WPD for its current work on vulnerability, and only 4% wanted to suggest alternatives for the commitments in this area. However, the comment was made that there could be an option to use these funds more effectively via existing channels which could allow a lower cost per customer reached. In general, it was accepted that bills would need to rise for the country to meet its Net Zero ambitions, but the company was urged to offer specialised support to the struggling groups.

The majority of stakeholders wanted WPD to go further in its commitment to 'Proactively contact over 2 million Priority Services Register customers once every two years to remind them of the services we provide and update their records', with support for calling people but with a note about the recent increase in scam calls. Moreover, 97% agreed with the commitment to 'Achieve a 'one-stop-shop' service for vulnerable customers joining the PSR so that they only have to register with WPD once to be registered automatically with their energy supplier, water company and gas distributor', with a comment to also include telecommunication providers.

Although 36% agreed with the proposed level of ambition: 30,000 customers in response to the commitment to "Identify and engage hard-to-reach vulnerable customers each year to join the Priority Services Register within RII0-ED2", the majority felt that WPD should go further, with the most popular option being 50,000 customers. It was proposed that an additional commitment is needed for the promotion of the PSR.

96% and 97% agreed with the commitments to 'Work with expert stakeholders, including our Customer Panel and referral partners, to annually refresh our understanding of 'vulnerability' and co-create an ambitious annual action plan', and to 'Develop a model to identify the capabilities of vulnerable customers to participate in a smart, low carbon future. Use this to maximise participation, remove barriers to entry and encourage collaboration with the wider industry; respectively, with a comment on working through third party agencies and partners. The same comment was made in relation to the commitment to 'Provide vulnerable and fuel poor customers with specific support and education in relation to the smart energy transition' to which the most prevalent response with 47% was to support 40% of PSR per year.

Lastly, 99% of stakeholders endorsed the commitment to 'Take a leading role in initiating collaboration with a range of industry participants to share best practice and co-deliver schemes to ensure vulnerable customers are not left behind by the smart energy transition'.

Summary of Phase 5 feedback

- 5.1 This topic received a large number of feedback and includes comments relevant to Fuel Poverty as well, which were mostly reported under the umbrella of 'Customers in Vulnerable Situations'. Stakeholders firstly discussed best practices they could take away from three of WPD's Power Up! and Affordable Warmth partners, such as daily referrals and event work. It was felt that due to the increasingly complex needs of vulnerable stakeholders, they needed more holistic advice.
- 5.2 Stakeholders discussed bracing for a difficult winter ahead and expressed the need for help to achieve savings on customer bills, given the huge number of daily calls they receive. They also noted that the complexity of the cases is increasing ten-fold and the difficulty in dealing with them has been exacerbated by difficulties in getting through to energy suppliers. WPD was asked to further communicate the PSR benefits in a targeted way.
- 5.3 In regard to offering 600,000 Priority Services Register customers a bespoke smart energy action plan each year, most stakeholders agreed and applauded the company's proactiveness on this, although it was stressed that WPD needs to harness the referral network of trusted local bodies. It was also noted that this requires a physical aspect of home visits and inspections. Some stakeholders wanted WPD to aim higher, to prioritise the technologically disadvantaged vulnerable customers and educate consumers rather than inform them.
- 5.4 On expanding the PSR reach to 75%, stakeholders were broadly supportive however, reaching 80% of customers with critical needs was seen as potentially too ambitious, due to difficulties in engaging with local NHS services and GPs. Instead, WPD was encouraged to invest in greater engagement with local healthcare services and more community outreach work. On a wider scale, some even felt that the purpose of the PSR needed reviewing to focus on the hard-to-reach and people who are not aware they are vulnerable or do not want to qualify as such.
- 5.5 Implementing a criterion for vulnerability considerations when planning new schemes across all areas of the business was highly regarded, as was appointing vulnerability champions, although these were thought to be mostly needed on the ground rather than at depots, and the need for constant training and collaboration with other special interest champions was stressed. In terms of the Power Cut app, stakeholders were sceptical, and some advocated for more 'analogue' solutions.
- 5.6 A total of **162** pieces of feedback were collected for vulnerable customers during phase 5 engagement, which adds to the **203** pieces of feedback collected during phase 4, **257** pieces during phase 3, **382** pieces collected during phase 2, and further **26** pieces collected during phase 1.

Detailed feedback

Feedback for Vulnerable customers can be divided into four themes:

- General
- Referral and support
- Customers in Vulnerable Situations commitments
- Additional commitments

General

- 5.7 Specifically in relation to Covid-19, a stakeholder asked about Principle 3 and how WPD is dealing with the impact of Covid-19 and long Covid (E100).
- 5.8 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Customers in vulnerable situation is the second most supported area (78%) and the seventh most sufficiently ambitious one (63%). A substantial proportion of participants (12%) did not think the target for Customers in vulnerable situations was ambitious enough (E109).

Referral and support

Referral

- 5.9 Following the presentations from three of WPD's Power Up! and Affordable Warmth partners, stakeholders were given the opportunity to ask questions. Questions were raised around how Auriga Services had managed to successfully increase its referral numbers with Severn Trent, and around whether Care and Repair was experiencing the deteriorating level of customer support from distribution network operators (DNOs) that many partners were facing (E094).
- 5.10 When discussing any best practice that could be taken away from these presentations, many stakeholders said that they had already adopted a great number of these measures. There was a feeling among stakeholders that they could do more around community outreach in the delivery phase, with the hard winter ahead for many customers (E094).
- 5.11 However, several stated that they would be looking to bring in daily referrals on Power Up! Applications, as opposed to the monthly referrals currently used. Easier referral methods, such as event work and the Energy Saving Trust's Google referral form, were also mentioned as good potential practices to adopt (E094).
- 5.12 One stakeholder said they noticed that there was a consistently reasonable high number of self-referrals for Power Up, so it would be good to go back and unpick that all. Another said that all of their team have done a full city and guild NEA. Free courses and refreshers are available which are great for keeping on top of things. A third one mentioned their regular drop-in with a solicitor in attendance at their local age connect

(E094).

- 5.13 A stakeholder said that they have proactively got in touch with clients about the Warm Home Discount. Knowing which supplier people are on is key. Another stakeholder said that sending out newsletters to hard-to-reach vulnerable people who are not online is something that we can take forward (E094).
- 5.14 In addition, a number of stakeholders said that the increasingly complex needs of vulnerable customers meant that they were spending far more time on giving advice than on helping them make savings (E094).

Support

- 5.15 Stakeholders were asked to vote on which challenges during the winter ahead would be the biggest obstacle to helping vulnerable customers. 'Increase in demand from clients' received the most votes by far (53%), followed by 'Resources (including colleague/volunteer retention)', with 33% of the votes. Many stakeholders expressed their concerns about the huge amounts of calls that they are received on a daily basis and hoped that WPD could assist by helping them to achieve savings on these customers' bills (E094).
- 5.16 In response to 'How do we expand or develop new opportunities to support customers this winter?' a stakeholder said that as a group of advice agencies, they have struggled and completely failed in persuading Ofgem to change how it views around suppliers giving information to advice services on a customer's behalf. They would urge WPD to get Ofgem's ear on this. They spend so long trying to deal with suppliers, as the process is different each time. It would be great to be in a situation where we can talk to someone in 20 minutes and get a quick solution. They feel like they are constantly going around the houses (E094).
- 5.17 Other stakeholders noted they are in a similar situation as above, and they are feeling that things will get worse rather than better. The complexity of the cases is increasing ten-fold and the difficulty in dealing with them has been exacerbated by difficulties in getting through to energy suppliers. One stakeholder said they cannot help their vulnerable customers make the savings that they need and cannot escape from this cycle of fuel poverty, which will have dreadful effects on their health (E094).
- 5.18 In response to 'What can WPD do to help you achieve or expand the outcomes for customers?', a stakeholder said they feel like a lot of the people that they contact are uninterested in receiving health and that has affected our outcomes and results. It does help that we receive the daily referrals. But maybe WPD could help further here in communicating the PSR benefits more strongly and in more targeted ways in order to drive up sign ups (E094).
- 5.19 WPD was asked to provide partners with more specific guidance about which information was strictly required and which was nice to have in its referral form. It was noted that some information for the form takes a long time to obtain, so if it was not strictly needed, partners would be able to devote more time to helping vulnerable customers directly (E094).
- 5.20 Stakeholders also raised the issue of funding, saying that it can unlock energy efficiency measures installation. One stakeholder said they make referrals, but they fall

through as the funding does not cover all costs. £500-£1000 per customer for loft hatches, pipe connections can be the difference between an install going ahead or not (E094).

- 5.21 Another stakeholder said that in terms of what might be helpful in resolving complex cases is if WPD have any sway with energy companies supporting their customers who are on PSR. They said they do not notice a quicker or more efficient process for those on PSR at the moment and we quote it on the phone, but it means very little to those on the other end (it seems). The service needs to be improved to aid delivery on such projects, meaning it does not take so long (E094).
- 5.22 Stakeholders were somewhat split about which interventions WPD could improve on this year to support customers when asked to vote. 'Income Maximisation' received the highest number of votes (38%), followed by 'Behavioural Change' (24%), 'Energy Efficiency Measures' (14%) and 'Health and Well-Being' (14%) (E094).
- 5.23 It was felt that WPD reporting proposals were interesting, but would require some time to be phased in, as they could be difficult for partners to adopt. When asked about which opportunities partners are reporting via the 'Other' reporting category, stakeholders listed blankets for power-cuts, hardship funding for replacement boilers, gas connections and food vouchers (E094).
- 5.24 Although there was widespread concern with regard to the implications of a bill increase for fuel-poor and vulnerable customers, stakeholders noted that WPD could take steps to mitigate the impact on these groups by, for example, ensuring that the increase in bills is coupled with an increase in the provision of support to vulnerable customers (E095).

Customers in vulnerable situations commitments

Commitment 18: Ensure customers are not left behind in the smart energy transition by offering 600,000 Priority Services Register customers a bespoke smart energy action plan each year

- 5.25 72% of stakeholders in the CVP workshop agreed or strongly agreed that WPD is best placed to take this action, although they stressed that WPD needs to harness the referral network of trusted local bodies – including community groups and parish councils – to engage with vulnerable customers, particularly as many vulnerable people have fallen prey to scams and may be wary of engaging with third parties (E098).
- 5.26 As for the acceptability of this proposition, 72% agreed or strongly agreed that it was acceptable, although almost a fifth (19%) felt neutral on this. Generally, the proactive nature of this CVP was seen as positive, and it was felt that the initiative could go a long way with the right partnership working, including suppliers and the government (E098).
- 5.27 Almost half (48%) felt the level of ambition for this CVP is about right, although a quarter were supportive of WPD going further or much further. In particular, it was felt that WPD would need to consider obstacles to engagement, such as language

barriers. It was also felt that WPD should prioritise those vulnerable customers who are less technologically savvy, as they are less capable of finding out this information themselves. In this respect, WPD would need to educate consumers rather than just inform them (E098).

- 5.28 Being presented with the target of 1.2 million customers, more specifically on whether the CVP to 'Offer 1.2 million priority services register (PSR) customers a bespoke smart energy action plan' meet the needs of customers in this area, an academic institution stakeholder said that it is a necessary thing. If you were to analyse the PSR demographics, you would see that a lot of people do need a lot of guidance around their energy use. It has got to happen, but it is going to have to be quite personalised. It is a question of educating as well as simply informing. It was also noted that often, English is not their first language. With a call centre, would there be any scope to explain this information to residents who are non-native English speakers? (E098)
- 5.29 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were shown 9 core commitments and asked to pick the top 3. 1.2 million customers in vulnerable situations offered a smart energy advice plan was the third most important aspect for 35% of customers. Those in the West and East Midlands, those 65+, the non-digitally excluded, male, and those in the AB segment were significantly more likely to choose this commitment as top priority (E109).
- 5.30 As a CVP, in the November 2021 acceptability testing, 'Offer 1.2 million priority services register (PSR) customers a bespoke smart energy action plan every two years' was 90% understood, 81% accepted, 72% sufficiently ambitious and 64% supported in terms of CVP and associated cost impact. The digitally excluded were significantly more likely to accept this CVP. In terms of the support of the proposed CVP and its associated cost impact, the regional breakdown is as follows: West Midlands 57%, East Midlands 72%, South Wales 63%, South West 62%. Specifically, Customers in the West Midlands were significantly more likely to opt for a reduced CVP and potential bill decrease (37% vs 29% overall), while those in East Midlands were significantly more likely to choose the proposed CVP and its associated cost (72%) (E109).
- 5.31 A community energy group stakeholder said they do not see how you can come up with a bespoke smart energy action plan without visiting the customer in their home and seeing what you are working with. People do not know if their cavities are filled or whether they have loft insulation, so a phone call is not sufficient (E098).
- 5.32 On what are stakeholders' views on the level of ambition WPD is proposing, a local authority stakeholder said that frankly, it does not matter if you call 600,000 or a million. If the output is zero, it is pointless. I would encourage you to change the target to an output measure rather than an input measure. Be braver and go with an ambitious output measure (E098).
- 5.33 Replying to if all these outcomes are achieved, how acceptable is this CVP to stakeholders, a local authority stakeholder commented that on the EV question this is really valuable, as you can provide insights in terms of grid capacity, while another local authority stakeholder thought that this appears to be similar to the Community

Matters Fund approach (E098).

- 5.34 91% of June 2021 Acceptability Testing participants understood the commitment, of which 75% supported it, 20% neither supported nor opposed it, 4% opposed it and 2% said they do not know. Also, 73% supported its ambition, while 10% did not and 17% said they do not know. Lastly, 65% supported its proposed level and bill impact, while 29% preferred to see the commitment reduced & see potential bill decrease, and 6% preferred to see the commitment increased & see potential bill increase (E108).
- 5.35 When voting for an earlier version of the commitment, to 'Take a leading role in a coordinated approach with a range of industry participants to share best practice and co-deliver schemes to ensure vulnerable customers are not left behind by the smart energy transition', 87% of June 2021 Acceptability Testing participants understood the commitment, of which 79% supported it, 15% neither supported nor opposed it, 1% opposed it and 2% said they do not know. Also, 76% supported its ambition, while 9% did not and 15% said they do not know. Lastly, 78% supported its proposed level and bill impact, while 20% preferred to see the commitment reduced & see potential bill decrease, and 2% preferred to see the commitment increased & see potential bill increase (E108).

Commitment 20: Expand the reach of our Priority Services Register to 75% of total eligible customers and 80% of customers with critical medical dependencies to ensure those in greatest need receive targeted support services. This will include registering at least 50,000 additional hard-to-reach customers each year

- 5.36 When asked to vote on whether they agreed with the commitment, 67% of stakeholders in the Fuel Poverty Best Practice workshop either 'agreed' or 'strongly agreed', with 19% voting 'neutral' and just 12% 'disagreeing' or 'strongly disagreeing' (E094), while 80% in another workshop either agreed or strongly agreed with the proposed refinement (E095).
- 5.37 This commitment received an average score of 3.75 / 5. The wider 75% target was seen as broadly achievable, particularly in light of digital referrals and digital home visits becoming commonplace among stakeholders during the pandemic. However, concerns were expressed about the target of reaching 80% of customers with critical needs, as it was seen as potentially too ambitious, due to difficulties in engaging with local NHS services and GPs. In light of this challenge, WPD was urged to build further engagement and partnership work with adult social care services, occupational therapists, social prescribers, hospital staff and charities into this commitment (E094, E095).
- 5.38 Stakeholders broadly praised the spirit and intent of the proposed refinement (E094, E095, E100, E102) but were split about whether the stated level of ambition was too high. A number of individuals stated that greater engagement with local healthcare services and more community outreach work could make a real difference in this area, given that people with medical needs are hard to reach and that a lot of people do not realise or do not want to be categorised as vulnerable (E094, E095).
- 5.39 One stakeholder said they think that it is worth having a target, but you really should not lose sight of what your customers need from you, particularly the ones that have acute needs. You must always ensure that something deeper is built around the target

to ensure that they get the support that they need (E094).

- 5.40 Indeed, some felt that the purpose of the PSR needed reviewing, as it was too focused on a 'chase for numbers', and that more work on finding hard-to-reach customers would be of greater benefit. In this case, managing data sharing and protection was advocated, with the outcome of one cross-utility PSR to more easily, and effectively, target eligible customers (E095)
- 5.41 One suggestion was to more forensically target areas that are more at risk of serious power cuts. It was cited that customers in more rural areas were more interested in the PSR than those in more urban areas, as they were more likely to suffer from the effects of a severe power outage: targeting based on geographical location could therefore be an important gain for WPD in terms of increased sign ups (E095).
- 5.42 In terms of Willingness to Pay, Improving the service outcome to 'Increase proportion of eligible customers registered on WPD's Priority Service Register' from '59% eligible customers registered' to '75% of eligible customers registered' ranked 4th among household participants and 5th among non-household participants (E103).
- 5.43 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Increase proportion signing up to PSR' is £2.55 for household participants and 0.31% for non-household participants (E103).
- 5.44 When voting for a 40% of total eligible customer increase, 89% of June 2021 Acceptability Testing participants understood the commitment, of which 81% supported it, 15% neither supported nor opposed it, 2% opposed it and 3% said they do not know. Also, 69% supported its ambition, while 12% did not and 19% said they do not know. Lastly, 78% supported its proposed level and bill impact, while 15% preferred to see the commitment reduced & see potential bill decrease, and 8% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Achieve a 'one-stop-shop' service so that customers only have to join the Priority Services Register once to be registered automatically with their energy supplier, water company, gas distributor and telecommunications companies

- 5.45 In June 2021, the commitment to 'Achieve a 'one-stop-shop' service so that customers only have to join the Priority Services Register once to be registered automatically with their energy supplier, water company, gas distributor and telecommunications companies' still had a high level of support but was among the 6 least supported commitments, with 74%, and among the 4 least sufficiently ambitious commitments, with 69% (E108).
- 5.46 94% of June 2021 Acceptability Testing participants understood the commitment, of which 74% supported it, 20% neither supported nor opposed it, 3% opposed it and 3% said they do not know. Also, 69% supported its ambition, while 16% did not and 15% said they do not know. Lastly, 73% supported its proposed level and bill impact, while 25% preferred to see the commitment reduced & see potential bill decrease, and 3% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Proactively contact over 2 million Priority Service Register customers once every two years (with 60% via direct telephone call) to remind them of the services we provide and update their records

- 5.47 In June 2021, the commitment to ‘Proactively contact over 2 million Priority Service Register customers once every two years (with 60% via direct telephone call) to remind them of the services we provide and update their records’ was among the 4 commitments with the least support for its proposed level of commitment and associated cost impact, with 63% (E108).
- 5.48 92% of June 2021 Acceptability Testing participants understood the commitment, of which 75% supported it, 18% neither supported not opposed it, 5% opposed it and 2% said they do not know. Also, 78% supported its ambition, while 7% did not and 14% said they do not know. Lastly, 63% supported its proposed level and bill impact, while 34% preferred to see the commitment reduced & see potential bill decrease, and 3% preferred to see the commitment increased & see potential bill increase (E108).

Commitment 19: Support 113,000 fuel poor customers to save £60 million on their energy bills over RIIO-ED2

- 5.49 One stakeholder felt that saving 113,000 fuel poor customers £60m (in ED2) is stretching and a brilliant aim, and that it is important to understand different vulnerabilities, how they are changing and the best way to engage customers (E100).
- 5.50 In June 2021, the commitment to ‘Support 113,000 fuel poor customers to save £60 million on their energy bills over RIIO-ED2’ was the fourth highest commitment in terms of understanding, with 95% (E108).
- 5.51 95% of June 2021 Acceptability Testing participants understood the commitment, of which 82% supported it, 15% neither supported not opposed it, 2% opposed it and 1% said they do not know. Also, 79% supported its ambition, while 10% did not and 11% said they do not know. Lastly, 76% supported its proposed level and bill impact, while 18% preferred to see the commitment reduced & see potential bill decrease, and 5% preferred to see the commitment increased & see potential bill increase (E108).
- 5.52 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were shown 9 core commitments and asked to pick the top 3. 113,000 fuel poor customers supported was the fourth most important aspect for 32% of customers. Those 30 – 44 and 45 – 64, females and the vulnerable were significantly more likely to choose this commitment as top priority (E109).

Additional commitments

Commitment: Implement a criterion for vulnerability considerations when planning new schemes across all areas of the business

- 5.53 The highest-scoring commitment in the online poll of the Fuel Poverty Best Practice workshop was the additional commitment to implement a criterion for vulnerability considerations when planning new schemes across all areas of the business, scoring on average 4.44 / 5. One stakeholder who added that WPD should consider different levels of neurodiversity when implementing this commitment (E094).
- 5.54 56% of Fuel Poverty Best Practice workshop respondents 'agreed' and 44% 'strongly agreed', while 87% of another workshop respondents either 'agreed' or 'strongly agreed' with the acceptability of the commitment, and only one stakeholder abstained. There were, however, two delegates, 13%, who strongly disagreed with the commitment, and this came down their concerns over the huge challenge of relying on vulnerable people to take up newer technologies to get us to net zero (E094, E095).
- 5.55 Stakeholders felt that this was a particularly good commitment, as they believed that vulnerability considerations should lie at the heart of every measure within WPD's operations. The main driver for delegates here was to ensure that decarbonisation initiatives were effective, fair, and affordable for all customers (E095).

Commitment: Appoint vulnerability champions at our depots to act as a point of contact for staff and to raise awareness of our vulnerability programme

- 5.56 This was the second highest-scoring commitment, scoring 3.93 / 5 on average. When asked to vote on whether they agreed with this new commitment, 86% of Fuel Poverty Best Practice workshop the respondents either 'agreed' or 'strongly agreed', with the other 14% voting 'neutral'. One stakeholder abstained on this question (E094). Similarly, 87% of another workshop respondents either agreed or strongly agreed with the commitment, although it is worth noting that two respondents, 13%, strongly disagreed (E095)
- 5.57 Stakeholders pointed out that it could have synergies with other special interest champions within WPD, such as environment champions (E095).
- 5.58 It was felt that this was a sound commitment and would make a great deal of difference, as it was noted that WPD's staff are highly skilled in recognising signs of vulnerability. However, in order to ensure that this commitment is effectively delivered, WPD was urged to ensure that these champions receive regular training in order to ensure that they can make a difference in their role. It was also felt that more external training for staff in specialist fields could only be of benefit (E094, E095). A stakeholder noted Cadent has safeguarding champions and offered help with shared materials (E102).
- 5.59 A vulnerable customer representative said that they will definitely need more people in this area, but they need to be on the ground talking to communities rather than holed up in WPD depots. That will spread the message more effectively (E095).
- 5.60 In addition, it was stressed that more work should be done to promote the PSR, which would ensure that the signposting aspect of the champions' role is more impactful (E094).

Commitment: Add a feature to the power cut app which enables customers to create their own, tailored personal resilience plans in the event of a power cut

- 5.61 This was the lowest-scoring commitment in the online poll of the Fuel Poverty Best Practice workshop was the proposed refinement receiving an average score of 3.00 / 5. When asked to vote on whether they agreed with this new commitment, 63% of respondents voted 'neutral', with 19% voting 'disagree' and 19% voting 'agree' (E094). In another workshop, 28% either disagreed or strongly disagreed with the commitment, 43% strongly agreed or agreed, and 29% were neutral (E095).
- 5.62 While stakeholders believed that it could be a worthwhile initiative if it proved to be effective, many were worried that vulnerable people by and large would not use it, due to their lack of technical skills or the fact that they do not own a smartphone, that it would not have tangible benefits and that WPD would also need to set up IT support (E094, E095).
- 5.63 These more sceptical stakeholders advocated more 'analogue' solutions, such as light bulbs that illuminate during a power cut, backup battery solutions, and more support via landline and text message (E095).
- 5.64 If WPD was to adopt this commitment, stakeholders stressed that the app must be simple to use. A stakeholder also urged WPD not to lose sight of the fact that face-to-face engagement is really needed for people who do not feel comfortable with newer technologies too (E094, E095). It was also noted that young families may use it so it, but it must be active/up to date and that an App is an effective way of collecting data and tailoring support (E102).

Other

- 5.65 In terms of Willingness to Pay, Improving the service outcome to 'Prioritise asset replacement programme to reduce power cuts in areas with high levels of vulnerable customers' from 'Reliability will continue at current, planned levels' to 'Improved and expedited reliability for vulnerable customers' ranked 1st among household participants and 2nd among non-household participants (E103).
- 5.66 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Improve reliability for vulnerable customers' is £4.19 for household participants and 0.56% for non-household participants (E103).
- 5.67 In terms of Willingness to Pay, Improving the service outcome to 'Ensure there are no customers experiencing 12 or more power cuts over a 3-year period' from 'Number of worst-served customers reduced from 9,136 to 5,014' to 'Number of worst-served customers reduced from 9,136 to zero' ranked 3rd among both household and non-household participants (E103).
- 5.68 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Reduce number of worst-

served customers to zero' is £3.27 for household participants and 0.45% for non-household participants (E103).

- 5.69 In terms of Willingness to Pay, Improving the service outcome to 'Provide more frequent staff training in how to support vulnerable customers' from 'All staff receive training once every two years' to 'All staff receive training each year' ranked 10th among household stakeholders and 11th among non-household stakeholders (E103).
- 5.70 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Increase training on vulnerable customer support' is £1.64 for household participants and 0.18% for non-household participants (E103).

High-level topic: Maintaining a safe and reliable network

Sub-topic: Cyber resilience

What we heard in mid 2021:

Only 9% of stakeholders wished to propose alternative commitments for the area of Cyber resilience, these being getting external accreditation (ISO) and aim for zero cyber threats. Still, it was acknowledgement that cyber resilience is of high priority and importance as the electricity network becomes smarter, and we decarbonise the grid.

96% of stakeholders agreed with the commitment to 'Continually assess emerging threats to enhance cyber security systems to ensure no loss of data or network interruption from a cyberattack and pushed for flexibility in design, while the same percentage also agreed with the commitment to 'Enhance the resilience of our IT network security by upgrading our disaster recovery capability to ensure continuity of our operations', with a comment that domestic local generation and smart housing systems increase the risk.

Summary of Phase 5 feedback

- 6.1 There was a small number of feedbacks under this topic, but stakeholders were mostly accepting of WPD's approach to business IT and cyber security, stressing the need for increased collaboration with partners to stay ahead and prevent threats.
- 6.2 A total of **8** pieces of feedback were collected for cyber resilience during phase 5 engagement, which adds to the **22** pieces of feedback collected during phase 4, **93** pieces collected during phase 3, **115** pieces collected during phase 2, and further **3** pieces collected during phase 1.

Detailed feedback

Feedback for Cyber resilience falls under two themes:

- WPD's approach to business IT and cyber security

WPD's approach to business IT and cyber security

- 6.3 There was consensus that the approach to business IT and cyber security was acceptable, with suggestions for WPD to proactively collaborate with other partners, utilities, and National Grid to stay ahead in a rapidly evolving area, and with all stakeholders seeing the critical threat posed by hackers and other cyber security breaches and failures, particularly in the light of increasingly online smart systems and networks (E096).
- 6.4 This was backed up by the electronic voting, where 53% strongly agreed or agreed that the proposed approach to Business IT and Cyber was sufficiently ambitious, and 62% felt it was acceptable (E096).
- 6.5 On whether stakeholders are supportive of WPD's approach to Business IT and Cyber Security and whether anything is missing, a major energy user said that their hardware is quite resilient, and they have enough backup systems in place at the airport to support ourselves operationally, but it is always a threat (E096).
- 6.6 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Business IT and cyber resilience is the ninth most supported area (64%) and the ninth most sufficiently ambitious one (62%) (E109).

Commitment: Enhance the resilience of our IT network security through increased levels of threat monitoring, prevention, detection and alerting systems, including upgrading our disaster

- 6.7 In June 2021, this commitment to was among the 4 least sufficiently ambitious commitments, with 66% (E108). 88% of Acceptability Testing participants understood the commitment, of which 82% supported it, 13% neither supported not opposed it, 1% opposed it and 4% said they do not know. Also, 72% supported its ambition, while 6% did not and 22% said they do not know. Lastly, 79% supported its proposed level and bill impact, while 19% preferred to see the commitment reduced & see potential bill decrease, and 2% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Reduce the risk of data loss or network interruption from a cyber-attack by continually assessing emerging threats in order to enhance our cyber security systems

- 6.8 92% of June 2021 Acceptability Testing participants understood the commitment, of which 87% supported it, 11% neither supported not opposed it, 1% opposed it and 1% said they do not know. Also, 66% supported its ambition, while 11% did not and 23% said they do not know. Lastly, 77% supported its proposed level and bill impact, while

22% preferred to see the commitment reduced & see potential bill decrease, and 1% preferred to see the commitment increased & see potential bill increase (E108).

Number of apprentices employed to maintain WPD's cyber security

- 6.9 In terms of Willingness to Pay, Improving the service outcome to 'Number of apprentices employed to maintain WPD's cyber security' from '0 apprentices employed to maintain WPD's cyber security' to '6 apprentices employed to maintain WPD's cyber security' ranked 11th among household stakeholders and 9th among non-household stakeholders (E103).
- 6.10 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Set up Cyber Apprenticeship scheme' is £1.56 for household participants and 0.19% for non-household participants (E103).

Sub-topic: Network performance

What we heard in mid 2021:

It was, once again, noted that the pandemic has even more crucially highlighted the overreliance of people on electricity, which will require greater visibility and control of the LV layer, in order to ensure stability of supply and minimise outages.

Compared to other topics, a relatively high percentage of 12% wanted to suggest alternative commitments for the Network performance area. It was noted there were no commitments relating to power quality and there was a desire for a commitment to both improving overall power quality as well as to recording when irregular power flows take place, to increase the use of data, heat maps, strategic assets management tools, as well as to increase the focus on electrification effects on the network.

92% agreed with the commitment 'On average fewer and shorter power cuts in RIIO-ED2 than RIIO-ED1', 94% agreed with the commitment 'Reduction of tree related faults on HV and EHV overhead network due to use of LIDAR in RIIO-ED2 thus reducing the impact on the customer' although some said that there should be a focus on LV and tree management as well, and one noted that LIDAR technology is not new.

For the commitment to 'Continue to have focus on restoring HV supplies quickly (that are not automatically restored) within one hour', the most prevalent option was of restoring 86% of supplies within one hour, with 52%, followed by restoring 88% within an hour, with 36%. Moreover, 93% of stakeholders supported the commitment 'We will aim to restore customer supplies in RIIO-ED2 within 12 hours under normal weather conditions', although WPD was urged to focus on abnormal conditions, when customers will be most at need.

Lastly, the majority (52%) supported the commitment to 'Invest to improve the overall health of the network and develop a measure of overall asset health. Report annually to stakeholders the impact of our investments and supported incrementally improving asset health and therefore keeping the bill impact as today.

Summary of Phase 5 feedback

- 7.1 Stakeholders discussed the asset replacement expenditure, with the majority supporting that WPD should spend even more in this area to ensure a more reliable network. Some wanted a more innovative approach with larger investment in monitoring assets and greater maintenance.
- 7.2 In contrast, stakeholders were not keen to see increased risk on the network, mentioning the worst-case scenarios, such as threat to life in the case of hospitals or social care units. Votes on acceptability were split however, with some seeing risk as

an essential factor for calculating the required modifications to the network, and its associated investment.

- 7.3 A total of **27** pieces of feedback were collected for the network performance during phase 5 engagement, which adds to the **62** pieces of feedback collected during phase 4, **295** pieces during phase 3, **238** pieces during phase 2, and further **13** pieces collected during phase 1.

Detailed feedback

Feedback for Network performance can be divided into three themes:

- Network performance commitments
- Asset replacement expenditure
- Network risk

Network performance commitments

Commitment: Restore 87% of high voltage supplies within one hour

- 7.4 In June 2021, the commitment to 'Restore 87% of high voltage supplies within one hour' was among the 4 most highly supported commitments, with 89% (E108).
- 7.5 94% of June 2021 Acceptability Testing participants understood the commitment, of which 89% supported it, 7% neither supported not opposed it, 2% opposed it and 1% said they do not know. Also, 79% supported its ambition, while 12% did not and 9% said they do not know. Lastly, 74% supported its proposed level and bill impact, while 17% preferred to see the commitment reduced & see potential bill decrease, and 10% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Improve the overall health of the network with an investment of £210 million per annum

- 7.6 In June 2021, the commitment to 'Improve the overall health of the network with an investment of £210 million per annum' was among the 4 most sufficiently ambitious commitments, with 82%. It was also among the 4 commitments with the most support for its proposed level of commitment and associated cost impact, with 82% (E108).
- 7.7 92% of June 2021 Acceptability Testing participants understood the commitment, of which 87% supported it, 10% neither supported not opposed it, 1% opposed it and 1% said they do not know. Also, 82% supported its ambition, while 9% did not and 9% said they do not know. Lastly, 82% supported its proposed level and bill impact, while 10% preferred to see the commitment reduced & see potential bill decrease, and 8% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Ensure capacity availability to enable net zero to be achieved across our regions sooner than 2050 (some areas as soon as 2030), in line with the ambitions of stakeholders in each region

- 7.8 In June 2021, the commitment to 'Ensure capacity availability to enable net zero to be achieved across our regions sooner than 2050 (some areas as soon as 2030), in line with the ambitions of stakeholders in each region' was among the 4 most sufficiently ambitious commitments, with 75% (E108).
- 7.9 87% of June 2021 Acceptability Testing participants understood the commitment, of which 79% supported it, 18% neither supported not opposed it, 3% opposed it and 1% said they do not know. Also, 80% supported its ambition, while 11% did not and 9% said they do not know. Lastly, 75% supported its proposed level and bill impact, while 20% preferred to see the commitment reduced & see potential bill decrease, and 5%

preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Deliver improved network reliability where on average power cuts are better than one interruption every two years lasting 24 minutes

- 7.10 93% of June 2021 Acceptability Testing participants understood the commitment, of which 86% supported it, 11% neither supported not opposed it, 1% opposed it and 3% said they do not know. Also, 74% supported its ambition, while 11% did not and 15% said they do not know. Lastly, 81% supported its proposed level and bill impact, while 14% preferred to see the commitment reduced & see potential bill decrease, and 8% preferred to see the commitment increased & see potential bill increase (E108).
- 7.11 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were shown 9 core commitments and asked to pick the top 3. Lowest ever power cut levels was the second most important aspect for 38% of customers. HH, NHH, those not on the PSR, those 45 – 64 and 65+, male, those in the AB, C1 and DE segments, Power cut – yes, the non-vulnerable and the non-struggling financially were significantly more likely to choose this commitment as top priority (E109).

Commitment: Improve service for at least 8,260 worst served customers by undertaking 70 schemes

- 17.1 92% of June 2021 Acceptability Testing participants understood the commitment, of which 80% supported it, 16% neither supported not opposed it, 4% opposed it and 1% said they do not know. Also, 71% supported its ambition, while 14% did not and 15% said they do not know. Lastly, 70% supported its proposed level and bill impact, while 26% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).
- 17.2 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were shown 9 core commitments and asked to pick the top 3. 70 schemes benefiting the worst served customers was the ninth most important aspect for 11% of customers. Those in the East Midlands, the digitally excluded and females were significantly more likely to choose this commitment as top priority (E109).

Asset replacement expenditure

- 7.12 Stakeholders viewed asset replacement expenditure as a crucial component of network resilience, and most agreed that they would like to see WPD spend even more in this area. It was acknowledged that the customer would bear the weight of this increase, but the value of the investment – fewer power cuts and a more reliable network – was seen to outweigh the concern over cost (E096).
- 7.13 When voting on these questions, 62% either agreed or strongly agreed that the level of asset replacement expenditure was acceptable to them, with 19% disagreeing or strongly disagreeing (E096).

- 7.14 Some delegates asked whether other areas of the Business Plan, such as new connections, should be actively contributing to reliability, wondering if a levy was necessary from new connections to contribute to asset replacement, particularly when the customer is connecting with a view to making a profit (E096).
- 7.15 Others wanted to see more innovation around resilience, urging WPD to commit to larger investment in monitoring assets and greater maintenance, which would work to build a more accurate picture of the required investment profile for the coming years, and successfully incorporate increased generation assets into the grid (E096).
- 7.16 On what level of asset replacement expenditure is reasonable, a connections provider mentioned that there is definitely greater scope for larger investment in monitoring assets and greater maintenance. This will help you to work out what the investment profile needs to be in the coming years and successfully incorporate the generation assets into the grid over the coming decade, such as EVs and renewable projects (E096).
- 7.17 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Network resilience is the fifth most supported area (72%) and the second most sufficiently ambitious one (68%) (E109).

Accelerated Loss of Mains Change Programme (ALoMCP)

- 7.18 A customer mentioned that inverter settings changes may not be covered under the ALoMCP funding (E110).
- 7.19 A customer also raised the point that the administration costs of self-declaration separate to the ALoMCP are not covered (E110).
- 7.20 A customer questioned what happens when a site that hasn't made the LoM settings changes trips off. Questioning whether they will be re-energised or not. WPD confirmed that after 31 August 2022 there may be some enforcement, but details are yet to be confirmed (E110).

Network risk

- 7.21 There was little appetite for increased risk, with many pointing out that for certain sectors, such as hospitals and social care, any increased risk equates to a potential threat to life. Others wanted to know more about what any increased risk would mean in the future, wondering if we might end up having to pay more over time to keep the risk level at a comparable level to now (E096).
- 7.22 Reflecting this, the votes on the acceptability of the level of asset risk proposed were split: 40% strongly agreed or agreed, 20% were neutral, and 20% disagreed or strongly disagreed, with a further 20% not feeling qualified enough to answer (E096).
- 7.23 Delegates also saw that risk was an incredibly important determining factor for calculating the required modifications to the network, and its associated investment.

Some wondered if a risk matrix only invoicing the health of the asset was fit for the future and should perhaps take in societal and economic risk as well, particularly in the light of increased demand and climate change (E096).

- 7.24 There were suggestions to look to other areas of the Business Plan to bring down risk, asking if interventions elsewhere, perhaps in innovation, or connections, could contribute to a more stabilised risk picture (E096).
- 7.25 When asked what level of network risk is acceptable, a local authority stakeholder was slightly concerned to see that the risk was increased, but if there are interventions that could be introduced elsewhere, that would be great. The demand on and role of the DNO has changed and WPD has a lot of input in a lot of areas, so the risk picture is rapidly changing (E096).

Sub-topic: Scenario planning

What we heard in mid 2021:

Tree cutting and planting attracted a lot of discussion from stakeholders, with concern about how these might affect security of supply. Additionally, extreme weather events were also raised as an issue that deserved to be high on the agenda and for WPD to understand their impact on its assets. There was debate on which data sources to use, such as Met data. In line with this, stakeholders suggested that WPD should partner with utilities and critical infrastructure networks, as well as the Environment Agency and the Energy Networks Association.

For the commitment 'We will continue to install further flood defences to reflect updated data from the Environment Agency', although 43% supported the current view for this commitment: maintaining the current bill impact and implementing 95 flood schemes, 33% wanted more ambition, voting for 125 schemes. It was pointed out that strategic planning is of essence, and that WPD should be collaborating with the water companies. Moreover, the commitment to 'Underground, insulate or divert overhead lines that cross school or other playing areas', had 57% voting to do so in 780 locations, with the next most prevalent responses being 1,560 schemes and 3,120 scheme, which both scored 17% of the vote.

Summary of Phase 5 feedback

- 8.1 The relevant commitments were discussed and voted for as part of the acceptability testing research.
- 8.2 A total of **2** pieces were collected for scenario planning during phase 5 engagement, which adds to the **95** pieces of feedback collected during phase 4, **80** pieces collected during phase 3, **173** collected during phase 2, and further **9** pieces collected during phase 1.

Detailed feedback

Feedback for Scenario planning falls under one theme:

- Scenario planning commitments

Scenario planning commitments

Commitment: Reduce the flooding risk at key sites by undertaking 102 flood defence schemes and engage stakeholders to reduce the need for new assets in flood risk areas

8.3 94% of June 2021 Acceptability Testing participants understood the commitment, of which 86% supported it, 12% neither supported nor opposed it, 2% opposed it and 0% said they do not know. Also, 76% supported its ambition, while 9% did not and 14% said they do not know. Lastly, 76% supported its proposed level and bill impact, while 19% preferred to see the commitment reduced & see potential bill decrease, and 5% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Reduce the risk of harm to around 200,000 children by delivering 780 schemes to underground, insulate or divert overhead lines that cross school playing areas, targeting the highest risk sites first

8.4 93% of June 2021 Acceptability Testing participants understood the commitment, of which 77% supported it, 15% neither supported nor opposed it, 6% opposed it and 2% said they do not know. Also, 74% supported its ambition, while 11% did not and 15% said they do not know. Lastly, 64% supported its proposed level and bill impact, while 31% preferred to see the commitment reduced & see potential bill decrease, and 6% preferred to see the commitment increased & see potential bill increase (E108).

Sub-topic: Workforce resilience

What we heard in mid 2021:

Only 6% wanted to suggest alternative commitments for the Workforce resilience area. These included workforce renewals, engaging with further education institutions and developing apprenticeship schemes, and wanting to see a commitment to improving pay gaps and regularly reporting on them. Stakeholders expected more investment of WPD in its workforce.

94% voted in favour of the commitment to 'Undertake an additional Staff Safety Climate Survey during RIIO-ED2', with one comment being in conflict, of a stakeholder wanting such surveys to be happening more frequently. Additionally, for the commitment to 'Demonstrate exceptional embedded employment practices by achieving accreditation with Investors in People by the end of RIIO-ED2', 48% agreed and voted for the company to achieve the silver accreditation, but 29% voted for gold accreditation and 15% for the platinum. One stakeholder was surprised WPD did not already have this.

Lastly, 97% supported the commitment to 'Publish annually our updated Diversity & Inclusion Action Plan & Performance', although one stakeholder urged WPD to be publishing diversity targets and committing to them, as do other energy companies.

Summary of Phase 5 feedback

- 9.1 To do Stakeholders voted that WPD's proposed approach to workforce resilience was sufficiently ambitious, and acceptable to them. Most of the feedback focused on graduates and apprenticeships and investing in the right people to build the right culture, focusing on diversity and training.
- 9.2 The difficulty in recruiting for the future energy system was also mentioned along with the need to change the image of the career and to shift the focus to decarbonisation, net zero, the environment and climate change to attract different types of candidates.
- 9.3 A total of **14** pieces of feedback were collected for workforce resilience during phase 5 engagement, which adds to the **26** pieces of feedback collected during phase 4, **43** pieces collected during phase 3, **252** pieces collected during phase 2, and further 1 piece collected during phase 1.

Detailed feedback

Feedback for Workforce resilience falls under one theme:

- WPD's approach to Workforce Resilience

WPD's approach to Workforce Resilience

- 9.4 A very encouraging 100% of delegates either agreed or strongly agreed that WPD's proposed approach to workforce resilience was sufficiently ambitious, and acceptable to them (E096).
- 9.5 A shift in culture was also widely praised under Workforce Resilience: working with long-term goals and at grassroots level were emphasised when enacting a more diverse workforce, recruiting, and training, staff at graduate and apprentice level, and cultivating a more diverse pool of staff over time (E096).
- 9.6 Recruiting staff for the future energy system was seen as a significant challenge in terms of workforce resilience, with delegates suggesting ways to change the image of a career in electricity: focusing on decarbonisation, net zero, the environment and climate change were seen to be key to attracting a new type of candidate (E096).
- 9.7 When asked whether stakeholders are supportive of the proposed approach to workforce resilience and whether anything is missing, a local authority stakeholder suggested, although difficult, making sure you have the right person for the job, but start from the very bottom and train people, graduates, apprentices, first, so that you can embed that diversity over the course of time. You might not have that existing pool, but there are things you can do to change things in the future. By appointing graduates, you might get a different pool of people, because you are not just basing it on people who are already trained for certain jobs. It could demonstrate what the opportunities might be for people (E096).
- 9.8 An academic institution stakeholder supported that there should be some mirroring between the customer value propositions, the employee value propositions and the social contract in order to create synergies. Together, the benefits of all three could be maximised (E096).
- 9.9 Another academic institution stakeholder asked whether WPD has recognised any pinch points in its metrics around workforce planning? And if it can recognise any potential barriers that will affect its planning quickly? They said they are picking up a lot of concern around the skills with low-carbon technology roll-out. There are definitely great opportunities for collaboration here (E096).
- 9.10 A business customer said that the network operating model is now entering a period of profound change which is exciting to graduates and those coming through the education system now. The emphasis around climate change and Net Zero is another key point of reference for shining a light on energy in general. There is a broader emphasis in the industry on environmental aspects which will appeal to graduates and people coming out of education (E096).

- 14.1 Finally, a local authority stakeholder noted that WPD needs to network out to make the company attractive as employers and as an industry. Emphasising STEM and who you are is good. Graduate schemes and apprenticeships can be a good way of getting people early (E096).
- 14.2 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Workforce resilience is the eleventh most supported area (59%) and the sixth most sufficiently ambitious one (64%) (E109).

Commitment: Deliver exceptional and embedded employment practices, achieving gold accreditation with Investors in People by the end of RIIO-ED2

- 16.1 In June 2021, the commitment to 'Deliver exceptional and embedded employment practices, achieving gold accreditation with Investors in People by the end of RIIO-ED2' still had a high level of support but was among the 6 least supported commitments, with 73%, and among the 4 least sufficiently ambitious commitments, with 67% (E108).
- 16.2 90% of June 2021 Acceptability Testing participants understood the commitment, of which 73% supported it, 19% neither supported not opposed it, 5% opposed it and 3% said they do not know. Also, 67% supported its ambition, while 16% did not and 17% said they do not know. Lastly, 77% supported its proposed level and bill impact, while 21% preferred to see the commitment reduced & see potential bill decrease, and 2% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Achieve year-on-year improvements to the levels of diversity within the business and publish an annually updated Diversity and Inclusion Action Plan

- 16.3 91% of June 2021 Acceptability Testing participants understood the commitment, of which 76% supported it, 19% neither supported not opposed it, 5% opposed it and 1% said they do not know. Also, 72% supported its ambition, while 15% did not and 13% said they do not know. Lastly, 81% supported its proposed level and bill impact, while 15% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

High-level topic: Delivering an environmentally sustainable network

Sub-topic: Business carbon footprint

What we heard in mid 2021:

In line with previous feedback in this area, most stakeholders (52% in the vote) wanted WPD to achieve net zero the soonest, by 2028. It was supported that there should be one commitment to reduce WPD's own carbon footprint and one to support the country to do the same. Moreover, relating to the commitment to 'Replace our transport fleet with non-carbon technology where practical', 40% agreed and voted for the option to replace vehicles at end of life, although 22% voted for the option of an accelerated programme, with 89% of fleet to be non-carbon vehicles by 2028 and 33% for the option of 100% of fleet vehicles non carbon by 2028. Overall, there was support for having science-based targets. Also, 95% agreed with commitment to 'Install renewable local generation at all suitable offices and depots'. Moreover, stakeholders debated carbon offsetting, with just 17% of stakeholders agreeing or strongly agreeing that WPD should be using offsetting, 42% disagreeing or strongly disagreeing and 42% remaining neutral on the issue.

Stakeholders also debated applying carbon reduction metrics on the supply chain, with 70% of stakeholders agreeing that WPD should weight the carbon reduction performance of contractors at least as highly as cost and safety, and others objected saying that would exclude smaller suppliers with a lack reporting capacity among, which could result in WPD only working with large suppliers owing to more stringent rules.

Summary of Phase 5 feedback

- 10.1 To The much-discussed internal Net Zero target for WPD's business was supported, with comments ranging from WPD setting an example in the industry, to how this can then be spread across the industry and to consumers.
- 10.2 In terms of partnering with local greenhouse gas removal schemes, some saw offsetting as a last resort, with schemes are the best and most appropriate ones available, while others thought that these partnerships could create synergies with communities to tackle the challenge of removing GHG collectively
- 10.3 The proposals to reduce Scope 3 emissions were felt to be admirable, although some stakeholders urged the company to go further and incorporate carbon emissions

metrics for suppliers in the rendering process.

10.4 A total of **64** pieces of feedback were collected for business carbon footprint during phase 5 engagement, which adds to the **90** collected during phase 4, **139** collected during phase 3, **189** collected during phase 2, and further **4** pieces collected during phase 1.

Detailed feedback

Feedback for Business Carbon Footprint can be divided into two themes:

- Internal Net Zero
- Partnerships with local greenhouse gas removal schemes
- Reducing scope 3 emissions

Internal Net Zero

Commitment 10: 'Ensure WPD is a net zero business by 2028 and set a stretching science-based target of 1.5 degrees

- 10.5 The overwhelming majority of stakeholders polled (85%) agreed or strongly agreed that WPD is best placed to take this action. Stakeholders agreed that it is really important that companies like WPD and other councils show leadership to encourage other businesses to do so (E096).
- 10.6 As for the level of ambition WPD is proposing through this CVP, the majority (59%) felt that the level of ambition was about right – although just over a quarter (26%) felt that WPD should go further (E096).
- 10.7 This leadership role was seen as crucial, with local authorities feeling that they needed much more guidance in this area (E096).
- 10.8 When asked to rate this CVP's overall acceptability, three-quarters agreed or strongly agreed that it is acceptable. In fact, many stakeholders commented that this CVP aligns well with their organisation's net zero ambitions. However, support for this CVP was not unanimous, as 10% of stakeholders strongly disagreed that the proposition was acceptable (E096).
- 10.9 This was partly down to concerns about how WPD is going to achieve Net Zero in practice, and partly down to concerns that this customer value proposition somewhat paradoxically lacks a focus on the end customer. It was felt that this CVP may be a hard sell to paying customers, who are mostly interested in reduced bills (E098).
- 10.10 On whether this CVP meets the needs of customer in this area, a local authority stakeholder criticised that this is a CVP that is meant to go beyond the baseline, but this action is what the company should be doing anyway. Another local authority stakeholder wondered if you should consider 2028 to go for carbon neutral rather than net zero (E096).
- 10.11 On what are stakeholders' views on the positive outcomes and value WPD intends to deliver, a business customer suggested that WPD could easily add a salary sacrifice scheme, for instance for people who are casual EV users. This would not only encourage EV uptake, but it would also save the company money through reduced National Insurance payments (E096).
- 10.12 Stakeholder mentioned that they want to see EV charging points for all, including for businesses all over the East Midlands, for people who do not have access to off-street parking, and to deal with the hurdles that include lack of grid capacity. However, a

local authority stakeholder said that although WPD's plan to increase EV numbers is, they I still think EVs might not be the best way forward eventually, as you have to purchase batteries for EVs and there is a larger thing here in terms of our reliance on precious metals. We should think more holistically about the overall carbon footprint. On that, an energy consultant suggested WPD could be looking at societal benefits to make sure it is not taking flexibility away from those less able to benefit from it. It is about understanding fairness (E096).

10.13 With regard to the scale of the fleet transition, a local authority stakeholder noted that if these are located at depots, they should participate in the opportunity for vehicle to grid (E096).

10.14 In contrast, a local authority stakeholder is struggling to see the sense in some of the ambitions, wondering how WPD is going to reduce energy use if it increases the number of EVs in the operational fleet to 89% (E096).

10.15 In terms of Willingness to Pay, Improving the service outcome to 'Achieve net zero carbon emissions for our own business carbon footprint by 2028 (including the use of greenhouse gas removal schemes)' from 'Net zero by 2050' to 'Net Zero by 2028' ranked 2nd among household participants and 1st among non-household participants (E103).

10.16 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Bring WPD net zero target forward' is £3.89 for household participants and 0.69% for non-household participants (E103).

10.17 When voting for an earlier version of the commitment, to 'Achieve net zero in our internal business carbon footprint by 2028 (excluding network losses) and follow a verified science based target of 1.5°C to limit the climate impact to of our activities', 89% of June 2021 Acceptability Testing participants understood the commitment, of which 80% supported it, 15% neither supported not opposed it, 3% opposed it and 2% said they do not know. Also, 75% supported its ambition, while 13% did not and 12% said they do not know. Lastly, 67% supported its proposed level and bill impact, while 22% preferred to see the commitment reduced & see potential bill decrease, and 11% preferred to see the commitment increased & see potential bill increase (E108).

10.18 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were shown 9 core commitments and asked to pick the top 3. Net zero by 2028 was top of mind for 49% of customers. Those not on the PSR, those 16 – 29, those in the C1 segment, the non-vulnerable and the non-struggling financially were significantly more likely to choose this commitment as top priority (E109).

10.19 As a CVP, in the November 2021 acceptability testing, 'Ensure WPD is a net zero business by 2028, and adopt a stretching science-based target of 1.5 degrees' was 90% understood, 82% accepted, 73% sufficiently ambitious and 65% supported in terms of CVP and associated cost impact. HH customers, the digitally excluded and those in the AB segment were significantly more likely to accept this CVP. In terms of the support of the proposed CVP and its associated cost impact, the regional

breakdown is as follows: West Midlands 66%, East Midlands 67%, South Wales 63%, South West 63% (E109).

Commitment: 89% of commercial van fleet to be non-carbon vehicles by 2028, lowering annual transport emissions by 10,050 tCO₂e (tonnes of carbon dioxide equivalent)

10.20 In June 2021, the commitment “89% of commercial van fleet to be non-carbon vehicles by 2028, lowering annual transport emissions by 10,050 tCO₂e (tonnes of carbon dioxide equivalent)” was the commitment that customers understood the most (96%). It was also among the 4 commitments with the least support for its proposed level of commitment and associated cost impact, with 60% (E108).

10.21 96% of June 2021 Acceptability Testing participants understood the commitment, of which 79% supported it, 11% neither supported nor opposed it, 9% opposed it and 1% said they do not know. Also, 78% supported its ambition, while 9% did not and 12% said they do not know. Lastly, 60% supported its proposed level and bill impact, while 35% preferred to see the commitment reduced & see potential bill decrease, and 5% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Install renewable local generation at all suitable offices and depots with a capability to save 3000 MWh per year

10.22 92% of June 2021 Acceptability Testing participants understood the commitment, of which 86% supported it, 12% neither supported nor opposed it, 1% opposed it and 1% said they do not know. Also, 78% supported its ambition, while 7% did not and 15% said they do not know. Lastly, 77% supported its proposed level and bill impact, while 19% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

Partnerships with local greenhouse gas removal schemes

10.23 Off-setting was also mentioned in some discussions, with WPD stakeholders explaining that although this may need to be as high as 40%, the company is working on reducing it and this includes ‘local offsetting’ in a responsible way (E100).

10.24 There was debate over WPD’s commitment to forming partnerships with local greenhouse gas removal schemes where there is a surplus of business carbon emissions: some felt that some offsetting was acceptable as a last resort, provided WPD make sure the offsetting schemes are the best and most appropriate ones available, and are not used as a simple box-ticking exercise (E096).

10.25 Some saw benefits in the partnership schemes, with the potential to add value and create synergies with communities in order to collectively address what is a wide-ranging challenge to remove greenhouse gases (E096).

10.26 Others felt this approach was a ‘cop out’ in that it failed to address the real issue: to reduce emissions. Stakeholders suggested other measures to reduce WPD’s emissions, looking at ‘quick wins’ such as electrifying or using dual fuel for the

business fleet, the use of electric buses, and the replacement of fossil fuel-thirsty helicopters with drones, where appropriate (E096).

10.27 Another proposal was to develop a metric to predict the net zero shortfall gap and the level of collaboration required to bridge the gap, which would provide WPD with a measure of certainty when forming local partnerships (E096).

10.28 In the electronic voting, a majority, 88%, were supportive of WPD's proposal to form these partnerships (E096).

Reducing scope 3 emissions

10.29 The proposals to reduce Scope 3 emissions were felt to be admirable: delegates urged WPD to share their best practices around business footprint decarbonisation, which they could then spread down the chain to their suppliers and partners, therefore taking in the widest scope of potential emissions points (E096).

10.30 Others wanted to see WPD go a step further, and overtly state in the tendering process that they will actively encourage businesses with the lowest carbon emissions to supply WPD (E096).

Sub-topic: Broader environmental impacts

What we heard in mid 2021:

23%, a high proportion relative to other topics, wanted to suggest alternative commitments for the topic of Broader environmental impacts. Stakeholders noted that there were no commitments relating to replanting trees, collaborating with local climate groups, and especially about biodiversity. Stakeholders supported aligning with the UN's SDGs and promoting closer collaboration and engagement with WPD.

For the commitment to 'Reduce leaks from fluid filled cables', 43% voted for a 50% reduction in leaks, while the same proportion voted for a 30% reduction, with much discussion on whether this is more important than spending resources on other areas of the Action Plan.

46% voted for the greatest level of ambition for the commitment to 'Replace the poorest performing Extra High Voltage fluid filled cables (FFC) on our network', to replace 90km of fluid filled cables, followed by 34% agreeing with the current level of ambition, to replace 70km. Moreover, 44% voted for a 10% reduction in relation to the commitment to 'Reduce SF6 losses from that in RIIO-ED1', followed by 37% which agreed with the current level of ambition, a 10% reduction. Again, there was conflicting feedback on the latter commitment, between recognising SF6 as a harmful substance to be removed from the network, and concern about the cost of replacement and whether resources would be wasted.

Although 94% agreed with the commitment that 'All PCB contaminated equipment will be removed from the WPD network by 2025', there was discussion about whether removing it is the right thing to do if it is not disposed of properly and what it would be replaced with. Stakeholders also wanted the highest level of ambition for both waste-related commitments, voting for a 30% reduction in tonnage of waste, and for achieving zero waste to landfill. However, it was commented that ensuring materials are actively reused might be more important.

The commitment 'We will remove targeted overhead lines in Areas of Outstanding Natural Beauty' had 39% wanting to remove 40km, 33% wanting more – 50km, but also 16% wanting to reduce the level of ambition from what is currently delivered. Furthermore, one stakeholder expressed surprise that single-phase cables are still being used, and another wanted to ensure the size did not limit future load growth, while 93% agreed with the commitment 'Where a low voltage mains cable is required it will be a minimum size of a 300mm² cable and the smallest pole mounted transformer size will be 50kVA single phase to reduce technical losses'.

Summary of Phase 5 feedback

- 11.1 Stakeholders discussed environmental targets on SF6 and biodiversity. They were pleased to see ambitious targets for the reduction of SF6, and found the proposals

acceptable, while others required a stricter timeline on when SF6 will no longer be sold in order to plan ahead for cost.

- 11.2 Stakeholders were really supportive of setting a biodiversity net gain target and praised the fact that it is a multi-value activity. While half wanted the target to be 10%, 35% wanted to see an even more ambitious target.
- 11.3 A total of **24** pieces of feedback were collected for the broader environmental impacts during phase 5 engagement, which adds to the **205** pieces collected during phase 4, **113** collected during phase 3, **182** pieces collected during phase 2, and further **4** pieces collected during phase 1.

Detailed Feedback

Feedback for the Broader environmental impacts can be divided into three themes:

- Reducing SF6
- Biodiversity net gain
- The environment

Reducing SF6

- 11.4 Stakeholders were pleased to see ambitious targets for the reduction of SF6, while also clearly seeing the scale of the challenge ahead, with some delegates asking WPD to provide more support with a definitive deadline as to when equipment containing SF6 would no longer be sold, citing the huge price difference between SF6 equipment and the newer replacement technologies (E096).
- 11.5 Others felt that WPD should provide the capital to replace SF6 infrastructure and that all industry actors will therefore need to be planning and budgeting for such a step change (E096).
- 11.6 On whether WPD's proposals for managing SF6 and reducing their SF6 leak rate are acceptable, an energy consultant noted that SF6 should be used selectively for load switching not circuit breaking (E096).
- 11.7 Voting electronically, 69% felt that WPD's SF6 proposals were acceptable (E096).

Commitment: Deliver a 20% reduction in SF6 losses from RIIO-ED1 and collaborate with industry partners to develop technological alternatives to reduce overall volumes of SF6 on the system

- 11.8 In June 2021, the commitment to 'Deliver a 20% reduction in SF6 losses from RIIO-ED1 and collaborate with industry partners to develop technological alternatives to reduce overall volumes of SF6 on the system' was among the 4 least understood commitments, with 79% (E108).
- 11.9 79% of June 2021 Acceptability Testing participants understood the commitment, of which 84% supported it, 14% neither supported nor opposed it, 1% opposed it and 0% said they do not know. Also, 74% supported its ambition, while 12% did not and 15% said they do not know. Lastly, 68% supported its proposed level and bill impact, while 16% preferred to see the commitment reduced & see potential bill decrease, and 6% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Reduce the volume of oil leaked from fluid filled cables by 50% by 2028 and replace 90km of the worst leaking circuits with non-oil alternatives; putting WPD on target to remove all oil-filled cables by 2060

- 11.10 In June 2021, the commitment to 'Reduce the volume of oil leaked from fluid filled cables by 50% by 2028 and replace 90km of the worst leaking circuits with non-oil alternatives; putting WPD on target to remove all oil-filled cables by 2060' was among

the 4 least sufficiently ambitious commitments, with 68%. It was also among the 4 commitments with the least support for its proposed level of commitment and associated cost impact, with 62% (E108).

11.11 91% of June 2021 Acceptability Testing participants understood the commitment, of which 75% supported it, 17% neither supported nor opposed it, 6% opposed it and 2% said they do not know. Also, 68% supported its ambition, while 16% did not and 16% said they do not know. Lastly, 62% supported its proposed level and bill impact, while 23% preferred to see the commitment reduced & see potential bill decrease, and 15% preferred to see the commitment increased & see potential bill increase (E108).

Biodiversity net gain

11.12 The setting of a biodiversity net gain target was met with enthusiasm: most wanted an ambitious target, at a minimum of a 10% gain, with a key comment being: 'I think there should be a target, because if there's no target there's no accountability': voting electronically, 53% wanted to see a 10% biodiversity net gain, and 35% wanted to see WPD go even further than 10% (E096).

11.13 Others cited that while they were not sure what the best thing was to be doing, the 'world needs a shakeup of some description' and they were glad that something proactive was being done, and that WPD were being a leader in this sphere (E096).

11.14 There was also the sense that this was an exciting proposition, with many potential benefits: as a multi-value activity, it encompasses flood management and tree planting, but also covers community engagement, which dovetails into the social contract (E096).

11.15 In terms of Willingness to Pay, Improving the service outcome to 'Set biodiversity net gain target for new major projects and for existing primary substation sites that will be assessed during RIIO-ED2' from 'Minimum of zero net gain in biodiversity' to 'Minimum of 10% net gain in biodiversity' ranked 9th among household stakeholders and 6th among non-household stakeholders (E103).

11.16 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Set biodiversity net gain target' is £1.79 for household participants and 0.29% for non-household participants (E103).

The environment

11.17 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Environment and sustainability is the third most supported area (77%) and the twelfth most sufficiently ambitious one (56%). Environment and sustainability was an interesting area, as it has the highest proportion of "not ambitious enough" as well as "too ambitious" (14% and 15% respectively) (E109).

11.18 In the June 2021 Acceptability Testing, customers voted ‘The environment’ as the second highest priority (42%). The groups of customers that were significantly more likely to favour The environment were the following (E108):

Customer group	%	Weighted Base
Future customers	71%	62
South Wales	55%	395
Not digitally excluded	44%	2,045
16 to 29	62%	160
30 to 44	45%	284
Female	47%	1,226
SEG: C1	46%	580

11.19 Similarly, in November 2021, customers also voted ‘The environment’ (32%) as the second highest priority but with 32%. The groups of customers that were significantly more likely to favour The environment were the following (E109):

Customer group	%	Weighted Base
Future	58%	139
South Wales	37%	259
South West	36%	343
PSR - No	33%	725
16 to 29	46%	310
30 to 44	33%	336
Female	34%	900
Power cut - No	35%	962

11.20 Unsurprisingly, customers who were on PSR were significantly more likely to opt for Social when compared to those who were not (10% vs 5%). Interestingly, there were no significant differences among customers who experienced power cut in relation to those who had not when looking at the Managing supply and demand option. For younger customers as well as those who are not digitally excluded, Technology was not front of mind, support for the environment was (E108).

Commitment: Achieve zero waste to landfill by 2028 (excluding hazardous waste) and deliver an overall 30% reduction in tonnage waste produced

11.21 92% of June 2021 Acceptability Testing participants understood the commitment, of which 82% supported it, 14% neither supported not opposed it, 2% opposed it and 2% said they do not know. Also, 74% supported its ambition, while 11% did not and 15% said they do not know. Lastly, 71% supported its proposed level and bill impact, while 17% preferred to see the commitment reduced & see potential bill decrease, and 12% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Remove up to 50km of overhead lines in Areas of Outstanding Natural Beauty

11.22 In June 2021, the commitment to “Remove up to 50km of overhead lines in Areas of Outstanding Natural Beauty” was among the top 3 understood commitments, scoring

as high as other 2 commitments with 96% (E108).

11.23 96% of June 2021 Acceptability Testing participants understood the commitment, of which 82% supported it, 10% neither supported not opposed it, 4% opposed it and 4% said they do not know. Also, 75% supported its ambition, while 16% did not and 9% said they do not know. Lastly, 73% supported its proposed level and bill impact, while 18% preferred to see the commitment reduced & see potential bill decrease, and 9% preferred to see the commitment increased & see potential bill increase (E108).

High-level topic: Delivering future energy networks

Sub-topic: Connections

What we heard in mid 2021:

13% of stakeholders wanted to suggest alternative commitments in relation to the Connections topic, with appetite for a more proactive approach to the volume of new connections expected in the future.

96% agreed with the commitment 'We will develop our connections process and improve availability of information so that customers wishing to connect can easily comprehend the process and follow a simple set of rules to apply for a connection', with some asking for more information on cost and speed for commercial connections. There was a lot of discussions around providing accurate, comprehensive, and user-friendly information prior and during the application process, with debate about the use of heat maps. Stakeholders also asked for clear quotation cost breakdown, tailored communication, and having a specified points of contact during the application process.

78% wanted WPD to maintain a 90% customer satisfaction score for connections. It was commented that there is a significant gap in post connection offer to pre acceptance and/or delivery. Stakeholders wanted proactive communication especially with planners and engineers, use of a variety of channels, fast-track for critical infrastructure, releasing capacity that is not being used, and understanding how they can progress in the connections queue.

58% wanted to see a 1% improvement on WPD's performance against Time To Quote and Time To Connect for LCTs, while 29% did want to see the highest level of ambition for this commitment (3% improvement). Some stakeholders felt this was aimed more at smaller customers and wanted it extended to take larger customers into account. Additionally, 53% supported engaging with local authorities and LEPs once every year, to understand their requirements for strategic investment, while 97% also agreed with the commitment to 'Improve cross border working practices between WPD, Independent Distribution Network Operators, National Grid Transmission and the Energy System Operator. Also promote competition in connections. Lastly, 48% voted for an increase to 3 types of flexible connections, and 38% for 5 types, while stakeholders also asked for clarity around curtailment.

Summary of Phase 5 feedback

- 12.1 To do Stakeholders discussed the urgent topic of connections with an appetite for close collaboration that works both ways, to identify suitable sites and improve the actual process.

- 12.2 Providing accurate, comprehensive, and user-friendly information was seen as crucial, focusing on the need for real-time information, trends, and tools such as capacity maps and the payment mechanism. Despite that need for availability and accessibility of data and information, stakeholders still thought that human contact was essential. A similar point about a one-point contact was made in relation to ensuring simplicity and transparency through the process.
- 12.3 Stakeholders would highly appreciate timely and economical connections, although it was noted that some more complex requirements need more time. It was noted that an online portal would be valuable, and that caution needs to be taken in regard to holding capacity time slots for big developers. Some stakeholders also wondered how prohibitive costs can be driven down to deliver community benefitting work.
- 12.4 A total of **66** pieces of feedback were collected for connections during phase 5 engagement, which adds to the **187** pieces of feedback collected during phase 4, **406** collected during phase 3, **223** pieces collected during phase 2, and further **23** pieces collected during phase 1.

Detailed feedback

Feedback for Connections falls under two themes:

- WPD's new Connections Principles
- Connections commitments

WPD's new Connections Principles

General

- 12.5 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, it was clear that 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 abstained from answering (E097).
- 12.6 Delegates expressed a clear desire to establish close working relationships with WPD on identifying suitable sites for connections, with many seeing that the expertise could work both ways: local authorities, developers and strategic planners have good long-term visibility of the direction of travel and growth, while WPD have the knowledge and data of the network and its geographical constraints (E099).
- 12.7 On the topic of connections, a developer in the East Midlands said they constantly listening out to how WPD is planning to push forward around LCTs and connections, particularly with the likely big push towards air source heat pumps and solar panels from 2025. With the changes to building regulations, I want to know if you are ready for all of our properties to double their electricity use (E099).
- 12.8 Regarding the connections strategy overall, a stakeholder noted that Heat Pumps will require 100A, and they are keen for all DNOs to follow WPD's example with 3phase upgrades to ensure consistency across all DNOs. This should be centrally driven by ENA (E101).
- 12.9 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Connections is the sixth most supported area (71%) and the fourth most sufficiently ambitious one (67%) (E109).

Supporting connections prior to application by providing accurate, comprehensive, and user-friendly information

- 12.10 Stakeholders welcomed the commitments under supporting customers prior to making a connections application, with consensus that both a point of contact at WPD, and more data available online, would inevitably improve the process for customers looking to connect (E097).
- 12.11 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 (E097).

- 12.12 Others urged more availability of fresh data, wanting to know of other applications that could have a knock-on effect to their own plans, and so gaining a more reliable forecast of the likelihood of capacity 'disappearing'. Others wanted more data on disconnections and interconnections to build up a relatively certain application (E097, E099).
- 12.13 An energy consultant commented that 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 is 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 best use of the connections explosion that we are about to see (E097).
- 12.14 Delegates from local authorities, while praising tools such as capacity maps, cited that they do not 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 (E097).
- 12.15 A local authority stakeholder also mentioned an issue with the payment mechanism; the fact that WPD does not progress that connection request until the applicant has paid, leading to a knowledge gap between WPD who is informed of the application and the LA, which is not but suddenly gets an urgent request to connect a customer (E097).
- 12.16 Lastly, a point was made around missing human contact, with a business customer saying that not knowing which questions to ask is not ideal and that dialogue right from the beginning would be good (E097).
- 12.17 Voting electronically, a clear majority, 81%, either agreed or strongly agreed that the proposed initiatives to support connections stakeholders prior to application was acceptable to them. Only one stakeholder abstained (E097).

Ensuring simplicity and transparency through the application process

- 12.18 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. There was a note that a privacy issue might arise for WPD to deal with (E097).
- 12.19 Others saw that linking up strategic reinforcement ahead of need would enable customers to more easily understand where they could connect: key to simplicity in the process. A local authority stakeholder specifically mentioned being informed of potential areas where reinforcements are going to be required, as it is particularly an issue with highway surfacing, where they resurface the road because they do not know WPD is planning anything (E097, E099).

12.20 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 (E097).

12.21 A trade association stakeholder also discussed how most customers want a single point of contact, a named person to contact to answer their questions, while an environmental group stakeholder added that wanting a named contact is not just for large consumers, but it is true for small consumers too, and they think WPD will be providing that through its engineers (E097). Similar comments included allocating delivery team details once EV application have been processed rather than constantly contacting the planner (E101).

12.22 Voting electronically, 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 (E097).

12.23 With a more local focus, a developer in South Wales said that the connections process itself is fine and they have never had issues on that front. The main issue that they experience is that there is a bit of a bottleneck with all the generation customers trying to get energy out into the main national grid, as they can only get to it through Swansea if they are going from South West Wales. They rarely have full outages, but they are somewhat constrained (E099).

Commitment: Improve availability of information so that customers wishing to connect can easily comprehend the process and achieve customer satisfaction of 90% or higher with the `ease of process`

12.24 93% of June 2021 Acceptability Testing participants understood the commitment, of which 86% supported it, 12% neither supported nor opposed it, 2% opposed it and 1% said they do not know. Also, 72% supported its ambition, while 14% did not and 14% said they do not know. Lastly, 79% supported its proposed level and bill impact, while 18% preferred to see the commitment reduced & see potential bill decrease, and 2% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Achieve an average customer satisfaction of 90% or higher for all connection types (including major connections and low carbon technology connections)

12.25 92% of June 2021 Acceptability Testing participants understood the commitment, of which 82% supported it, 14% neither supported nor opposed it, 1% opposed it and 3% said they do not know. Also, 73% supported its ambition, while 11% did not and 15% said they do not know. Lastly, 78% supported its proposed level and bill impact, while 19% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

Facilitating the delivery of timely and economical connections

12.26 Setting concrete timeframes for timely connections was seen as a very valuable commitment, although large developers, while they would welcome a response in 24 hours, accepted that the complexity of these projects would necessitate longer

timescales (E097).

12.27A resounding 88% agreed or strongly agreed that the proposed initiatives to deliver timely connections was acceptable to them. No one abstained (E097).

12.28Some stakeholders were concerned to discuss 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 (E097).

12.29Others 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 (E097). Similarly, a stakeholder asked whether Ofgem has indicated how this would work with second comer rule i.e. Customer who has paid for reinforcement 2 years ago and then a further Customer connects to network using same reinforcement previously paid by another Customer? I presume for a period of 10 years, will this continue? (E101)

12.30An energy consultant noted that an online portal would be really beneficial for IDNOs. A business customer also supported the idea that an online portal is valuable and said that at some point, you cannot find everything so that access to a human is critical, and that to develop the tool, some form of stakeholder workshop would be useful (E097).

12.31Some raised the question of often prohibitive cost and asked how there could be more collaborative working to identify connections that deliver community benefit (E099). One stakeholder asked how those potential consumer charges reflect the DCP205 Decision (DCP205 -recovery of costs due to load and generation increases from existing customers)? (E101)

14.3 Another stakeholder said that domestic ENA applications for notify and connect seem to have no priority on getting decisions back in a timely manner, this increases the frustration of the customer waiting as they have no idea who or what DNO's do (E101).

Commitment: Provide a same day connections' response for customers by introducing online self-assessment tools for individual domestic low carbon technology applications

14.4 In June 2021, the commitment to 'Provide a same day connections' response for customers by introducing online self-assessment tools for individual domestic low carbon technology applications' still had a high level of support but was among the 6 least supported commitments, with 74% (E108).

12.3285% of June 2021 Acceptability Testing participants understood the commitment, of which 74% supported it, 18% neither supported not opposed it, 6% opposed it and 1% said they do not know. Also, 70% supported its ambition, while 15% did not and 15% said they do not know. Lastly, 69% supported its proposed level and bill impact, while 26% preferred to see the commitment reduced & see potential bill decrease, and 5% preferred to see the commitment increased & see potential bill increase (E108).

Improve our performance against Time to Quote and Time to Connect for LCTs by 1% from RIIO-ED1 level (small schemes) and deliver 90% satisfaction with the timeliness of connections for larger schemes

12.3383% of June 2021 Acceptability Testing participants understood the commitment, of which 87% supported it, 10% neither supported nor opposed it, 1% opposed it and 2% said they do not know. Also, 78% supported its ambition, while 5% did not and 17% said they do not know. Lastly, 77% supported its proposed level and bill impact, while 21% preferred to see the commitment reduced & see potential bill decrease, and 2% preferred to see the commitment increased & see potential bill increase (E108).

Connections commitments

Commitment: Improve cross border working practices between WPD, Independent Distribution Network Operators, National Grid Transmission and the Energy System Operator to ensure our customers obtain the most cost-effective connection option'

12.34 In June 2021, the commitment to 'Improve cross border working practices between WPD, Independent Distribution Network Operators, National Grid Transmission and the Energy System Operator to ensure our customers obtain the most cost-effective connection option' was among the 4 most highly supported commitments, with 89% (E108).

12.35 89% of June 2021 Acceptability Testing participants understood the commitment, of which 89% supported it, 11% neither supported nor opposed it, 0% opposed it and 0% said they do not know. Also, 74% supported its ambition, while 8% did not and 18% said they do not know. Lastly, 79% supported its proposed level and bill impact, while 18% preferred to see the commitment reduced & see potential bill decrease, and 2% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Offer connection customers greater choice in the type of connection they receive by increasing the range of flexible connection offers to three

12.36 83% of June 2021 Acceptability Testing participants understood the commitment, of which 78% supported it, 17% neither supported nor opposed it, 4% opposed it and 1% said they do not know. Also, 69% supported its ambition, while 13% did not and 19% said they do not know. Lastly, 71% supported its proposed level and bill impact, while 25% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

Commitment 32: Increase the number of flexible connection offers made by lowering the reinforcement cost threshold to >£75k per MW and works that will take more than 12 months to complete

12.37 69% of June 2021 Acceptability Testing participants understood the commitment, of which 83% supported it, 13% neither supported nor opposed it, 4% opposed it and 1% said they do not know. Also, 79% supported its ambition, while 6% did not and 15% said they do not know. Lastly, 76% supported its proposed level and bill impact, while 21% preferred to see the commitment reduced & see potential bill decrease, and 3%

preferred to see the commitment increased & see potential bill increase (E108).

Sub-topic: Network flexibility

What we heard in mid 2021:

Overall, it was commented that investment in a smarter, digitalised energy network should not happen at the expense of delivering capacity improvements to alleviate the current constraints. An additional commitment was suggested to use remote sensing to help improve the efficiency and resilience of the network, but overall only 13% wanted to suggest alternative commitments for the topic of a Smart, Flexible Network.

94% of stakeholders supported the commitment 'Create and implement simple, fair, and transparent rules and processes for procuring DSO flexibility services and introduce a customer satisfaction monitor to measure the effectiveness of our actions', with a call for external scrutiny. Moreover, 93% of stakeholders supported the commitment to produce forecasts of potential flexibility requirements in order to undertake a flexibility tender every 6 months, with an alternative being that the company's approach should be aimed at encouraging more renewable generation. Also, 93% agreed with the commitment 'Develop a standard to be measured against (using external scrutiny) to demonstrate that we act as a neutral market facilitator to enable accessibility to multiple markets'.

95% supported the commitment for 100% load related reinforcement (primary) decisions to include an assessment of flexibility alternatives, although it was questioned why this is only applied to primary decisions, and it was commented that it should be made clearer that flexibility is the preferred option over conventional reinforcement on all schemes. Further, it was suggested that WPD should pursue energy efficiency more widely to reduce demand and avoid reinforcement and have an equivalent commitment within the DSO strategy. In addition, for the commitment to 'Ensure that connection offers with a reinforcement requirement are given the option of a flexible alternative', 30% voted for the threshold to offer a flexible alternative having a reinforcement cost of more than £125k per MW and/or works will take more than two years to complete (bill as today), although 49% voted for a reinforcement cost of more than £75k per MW and/or works will take more than 12 months to complete. Lastly, 62% voted for WPD enabling 6% higher than national average of LCT connection volumes.

Stakeholders extensively discussed the DSO strategy and expressed their views on network monitoring, energy efficiency and what is suitable to the role of WPD, and the facilitation of the flexibility market.

Summary of Phase 5 feedback

- 13.1 Most stakeholders accepted the approach to DSO and managing uncertainty and very much welcomed the company's transparency. Some urged WPD to ensure that flexibility came from low carbon sources.
- 13.2 There were some conflicting views, where some stakeholders felt like the effective running of the DSO might eventually become a commercially biddable service, while others wanted to see greater socialisation of the network to embrace local ownership and build resilience. On the potential for a conflict of interest between the DSO and DNO operations, most felt that having an independent systems operator was adequate, while others saw that there were more competing priorities rather than competing interests, something that would require transparency.
- 13.3 In terms of the uncertainty mechanisms proposed, stakeholders wanted to see greater engagement to tackle any issues, while most wanted to see WPD provide capacity either where stakeholders engagement supports more being delivered, or where upper forecasts predict more being needed. At the same time, investment ahead of need was seen as of paramount important to enable the use of LCTs.
- 13.4 A total of **67** pieces of feedback were collected for the network flexibility during phase 5 engagement, which adds to the **144** pieces of feedback collected during phase 4, **104** collected during phase 3, **103** pieces collected during phase 2, and further **19** pieces collected during phase 1.

Detailed feedback

Feedback for Network flexibility can be divided into three themes:

- WPD's independent DSO
- Uncertainty Mechanisms
- Network flexibility commitments

WPD's independent DSO

- 13.5 There was a strong sense that delegates felt 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 (E097).
- 13.6 This was reflected in the electronic voting, where 72% agreed or strongly agreed that it was acceptable, and 65% agreed or strongly agreed it was ambitious with five and four stakeholders abstaining respectively (E097).
- 13.7 Stakeholders were pleased to see WPD being transparent about uncertainty, and that options to pivot and invest more were baked into the plan (E097).
- 13.8 For many, the challenges lay on a national scale: Welsh government, for example, banning gas boilers 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 means 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 (E097).
- 13.9 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 (E097).
- 13.10 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 (E097).
- 13.11 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 (E097).
- 13.12 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. More specifically, an energy consultant asked if there will be some decisions that make the barriers of entry higher for some consumers to participate in flexibility (E097).

- 13.13 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 (E097).
- 13.14 In more detail, on whether WPD is sufficiently ambitious in their approach to DSO and whether there are any radical alternatives to consider, an environmental group stakeholder suggested to make sure you have requirements around carbon reduction. If you have any kind of carbon requirement of flexibility, the kilowatts you are buying of flexibility that is not discriminating against a particular type of customer. It is asking them to provide what you want, achieving net zero faster. That gets around that problem of discrimination against a particular kind of customer. It is just a feature of your tendering process (E097).
- 13.15 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 (E097).
- 13.16 However, in the electronic voting it seemed there was not 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 (E097).
- 13.17 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 (E097).

Uncertainty Mechanisms

- 13.18 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 (E097).
- 13.19 For example, a business customer suggested that 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 (E097).

13.20 The majority of stakeholders wanted to see WPD provide capacity either where stakeholders engagement supports more being delivered, or where upper forecasts predict more being needed (E097).

13.21 Many saw the driver of actual connections requests determining reinforcement as 'historic' and that 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 citing general enthusiasm for decarbonisation as a key driver (E097).

13.22 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' (E097).

13.23 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 more weight to be given to speculative energy storage to cater for this increased demand (E097).

13.24 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 abstained (E097).

Other

13.25 Customers asked for a confirmation email from WPD for any contact details changes they make for sites on the generation portal (E110).

Network flexibility commitments

General

13.26 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. A smart and flexible network is the seventh most supported area (70%) and the fifth most sufficiently ambitious one (65%) (E109).

Commitment: Encourage the development of flexibility markets by implementing simple, fair and transparent rules for procuring flexibility services, undertaking a flexibility tender every 6 months and introducing a customer satisfaction monitor for flexibility services

13.27 In June 2021, the commitment 'Encourage the development of flexibility markets by implementing simple, fair and transparent rules for procuring flexibility services, undertaking a flexibility tender every 6 months and introducing a customer satisfaction monitor for flexibility services' was among the 4 least understood commitments, with

79% (E108).

13.2879% of June 2021 Acceptability Testing participants understood the commitment, of which 76% supported it, 20% neither supported nor opposed it, 1% opposed it and 2% said they do not know. Also, 72% supported its ambition, while 7% did not and 21% said they do not know. Lastly, 71% supported its proposed level and bill impact, while 27% preferred to see the commitment reduced & see potential bill decrease, and 2% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Make it as easy as possible for customers to connect LCTs ensuring WPD is able to connect up to 1.5 million electric vehicles and 600,000 heat pumps

13.2984% of June 2021 Acceptability Testing participants understood the commitment, of which 80% supported it, 16% neither supported nor opposed it, 2% opposed it and 2% said they do not know. Also, 76% supported its ambition, while 10% did not and 15% said they do not know. Lastly, 75% supported its proposed level and bill impact, while 16% preferred to see the commitment reduced & see potential bill decrease, and 9% preferred to see the commitment increased & see potential bill increase (E108).

13.30 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were shown 9 core commitments and asked to pick the top 3. Ready for up to 1.5 million electric vehicles was the fifth most important aspect for 31% of customers. Those in the South West, the non-digitally excluded, those in the AB and C1 segment, the non-vulnerable and non-struggling financially were significantly more likely to choose this commitment as top priority (E109).

Commitment: Maximise the utilisation of the network and keep costs to customers low by adopting a 'flexibility first' approach for assessing all load related reinforcement decisions

13.3184% of June 2021 Acceptability Testing participants understood the commitment, of which 69% supported it, 23% neither supported nor opposed it, 4% opposed it and 4% said they do not know. Also, 68% supported its ambition, while 10% did not and 22% said they do not know. Lastly, 72% supported its proposed level and bill impact, while 23% preferred to see the commitment reduced & see potential bill decrease, and 5% preferred to see the commitment increased & see potential bill increase (E108).

Sub-topic: Facilitating net-zero

What we heard in mid 2021:

90% of stakeholders agreed that WPD has the right focus for Net Zero, however it was commented that noise pollution and decarbonisation of heat are missing. Additional commitments included delivering a network that enables regional net zero ambitions, providing more support and information to individuals and organisations on how to decarbonise their energy consumption, ensuring all new or upgraded domestic connections are three-phase to provide the future capacity required for electrification, and doing more to encourage the uptake of solar PV, such as working collaboratively with housing developers and putting pressure on government to improve national policy in this area.

The draft Business Plan was criticized for not adequately setting out the challenge faced by DNOs to deliver the network capacity required to facilitate the country's transition to a zero-carbon future. Stakeholders placed a lot of importance on achieving net-zero and most felt that this justifies the increase in expenditure.

In the relevant event, stakeholders also had multiple questions regarding the green recovery scheme, the application process and eligibility criteria.

Summary of Phase 5 feedback

- 14.5 Stakeholders discussed the LCT energy advisory for consumers, which raised some debate. This was mostly because despite it being a useful service, there is an issue of impartiality due to the fact that consumers do not have a relationship with WPD but with their suppliers. It was noted that such services do exist, and that more in-person advisory is needed instead, so WPD could focus on assisting and supporting communities as a whole in partnerships with other organisations or through local ambassadors.
- 14.6 Stakeholders stated their industrial, commercial, and domestic growth plans, as well as their local plans and LCT plans, where 87% of local authorities said they had a Local Plan in place, rising to 89% in South Wales and stakeholders across all WPD's regions were making LCTs a central part of their future planning. Questions were raised over WPD's plans to proactively make electricity storage part of the future network, and stakeholders discussed their regional challenges. Some were concerned that without investment, more rural areas would be left behind in the wider uptake of LCTs. Also, across all workshops, 78% of local authorities had set a target date for net zero.
- 14.7 Stakeholders were also supportive of the green recovery programme, especially in Wales. Challenges were identified in the community ownership of assets, community use of assets and local employment. Investing in decarbonisation and the circular economy, and the creation of skilled, local jobs that serviced the green agenda were focus points for the local authority and government stakeholders.

- 14.8 Stakeholders also engaged in the DFES consultation, discussion the topics of Ground-mounted solar PV, Rooftop solar PV, Onshore wind, Bioenergy, Fossil gas-fuelled generation, Diesel-fuelled generation, Hydrogen-fuelled generation, Electricity storage, Electricity storage, Hydrogen electrolysis, Heat pumps, Electric heating, Electric vehicles (EVs), Local authorities and new developments and the WPD network.
- 14.9 A total of **201** pieces of feedback were collected for the Facilitating Net-Zero during phase 5 engagement, which adds to the **149** pieces during phase 4, **729** collected during phase 3, **582** collected during phase 2, and further **36** pieces collected during phase 1.

Detailed feedback

Feedback for Facilitating Net-zero can be divided into four themes:

- CVP: LCT energy advisory service
- Growth plans
- Green recovery
- DFES 2021

CVP

Create a Low Carbon Technology energy advisory service for consumers

- 14.10 The majority of stakeholders (57%) said that they agreed or strongly agreed that WPD was best placed to take action in this area. However, 19% felt neutral about this, and 22% disagreed or strongly disagreed, reflecting a lack of consensus on this proposition (E098).
- 14.11 The issue of impartiality was raised, with a couple of stakeholders feeling that consumers are not always clear about WPD's role and therefore may not immediately view the company as a trusted advisor. Instead, they usually have a relationship with their supplier. It was commented that, as a private business, WPD may also run into conflicts of interest should it take this role of energy advisor, and that this should instead be a government initiative (E098).
- 14.12 In terms of this proposition's level of ambition, 55% felt it was about right, yet 21% were supportive of WPD going further or much further (E098).
- 14.13 When asked to rate its acceptability, 72% agreed or strongly agreed that the proposed CVP is acceptable, with 13% feeling neutral and 12% disagreeing or strongly disagreeing (E098).
- 14.14 Many commented that there are existing advice lines already, and that what customers really need is for someone to visit their home and advise them on the kinds of technology or energy efficiency measures they would benefit from (E098).
- 14.15 Suggestions for how WPD could hone this proposition included collaboration with local authorities and government, partnership working with local organisations, and a focus on supporting communities as a whole rather than individual consumers. A local authority stakeholder said they would prefer an independent service to be delivered by a body like the Energy Savings Trust, while another stressed the need for collaboration saying that you could end up targeting the same household with the same five leaflets and they will switch off (E098).
- 14.16 In terms of other benefits and the positive outcomes, an academic institution mentioned that the growth of the data management aspect is going to create great opportunities in both directions. WPD will be able to advise customers on what their options are but also have a finger on the pulse and see where opportunities are, too. This implies much closer mapping between supply and demand, which is great (E098).

14.17 Moreover, a local authority stakeholder suggested to try to create local ambassadors, perhaps by training local advisors who could advise on suitability of roofing and the like, which is a gap in the trade market. Furthermore, an academic institution said there are also opportunities for things like aggregated procurement here. It creates the interaction that can drive down costs (E098).

14.18 In terms of Willingness to Pay, Improving the service outcome to 'Provide advice to customers looking to switch to electric vehicles, heat pumps or solar power' from '0 customers provided with information' to '50,000 customers provided with the information needed to switch to an LCT' ranked 5th among household participants and 4th among non-household participants (E103).

14.19 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Provide advice on LCTs' is £2.22 for household participants and 0.38% for non-household participants (E103).

Commitment: Create a low carbon technology energy advisory service for customers, providing a support service for people looking to switch to electric vehicles, heat pumps or solar PV

14.20 In June 2021, the commitment to 'Create a low carbon technology energy advisory service for customers, providing a support service for people looking to switch to electric vehicles, heat pumps or solar PV' still had a high level of support but was among the 6 least supported commitments, with 74%. It was also among the 4 commitments with the least support for its proposed level of commitment and associated cost impact, with 62% (E108).

Growth Plans

Industrial, Commercial and Domestic Growth plans

14.21 In many cases, stakeholders cited specific regional growth plans, detailed in the table below (anonymised) (E099).

14.22 Questions were raised over WPD's plans to proactively make electricity storage part of the future network, with many citing the critical importance of working with WPD to realistically factor storage into their development plans (E099).

14.23 In the South West, the major concern was over capacity, reinforcement costs, and the rurality of the prospective growth, which has historically hindered greater electrification (E099).

14.24 South Wales, in particular, was seeing a huge increase in housing growth, with renewables, LCTs, and insulation retrofitting featuring as key components of the plans (E099).

Region	Growth Plan
West Midlands	<ul style="list-style-type: none"> • Plans for wind and solar generation parks.

	<ul style="list-style-type: none"> Plans to roll out urban extensions into neighbouring villages and smaller rural settlements
East Midlands	<ul style="list-style-type: none"> 1700-home plot. 1400 houses. Commercial developments in the pipeline. Social housing developments intend to pre-empt the government's announcement around the Future Homes Standard, with plans to build 100 council houses to this standard. Passive Homes Standard pilot project.
East Midlands	<ul style="list-style-type: none"> One domestic site. One domestic site, awaiting the development of a link road. Plans for a plot, hoped to deliver 1000 additional homes.
East Midlands	<ul style="list-style-type: none"> Several areas allocated for housing, in the city centre, on the edges of the city, and a main industrial area.
South West	<ul style="list-style-type: none"> Plans to build 850 houses per year, with EV charging capacity and three-phase cabling.
South West	<ul style="list-style-type: none"> 1000 houses to be developed in the next 2 years.
South West	<ul style="list-style-type: none"> Plans for houses and hospitals and the surrounding area.
South Wales	<ul style="list-style-type: none"> 100-house project and another 200-house site.
South Wales	<ul style="list-style-type: none"> Large-scale housing project at, which will incorporate generation and EV pumps.
South Wales	<ul style="list-style-type: none"> Plan to build 1000 homes a year for the next decade.
South Wales	<ul style="list-style-type: none"> Pilot project in partnership with local University: home-insulation roll-out programme, including retrofitting of council houses.
South Wales	<ul style="list-style-type: none"> Housing and commercial projects planned involving renewable technologies.
South Wales	<ul style="list-style-type: none"> Pilot project: net zero focused renovations on a School.

Local plans

14.25 Across all workshops, 87% of local authorities said they had a Local Plan in place, rising to 89% in South Wales. Although all regions had made low carbon technologies central to their Local Plans, challenges and setbacks lay in the incorporation of these technologies, due to network constraint, lack of capacity and the cost of reinforcement (E099).

- 14.26 Discussing the status, viability, and challenges of their local plans, those in the South West cited challenges over incorporating low carbon technologies, with some examples given of heat pumps having to be removed from development plans due to a lack of capacity. Another concern in this region was over limited power, and a challenge with the timescale between applying for capacity and securing investment from developers with planning proposals (E099).
- 14.27 This echoed with the feedback from the West Midlands, where the high costs of fitting EV charge points, retrofitting older buildings for EV charging, and capacity on the grid to cater for so much increased demand were all raised as concerns (E099).
- 14.28 In South Wales, the overwhelming message on their local plans was that they were going 'full-out on the decarbonisation agenda'. Challenges were visible in the cost of reinforcement for new connections, with some delegates citing renewable projects having to be stripped back due to constraint issue (E099).

EV charge points, HP and other LCT plans

- 14.29 Delegates from across all WPD's regions were making LCTs a central part of their future planning. Plans for electric vehicle charge points, heat pumps and other low carbon technologies (e.g. generation) are summarised in the table below (anonymised) (E099).
- 14.30 Stakeholders from the East Midlands focused on their LCT plans for domestic infrastructure, with particular emphasis on the Passive House Standard, which would include EV charge points and solar PV (E099).
- 14.31 A wider EV-charger strategy was seen as a challenge, with many schemes remaining piecemeal: it was felt buildings regulations would need to drive holistic change (E099).
- 14.32 Those from the South West discussed plans underway to install EV-charge points in car parks, but representatives from more rural areas identified a problem in the relative dearth of multi-storey car parks and metered on-street parking in places with lower population density, with high footfall needing to be evidenced to qualify for funding for these schemes (E099).
- 14.33 There was a concern here that without investment, more rural areas would be left behind in the wider uptake of LCTs (E099).
- 14.34 Representatives from South Wales shared their plans for a concerted drive to electrifying transport, with buses, private vehicles, the rail network, and waste fleets all earmarked for transition to electric power (E099).
- 14.35 Although constraint and capacity were again raised as key challenges, WPD's engineers and planning teams were singled out for praise for coming up with solutions that avoid the need for massive reinforcement (E099).
- 14.36 Developers from this region also signalled their commitment to installing new houses with heat pumps and EV-charge points ahead of changes to building regulations (E099).

14.37 Apart from LAs, a government stakeholder said they are developing the strategic road network, we have also got rail that we are looking at deploying, putting fast charging points in all our stations. Process-wise we had to put together procurement and understand the budget. The process is pretty simple, and I think the information and your engineers are very helpful. That is what is needed for putting in schemes that are taking a lot of capacity, it is about a 2-way conversation. If we put in an application for 100kpa and we could get 90, then tell us we could get 90 and that's really useful, rather than us just getting a quote back for £100,000 when it could have been £10,000. I think WPD engineers are very good at that, coming up with solutions so we can deliver some schemes, not all of which need huge reinforcement (E099).

14.38 A government stakeholder also said they are working with the Welsh government to make sure we have enough infrastructure in the right places. In Wales it is not motorways, it is A-roads and B-roads. It is not about asking the government to put their hands in their pockets every time, it is about encouraging private businesses to get involved. A lot of places are very rural, and it is making sure those communities are not left behind in the early stages as they'll rely on vehicles more than public transport (E099).

Region	LCTs Plan
West Midlands	<ul style="list-style-type: none"> • Considering rolling out EV chargers in public car parks. • putting EV charging points in most new housing units and are trying to install them in new flat blocks • Planning to roll out EV chargers but need to build out plan more widely. One major issue that is around retrofitting, particularly in the main council towns. Lots of the houses there are terraces and do not have a driveway, so there is need for on-street charging from lampposts and the challenges linked to that.
East Midlands	<ul style="list-style-type: none"> • Passive House Standard homes will include EV charging points and solar panels, but not sure about the Future Home Standard • Residential-parking-space standard just put in place, which caused a bit of a kerfuffle. This is a largely unresolved issue for new builds and retrofitting, but this needs to be driven by building regulations.
South West	<ul style="list-style-type: none"> • Investing in hydrogen and looking at EV for smaller jobs as the latter cannot cope with hills and long distances • Big estate being built, with underground cabling there, looking in to putting EV charging in six car parks • Various schemes on both the car park charging points and also at on street charging points • Electrical-vehicle charging in car parks, have just obtained On-Street Residential Chargepoint Scheme (ORCS) funding for rolling out more chargers

South Wales	<ul style="list-style-type: none"> • Large schemes coming off in future years in terms of trying to provide EV charging for a bus network and looking to transition waste fleet to be almost 60% EVs by 2025 • Looking to introduce wind turbines for power purposes and a new decarbonised heating system, and set up EV charging points • EVs and HPs included in housing plans due to the upcoming changes in building regulations, piloting heat pump projects and looking to introduce electrified heating at an earlier point than the regulations expect, more interest among customers in getting EV chargers installed on their new builds
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Targets for Net Zero

14.39 Across all workshops, 78% of local authorities had set a target date for net zero. 72% had an action plan in place to reach net zero, although 22% did not. Of those with an action plan, 75% said they had started to deliver on it (E099).

14.40 In Wales, these figures rose: 90% had a target date for net zero, 80% had an action plan, and 78% had started to deliver on it (E099).

14.41 Most stakeholders whose organisations had a net zero target cited 2030 as their goal, with some differentiating between a 2030 target for 'in house' and a 2050 target for residents, business, and industry (E099).

14.42 A local authority in the East Midlands has a Net Zero target of 2030 in-house and 2050 for residents, business, and industry (E099).

14.43 A local authority in the South West said they in terms of the planning side, we work with Torridge council, so this has already been covered. We have declared a climate emergency, and both have plans to meet our target by 2030 (E099).

14.44 A local authority in South Wales said they have got an action plan for the 2030 target. It does focus on our operational emissions. We are in the process of calculating our baseline and that plan will include our wider emissions as that develops (E099).

14.45 A local authority in said they have as an authority got the local net zero by 2030 plan, which has baselined our current carbon emissions and has set us on a way forward to achieving net zero carbon (E099).

14.46 A local authority in said they will be looking to bring forward the targets set by Welsh Government. We will not make a huge difference globally, but we can start to show an example (E099).

Green Recovery

14.47 Across all workshops, 77% agreed or strongly agreed that they supported WPD's actions as part of the Green Recovery programme, and in Wales this increased to 90% (E099).

- 14.48 Looking more widely at the data from all workshops, 52% said they had experienced delays to the volume of developments as a result of Covid-19, and in Wales this figure was much higher, at 74% (E099).
- 14.49 Across all regions, when asked if Covid-19 would result in future delays, a majority (43%), replied 'no', whereas in Wales, a majority (47%) responded with 'yes' (E099).
- 14.50 Given the responses from the electronic voting, it was perhaps not surprising that the Green Recovery was most widely discussed during the South Wales workshops, and the overwhelming response here was that it was the right approach (E099).
- 14.51 Local authorities and Welsh Government had made it a central part of their future planning, with increased investment in decarbonisation, the circular economy, and the creation of skilled, local jobs that serviced the green agenda (E099).
- 14.52 Challenges were identified in the community ownership of assets, community use of assets and local employment: it was felt developers were often reluctant to enact these, seeing a potential decrease to their profit (E099).
- 14.53 However, the line on this in South Wales was firm: 'shifting in this direction is paramount as the network changes... these projects need to be including as much indigenous content and incorporate localised generation, with community energy and local skills at their heart' (E099).
- 14.54 On WPD's Green Recovery programme, a government stakeholder in South Wales noted that Boris Johnson did not mention it in his speech yesterday, which was a shame. When we talk to new developers, there will be questions about community ownership of assets, community use of assets and local employment. Developers are not keen on all of this, as they see it as an increase to their costs. However, shifting in this direction is paramount as the network changes. These projects need to be including as much indigenous content and incorporate localised generation, community energy and local skills at their heart (E099).
- 14.55 On WPD's Green Recovery programme, a developer in South Wales said they are committed to a large number of houses, which will stimulate growth in the supply chain, and we are trying to work within the supply chain in Wales on this. This activity is being supported by the Welsh Government through grant funding and there is clearly a massive commitment to green housing. The Welsh Government is increasing its funding for non-carbon housing, so there is clearly a push towards electrification there. So WPD's plans here are welcome (E099).
- 14.56 On WPD's Green Recovery programme, a local authority stakeholder in South Wales noted that it is forming a large part of their future strategy. Investing in decarbonisation and the circular economy. Looking at local job growth in rural economies is where we are focusing a lot of our attention at the moment. A lot of the projects need to be underpinned by green infrastructure as well. It's linking the Council and WPD together in terms of what our aspirations are and what's deliverable over a period of time" (E099).
- 14.57 On WPD's Green Recovery programme, a government stakeholder in South Wales noted that some of the projects the Welsh government were looking at had some green recovery funding allocated, which is great. We are dealing with the other DNO that deals with Wales, and there are some concerns over how quickly they will be able

to deliver the green recovery project. It is about ensuring WPD prioritise the right projects that are ready to go with the green recovery funding so they can get off the ground much quicker (E099).

DFES 2021

General

- 14.58 When asked what stakeholders want to get out of the DFES consultation in the South West, 29% said they want to 'Understand more about the Distribution Future Energy Scenarios Process', 14% said to 'Feed into the modelling and assumptions behind the scenarios', 31% to 'Learn more about the deployment of renewables and low carbon technologies in the South West', and 26% to 'Hear from WPD about the distribution network in the South West' (E104).
- 14.59 When asked what stakeholders want to get out of the DFES consultation in the South West, 29% said they want to 'Understand more about the Distribution Future Energy Scenarios Process', 14% said to 'Feed into the modelling and assumptions behind the scenarios', 31% to 'Learn more about the deployment of renewables and low carbon technologies in the South West', and 26% to 'Hear from WPD about the distribution network in the South West' (E105).
- 14.60 When asked what stakeholders want to get out of the DFES consultation in the West Midlands, 29% said they want to 'Understand more about the Distribution Future Energy Scenarios Process', 20% said to 'Feed into the modelling and assumptions behind the scenarios', 33% to 'Learn more about the deployment of renewables and low carbon technologies in the West Midlands', and 18% to 'Hear from WPD about the distribution network in the West Midlands' (E106).
- 14.61 When asked what stakeholders want to get out of the DFES consultation in the East Midlands, 25% said they want to 'Understand more about the Distribution Future Energy Scenarios Process', 18% said to 'Feed into the modelling and assumptions behind the scenarios', 30% to 'Learn more about the deployment of renewables and low carbon technologies in the East Midlands', and 28% to 'Hear from WPD about the distribution network in the East Midlands' (E107).
- 14.62 When rating their level of engagement with WPD, in the South West, the majority of 52% rated it as Well Engaged, 46% as Under Engaged and only 2% as Over Engaged, in South Wales, the majority of 71% rated it as Well Engaged, 25% as Under Engaged and only 4% as Over Engaged, in the West Midlands, the majority of 78% rated it as Well Engaged, 22% as Under Engaged and 0% as Over Engaged, and in the East Midlands, the majority of 56% rated it as Well Engaged, 44% as Under Engaged and 0% as Over Engaged (E104, E105, E106, E107).
- 14.63 The level of understanding of the relationship between National Grid FES, WPD DFES, and local area planning among stakeholders was 4.2/10 in South West, 5.9/10 in South Wales, 4.9/10 in the West Midlands, and 5.4/10 in the East Midlands (E104,

E105, E106, E107).

Theme: Ground-mounted solar PV

- 14.64 The majority of poll respondents thought the pipeline of new solar projects would begin connecting within the next 3-5 years, but some responses suggested the later 2020s (E104).
- 14.65 Stakeholders asked what proportion of pipeline projects typically get built, and how they account for this in the modelling, as well as for more information on the reasons behind the increase in large-scale solar PV pipeline projects (E104).
- 14.66 When asked why the East Midlands solar PV pipeline was particularly large, respondents identified the proximity to energy demand and lower cost of land as the most likely drivers, followed by easier network connection and untapped marked (E107).
- 14.67 South West responses suggest stakeholders feel the large-scale solar pipeline will start connecting between 2025 and 2026 (E104).

Theme: Rooftop solar PV

- 14.68 Poll respondents identified home ownership, EV ownership and affluence as the key factors guiding rooftop solar installation over the next few years (E104).
- 14.69 Stakeholders noted that rooftop solar uptake is often influenced by planning regulations, especially in areas such as conservation zones (E104).
- 14.70 Stakeholders pointed out the potential for commercial rooftop PV to be deployed on larger commercial and industrial buildings such as warehouses (E104).
- 14.71 Stakeholders asked whether the potential reducing cost of domestic batteries in the future influences the uptake of domestic rooftop PV in our modelling (E104).
- 14.72 On what are the most influential factors impacting domestic rooftop solar installations over the next few years, South West responses indicated that the 1st is Home Ownership, 2nd is EV Ownership, 3rd is Affluence, 4th is Building Type, and 5th is Social Housing (E104).

Theme: Onshore wind

- 14.73 Respondents thought that onshore wind deployment is most likely to pick up in late 2020s in England, though a number of respondents thought the early-mid 2020s would be possible (E104).
- 14.74 The majority of respondents thought that subsidy-free wind farms will tend to be medium-scale, i.e. between 10 and 50 MW, rather than either larger transmission network scale projects or smaller (E104).
- 14.75 Stakeholders asked how we considered future repowering of existing wind farms in the DFES analysis (E104).

14.76 South West licence area webinar responses on When might distributed onshore wind deployment in England pick up again? suggest stakeholders feel it will be 2027 (E104).

14.77 In South Wales specifically, respondents thought that onshore wind deployment would pick up sooner, between 2023 and 2027 (E105).

14.78 On When might onshore wind deployment pick up again in South Wales?, South Wales licence area respondents thought it would be in 2026 (E105).

Theme: Bioenergy

14.79 Half of respondents thought that the role of bioenergy fuelled generation on the distribution network would remain similar to today. The remaining respondents were nearly evenly divided at whether it would see a reduced or expanded role (E104).

14.80 Some stakeholders said that biomethane gas may be utilised for flexible power generation, similar to how fossil gas is used today (E104).

14.81 On What will be the long-term role of distribution-scale bioenergy electricity generation? Respondents in the South West indicated most thought it will be 1st Similar to today, with on-site generation at farms, sewage plants, and waste centres, 2nd Expanded, as a form of low carbon, dispatchable, flexible generation, and 3rd Plays a limited or reduced role, with bioenergy prioritised for higher value uses (E104).

Theme: Fossil gas-fuelled generation

14.82 A strong majority of respondents thought that flexible fossil gas-fuelled generation will see limited development beyond the current pipeline, due to it being a fossil fuel (E104).

14.83 Stakeholders asked whether hydrogen could replace fossil gas as a fuel for peaking generation (E104).

14.84 Stakeholders said that future development of fossil gas-fuelled peaking plants could be limited due to their carbon intensity (E104).

14.85 Poll respondents thought that the recent lifting of the National Grid 'Statement of Works' in South Wales could result in a surge of thermal and flexible generation projects in the 2020s, but that the impact is currently unclear (E105).

14.86 "On How might flexible gas-fired generation develop in the coming decade?, 17 respondents in the West Midlands voted for 'Limited development, due to national and regional net zero targets', 7 for 'Continue to develop at a steady state, as seen over the last few years', and 0 for 'Development increases to provide flexible dispatchable generation'" (E106).

Theme: Diesel-fuelled generation

14.87 The majority of respondents thought that diesel-fuelled generation sites impacted by air quality regulations would transition to another technology. A significant minority thought the sites would simply fully decommission instead (E104).

14.88 On What will happen to current commercial medium-scale diesel generation sites that are impacted by the MCPD?, 23 respondents in the South West voted for 'Transition to another technology, such as battery storage, gas, or hydrogen generation', 7 voted for 'Keep connection and assets, operating with emissions controls and abatement technology', and 10 voted for 'Decommissioning of sites' (E104).

Theme: Hydrogen-fuelled generation

14.89 Poll respondents agreed that hydrogen-fuelled flexible generation was likely to be part of a net zero future but were split on whether this would replace existing fossil gas-fuelled generation, or whether hydrogen generation sites would be built from scratch (E104).

14.90 On whether hydrogen-fuelled flexible generators are likely to be part of a net zero future?, 13 respondents in South Wales thought that 'Yes, they will replace existing fossil gas flexible generators', 11 thought that 'Yes, there will be new hydrogen-fuelled generators built specifically', and 3 thought 'No, they will not be part of a net zero future' (E105).

Theme: Electricity storage

14.91 Poll respondents felt that electricity storage co-located with generation will be the business model with the biggest increase in capacity, followed by standalone storage projects providing grid services. Domestic electricity storage was seen as having the least potential (E104).

14.92 Stakeholders asked whether all baseline and pipeline storage sites were batteries (E104).

14.93 Stakeholders asked whether there was much development of battery storage co-located with renewable energy generation (E104).

14.94 Some stakeholders pointed out that in a heavily decarbonised electricity grid energy storage providing system inertia could be another key revenue stream (E104).

14.95 Respondents thought that flow batteries and power-to-X were the most likely alternative storage technologies to solid-state batteries, to deploy on the distribution network (E104).

14.96 Further forms of non-battery energy storage, such as molten salts, were mentioned (E104).

14.97 On Which storage business model will see the most growth over the near and medium term in the South West, South West responses categorised Co-location to be 1st, Standalone to be 2nd, High energy user to be 3rd, and Domestic to be 4th (E104).

14.98 In the East and West Midlands, a much higher proportion of respondents felt that high energy users, such as industrial customers, would drive electricity storage deployment in the near and medium term (E106).

14.99 On Which alternative storage technologies could see deployment on the distribution network in the future?, stakeholders in the West Midlands voted accordingly: 19 for 'Power-to-X', 15 for 'Flow batteries', 10 for 'Liquid air energy storage', 8 for

'Compressed air energy storage', 7 for 'Small-scale pumped hydro', 5 for 'Flywheels', and 2 for 'None of these options' (E106).

Theme: Hydrogen electrolysis

- 14.100 Most poll respondents felt that hydrogen electrolysis would be used as a low carbon alternative to existing hydrogen production. It was felt that hydrogen from zero carbon electrolysis could be used as a transport fuel for larger vehicles (E104).
- 14.101 A significant proportion of respondents also thought it could be used for heating through hybrid heat pumps, industrial processes and electricity generation (E104).
- 14.102 Respondents expected co-location with renewables and serving industrial clusters to be the main business models for hydrogen electrolysis in the near and medium term. Small-scale electrolyzers serving transport hubs were also seen as likely to see growth, especially in the East Midlands licence area (E104).
- 14.103 Poll respondents noted that the production, delivery, and usage of hydrogen in various sectors is currently highly uncertain and asked how this would be considered in the analysis (E104).
- 14.104 Votes in South Wales on Which hydrogen business models will see the most growth over the near and medium term? Showed that 1st is Co-location with renewable generation, 2nd is Medium-scale electrolyzers serving industrial clusters, 3rd is Small-scale electrolyzers at transport hubs, 4th is Large-scale hydrogen production for exports, and 5th is Mainly focused on imports (E105).

Theme: Heat pumps

- 14.105 Poll respondents thought that off-gas fossil fuel-heated homes and new build homes would be most strongly targeted for heat pump deployment over the next decade, with on-gas homes and households in fuel poverty the least targeted. However, all options were considered likely to be targeted to some degree (E104).
- 14.106 Comments included that WPD noted that it may not have sight of all installed heat pumps, that it asked whether hybrid heat pumps are included in the analysis, that it asked whether thermal storage was considered in the analysis, and whether new build housing would be designed to avoid the need for significant space heating (E104).
- 14.107 It was noted that the condition of the building stock is likely to play a significant role in the uptake of heat pumps in the near term, with local authorities encouraged to tackle the worst-performing stock via whole-house retrofit (E104).
- 14.108 Some stakeholders disagreed on the level of insulation required for a heat pump to be installed and run effectively. The various heat pump options, such as ground source heat pumps on an ambient loop, were mentioned (E104).
- 14.109 In the South West, poll respondents felt that resistive electric heating was most likely to remain in smaller houses and flats in the net zero future, rather than being replaced by heat pumps (E104).
- 14.110 On a scale from 0 being very unlikely to 5 being very likely, responding to 'As the government looks to achieve its target of 600,000 heat pumps installed per year by

2028, which of these areas will be targeted?', stakeholders in the West Midlands ranked 'Off-gas fossil fuel (oil, LPG and coal) houses' as 4, 'All off-gas houses, including electric heating' as 3.6, 'On-gas houses' as 2.6, 'Social housing' as 3.4, 'New build housing' as 4.8, and 'Households in fuel poverty' as 2.7 (E106).

Theme: Electric heating

- 14.111 A comment was that WPD said that re-weighting carbon levies from electricity bills to gas bills would significantly reduce the cost of resistive electric heating (E104).
- 14.112 On What is the role of resistive electric heating in a net zero future, 22 respondents in the South West voted for 'Will remain in smaller houses and flats where heating costs are typically lower', 8 respondents voted for 'Will remain in many buildings due to being 'low carbon', and 7 voted for 'Will dominantly be replaced by heat pumps and low carbon district heating over time' (E104).
- 14.113 In the West Midlands, where levels of electric heating are particularly high, most poll respondents thought that resistive electric heating would be replaced with heat pumps and district heating over time (E106).

Theme: Electric vehicles (EVs)

- 14.114 Respondents were fairly evenly split on the future of electric vehicle charging for on-street parked vehicles (E104).
- 14.115 Respondents in the East Midlands identified the greater charging infrastructure and company fleet conversions as the main reasons for current EV uptake in the licence area to be ahead of the national average (E104).
- 14.116 Stakeholders asked whether vehicle-to-grid, or V2G, was considered in the scenarios, especially given the potential grid balancing capabilities (E104).
- 14.117 On Which storage business model will see the most growth over the near and medium term?, 'On-street chargers outside homes' ranked 1st, 'Charging at destinations, such as supermarkets, workplaces, shopping centres etc' ranked 2nd, 'Fast/rapid en-route charging, similar to the current petrol station model' ranked 3rd, and 'Local charging hubs in public car parks, in residential areas with on-street parking' ranked 4th (E105).
- 14.118 Respondents thought the EV uptake in South Wales was behind the UK average rate primarily due to the cost of EVs and relative lack of charging infrastructure (E107).

Theme: Local authorities and new developments

- 14.119 When asked for the single main potential impact of local climate emergency declarations, the majority of respondents thought that increased standards for new housing developments would be the biggest impact (E104).
- 14.120 When asked for all possible impacts of local climate emergency declarations, poll respondents felt that increased EV charging infrastructure, electrification of public transport, refusal of planning permissions for fossil fuel projects and increased new build housing standards could all be impacted (E104).

- 14.121 Stakeholders asked whether the scenarios reflected more ambitious net zero targets set by local authorities, such as 2030 and 2035 ambitions (E104).
- 14.122 There was some disagreement between stakeholders as to the impact of the Future Homes Standard, with some expecting delayed implementation, while others already seeing a move to heat pumps in long-term development projects (E104).
- 14.123 On What impact will local climate emergency declarations have in the coming decade?, 24% of East Midlands respondents voted for 'Increasing EV charging infrastructure', 21% for 'Electrification of public transport, such as buses', 20% for 'Increased standards for housing developments, such as zero carbon homes, EV charging, rooftop solar etc.', 16% for 'Refusal of planning permission for projects incompatible with net zero', 11% for 'Designation of zones for renewable energy', and 8% for 'Zoning for low carbon heat options, including increased interest in heat networks' (E107).

Theme: DFES

- 14.124 Stakeholder commented that WPD had asked whether future policies and changes to planning, such as the Future Homes Standard, were considered in the modelling, and whether the modelling would account for areas where the grid is constrained, and connection offers are harder to obtain (E104).

Theme: WPD network

- 14.125 Stakeholders asked what the process is to engage and discuss projects with WPD, how network upgrade costs are calculated and whether this methodology was available, and whether WPD were planning any pre-emptive, large-scale network reinforcements in constrained areas, particularly where local ambition exceeds projected network capacity. You also asked how the costs of connection and network upgrades for smaller-scale technologies, such as heat pumps and EV chargers, are funded (E104).

Sub-topic: Supply-demand forecasting

What we heard in mid 2021:

There was very little feedback in this engagement phase for the supply-demand forecasting topic. Stakeholders discussed the effect of the Covid-19 pandemic on shifting energy demand and consumption patterns, and although seen as a challenge for the reliability of the network, it was also seen as an opportunity to stimulate the uptake of domestic low carbon technologies through incentives.

Areas missing from WPD's proposal were mentioned, such as increased demand due to home working and EVs, behavioural change, and more dynamic interaction with industry bodies on how the energy and power infrastructure needs to service future growth. A 'highly anticipatory investment' approach was also recommended.

Summary of Phase 5 feedback

- 15.1 Both in the June and November 2021 Acceptability Testing, customers voted 'Managing supply and Demand' as the most important priority with 45% and 40% respectively.
- 15.2 A total of **2** pieces of feedback were collected supply-demand forecasting during phase 5 engagement, which adds to the **7** pieces collected during phase 4, **96** collected during phase 3, **127** pieces during phase 2, and further **9** pieces collected during phase 1.

Detailed feedback

Feedback for Supply-demand forecasting falls into one theme:

- Managing supply and demand

Managing supply and demand

15.3 In the June 2021 Acceptability Testing, customers voted 'Managing supply and Demand' as the most important priority (45%), closely followed by 'The environment' (42%). 'Social' and 'Technology' were rated as lower priorities at 7% and 6% respectively (E108). The groups of customers that were significantly more likely to favour Managing supply and demand were the following (E108):

Customer group	%	Weighted Base
HH	46%	2,175
NHH	49%	368
East Midland	47%	885
West Midland	45%	797
South West	48%	528
45 to 64	50%	927
65+	61%	866
Male	47%	1,009
SEG: AB	53%	580

15.4 Similarly, in November 2021, customers voted 'Managing supply and demand' as the most important priority (40%), followed by 'The environment' (32%). 'Customer' and 'Community and Technology' were rated as lower priorities at 21% and 7% respectively. Customers who the first one thought it was obvious that a constant supply of electricity was the most important aspect for WPD. The groups of customers that were significantly more likely to favour Managing supply and demand were the following (E109):

Customer group	%	Weighted Base
HH	41%	1,280
NHH	44%	216
Digitally Excluded - No	42%	1,486
30 to 44	34%	336
45 to 64	43%	463
65+	58%	309
Male	44%	731
AB	44%	285
C1	45%	418
Power cut- Yes	45%	505
Non vulnerable	42%	1,070
Not Struggling Financially	47%	811

High-level topic: Enabling factors

Sub-topic: Collaboration & whole system approach

What we heard in mid 2021:

95% of stakeholders supported 'Using data from updated DFES and stakeholder insight to publish a Long Term Development Statement and a Network Development Plan annually', with comments for more locally targeted support, especially for rural areas who face certain challenges to deliver a low carbon future. Moreover, 52% of stakeholders voted for WPD to 'Engage with stakeholders and the Electricity System Operator to update WPD's Distribution Future Energy Scenarios for all four licence areas' every 12 months, followed by 37% who voted for every two years. It was felt that more relevant stakeholders should be engaged and that commercial and industrial customers had been missed out of WPD's consultation to date.

For the output to 'Hold Local Energy Surgeries for local authorities, supporting them to develop their local energy plans', 49% voted for holding 90 surgeries, while 24% voted for holding just 30, although continual contact and engaging with a variety of stakeholders and different groups was encouraged. Lastly, 39% wanted to 'Undertake whole system collaboration schemes with other DNOs and the ESO', with 2 schemes within the next Business plan period, while 35% voted to have 4 schemes by 2028.

Summary of Phase 5 feedback

- 16.4 Stakeholders were supportive of providing help to local authorities to develop their local energy plans, although it was also felt that WPD might be overstretched in this kind of coordinating role, and that the difficulty of such task might be bigger than WPD realises given the differences in processes, standards, targets, and skillsets across different local authorities. The company was urged to widen the scope of this and create wider collaborative partnerships with bigger groups so that you can make bigger impacts and make your presence and leadership felt more.
- 16.5 On creating a national energy plan for Wales, WPD was seen as having the relevant technical know-how and existing links to developers and local authorities to realise this, while others felt that a more joined up approach was needed and also that the company is not supposed to shoulder the burden of this problem alone.
- 16.6 On WPD's approach to investment planning, the most popular theme was that of increased communication and proactive engagement, allowing for collaboration between local authorities and other parties. Similarly, on the DFES engagement, stakeholders felt that developers should play a bigger role and be more involved in the process and cross-border and combined local authority engagements were thought of

as essential for a joint approach.

16.7 A total of **126** pieces of feedback was collected for the collaboration and whole systems approach during phase 5 engagement, which adds to the **28** pieces collected during phase 4, **250** collected during phase 3, **258** collected during phase 2, and further **25** pieces collected during phase 1.

Detailed feedback

Feedback for Collaboration and whole systems approach falls into one theme:

- Collaboration and whole system approach commitments
- The DFES engagement

Collaboration and whole system approach commitments

Commitment 3: Drive the delivery of ambitious local area energy plans to achieve Net Zero, by proactively engaging with all 130 local authorities each year via 90 local energy surgeries

CVP: Proactively partner with every local authority in our region to help them develop ambitious local area energy plans'

- 16.8 When asked to rate this CVP's, 91% agreed or strongly agreed that the proposed CVP was acceptable (E098).
- 16.9 Moreover, just over three-quarters of stakeholders (76%) felt that WPD is best placed to take this action, although a handful of stakeholders (15%) strongly disagreed (E098).
- 16.10 Opinion was fairly split regarding this CVP's level of ambition, with 40% of respondents feeling that it was about right, 36% feeling that WPD needs to go further and 19% feeling that WPD needs to go much further (E098).
- 16.11 In the discussion, it was felt that WPD might be overstretched in this kind of coordinating role – particularly with only four Local Authority Engagement Engineers – and that it might be better placed steering priorities and commenting on development plans (E098).
- 16.12 An academic institution stakeholder said that with local planning, you often get a particular interaction between spatial planning and energy infrastructure. There is a lot of cross-strata interactions that need to be built in. Having WPD advise on limitations and opportunities might help with this. However, a local authority stakeholder said that it is a complex picture and WPD has underestimated it, given the differences in processes, standards, targets, and skillsets across different local authorities (E098).
- 16.13 Stakeholder thought that having dedicated engagement engineers is going to be really welcome, although a concern is whether four engineers would be sufficient capacity to support all of the local authorities' LEPs and any other major groups that you are going to support across the patch. It was also commented that WPD need to ensure that you are speaking to all levels of government in a given area, as each level will be relevant to different parts of the network (E098).
- 16.14 In fact, many questioned whether this is really within WPD's remit, as there needs to be statutory oversight and adequate resource dedicated to such an ambitious task. In detail, an energy consultant specified that having looked at various models, they do not think WPD is the right organisation to have a direct link with local authorities. You need to have the right intermediary body with the right statutory powers to deal with all

the changes and have that local sensitivity towards the interests of citizens that can vary from area to area. Can one liaison in one region really be sensitive to all those regional and subregional variations? (E098)

- 16.15 However, other stakeholders were very keen to collaborate and help, such as a storage and renewables provider / installer saying that WPD is very well placed to coordinate this, but there are definitely more opportunities for themselves as a renewables company to assist here, as four engineers is not enough (E098).
- 16.16 Regarding the positive outcomes and value WPD intends to deliver, a local authority stakeholder said they worry about whether these roles will be able to deliver the desired value, due to issues around capacity. Take the Midlands Energy Hub, for example: they have eight people looking after projects in that region alone and they still cannot keep up. I fear that these roles could end up having too much of a light touch (E098)
- 16.17 While the ambition was seen as commendable, it was felt that the scope of this CVP ought to be broadened much further. A local authority stakeholder felt that the company should create wider collaborative partnerships with bigger groups so that you can make bigger impacts and make your presence and leadership felt more (E098).
- 10.31 86% of June 2021 Acceptability Testing participants understood the commitment, of which 79% supported it, 17% neither supported not opposed it, 2% opposed it and 3% said they do not know. Also, 75% supported its ambition, while 9% did not and 17% said they do not know. Lastly, 79% supported its proposed level and bill impact, while 18% preferred to see the commitment reduced & see potential bill decrease, and 3% preferred to see the commitment increased & see potential bill increase (E108).
- 10.32 As a CVP, in the November 2021 acceptability testing, 'Proactively partner with every local authority in WPD's four regions to help them develop ambitious local area energy plans' was 85% understood, 80% accepted, 69% sufficiently ambitious and 60% supported in terms of CVP and associated cost impact. The digitally excluded, male, and those in the AB segment were significantly more likely to accept this CVP. In terms of the support of the proposed CVP and its associated cost impact, the regional breakdown is as follows: West Midlands 58%, East Midlands 65%, South Wales 55%, South West 61% (E109).

Commitment: Drive the development of local area energy plans by proactively engaging with all 130 local authorities each year, resulting in more accurate WPD forecasts

- 16.18 90% of June 2021 Acceptability Testing participants understood the commitment, of which 79% supported it, 16% neither supported not opposed it, 0% opposed it and 5% said they do not know. Also, 70% supported its ambition, while 8% did not and 22% said they do not know. Lastly, 77% supported its proposed level and bill impact, while 17% preferred to see the commitment reduced & see potential bill decrease, and 5% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Our local Community Energy Representatives will work collaboratively

with community and local energy stakeholders to develop tailored connection and flexibility offers

16.19 88% of June 2021 Acceptability Testing participants understood the commitment, of which 84% supported it, 14% neither supported nor opposed it, 1% opposed it and 1% said they do not know. Also, 74% supported its ambition, while 9% did not and 17% said they do not know. Lastly, 79% supported its proposed level and bill impact, while 19% preferred to see the commitment reduced & see potential bill decrease, and 2% preferred to see the commitment increased & see potential bill increase (E108).

CVP: Create a National Energy plan for Wales

16.20 Just over half of stakeholders (53%) agreed or strongly agreed that WPD was best placed to take this action – although a substantial 38% felt they did not know or could not say (E098).

16.21 It was commented that WPD has the relevant technical know-how and existing links to developers and local authorities to be able to drive this forward. Moreover, many felt that it, if successful, the plan could be used as an exemplar for other regions or nations (E098).

16.22 While 45% felt that the level of ambition was about right, the same proportion felt that they could not say, answering 'not sure / don't know' (E098).

16.23 One attendee felt that a more joined-up approach was needed with the other DNOs, with another echoing this sentiment that best-practice needs to be shared between as many relevant organisations as possible, while a local authority stakeholder said that they would like to see this sort of plan for England as well, given that there is not a national plan (E098).

16.24 Overall, just over half (53%) agreed that this CVP was acceptable, although a significant proportion (30%) said they didn't know or couldn't say (E098).

16.25 This perhaps reflected the feeling in the discussion that while things are going too slowly in Wales, WPD cannot shoulder the burden of this problem alone. As one attendee put it, 'you just own the wires, so how much influence can you really have?' (E098).

16.26 Improving the service outcome to 'Create a National Energy Plan for Wales, working in collaboration with the Welsh Assembly Government, National Grid and SPEN to ensure a joined-up approach to key enabling actions' from 'Continue with business as usual' to 'Collaborative National Energy Plan for Wales created' ranked 12th among household stakeholders and 10th among non-household stakeholders (E103).

16.27 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Create National Energy Plan for Wales' is £1.53 for household participants and 0.19% for non-household participants (E103).

Commitment: Annually update the Long Term Development Statement and a Network Development Plan to ensure future investments are identified to facilitate decarbonisation across local areas

16.28 In June 2021, the commitment to ‘Annually update the Long Term Development Statement and a Network Development Plan to ensure future investments are identified to facilitate decarbonisation across local areas’ was among the 4 least understood commitments, with 80% (E108).

16.29 80% of June 2021 Acceptability Testing participants understood the commitment, of which 82% supported it, 14% neither supported nor opposed it, 1% opposed it and 2% said they do not know. Also, 82% supported its ambition, while 14% did not and 4% said they do not know. Lastly, 80% supported its proposed level and bill impact, while 17% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Identify opportunities for a minimum of 3 whole system collaboration schemes with other DNOs and the ESO to enable our customers to benefit from lower electricity network and system costs

16.30 In June 2021, the commitment to ‘Identify opportunities for a minimum of 3 whole system collaboration schemes with other DNOs and the ESO to enable our customers to benefit from lower electricity network and system costs’ was among the 4 least understood commitments, with 80% (E108).

16.31 80% of June 2021 Acceptability Testing participants understood the commitment, of which 76% supported it, 20% neither supported nor opposed it, 1% opposed it and 2% said they do not know. Also, 72% supported its ambition, while 7% did not and 21% said they do not know. Lastly, 71% supported its proposed level and bill impact, while 27% preferred to see the commitment reduced & see potential bill decrease, and 2% preferred to see the commitment increased & see potential bill increase (E108).

The DFES engagement

Commitment 61: Deliver a network to meet the evolving needs of our customers by aligning our future energy forecasts with the plans of local regions and the Electricity System Operator (ESO), by updating WPD’s Distribution Future Energy Scenarios every 12 months

16.32 89% of June 2021 Acceptability Testing participants understood the commitment, of which 77% supported it, 15% neither supported nor opposed it, 5% opposed it and 3% said they do not know. Also, 75% supported its ambition, while 12% did not and 13% said they do not know. Lastly, 73% supported its proposed level and bill impact, while 19% preferred to see the commitment reduced & see potential bill decrease, and 7% preferred to see the commitment increased & see potential bill increase (E108).

WPD's process and approach to investment planning

- 16.33 Across all four regions, 68% agreed or strongly agreed with WPD's approach to investment planning, but this figure was lower when only taking into account Wales, where only 60% agreed, with 27% remaining neutral (E099).
- 16.34 The common thread across all four regions under investment planning was the vital need for greater communication and engagement, and it was felt that earlier, proactive engagement would enable local authorities and developers to shape local plans and business and housing projects more effectively (E099).
- 16.35 Some cited that it was difficult to connect what WPD were planning in terms of investment with what was needed from stakeholders in terms of planning and development: it was felt that greater engagement earlier on would enable local authorities and developers to shape local plans and business and housing projects more effectively (E099).
- 16.36 A local authority in the East Midlands said they think there is two levels, the councillor level, and the officer level, and they are both important. They have a briefing session for councillors to join and WPD could ask to be involved with that in order to brief councillors on what is going on. It is the case that 20 out of 50 people turn up to that. On the member's side, engaging now with the local planners, and with the chief executive and his team. Building back better is something we should be doing, and this should be part of the agenda because it is pretty weak at the moment (E099).
- 16.37 Those in more rural areas wanted to know the method through which WPD prioritised certain schemes, with the point being made again that less densely populated areas should not be left behind in terms of investment (E099).
- 16.38 Retrofitting also emerged as a key theme, with more exchanging of data and expertise advocated in order to make realistic decisions with regards to retrofitting older housing stock (E099).
- 16.39 Developers felt that they would benefit from more certainty in the strategic planning process, with some examples given of extra reinforcement costs emerging at the late stages of connections application, hindering development (E099).
- 16.40 Some stakeholders saw that, given the regulatory framework, WPD was doing its best with its processes and approach, but felt that until they could invest ahead of need, 'nothing will change or improve' (E099).

WPD'S approach to DFES engagement

- 16.41 The electronic voting demonstrated that more visibility was needed for DFES engagement: 59% did not know if their organisation had been involved in DFES planning, however, there was a clear desire for involvement, with 95% saying they would like more engagement (E099).
- 16.42 Many felt that developers needed to be more involved in DFES engagement, as they have a high level of insight into strategic planning, in partnership with local authorities. Similarly, a local authority in the East Midlands said they have had a developers' forum

and we bring in different speakers to discuss different topics. WPD could get involved in that and speak to local authorities more directly. This means that you can hear the views of other stakeholders and inform your planning (E099).

16.43 Representatives from the development sector themselves urged more engagement with IDNOs of all sizes, citing that they tend to work more with IDNOs than with larger DNOs such as WPD (E099).

16.44 Engagement with all sizes of storage providers and housing associations was also advocated, in order to build up an accurate forecast (E099).

16.45 Local authorities felt that guidance from WPD on which low-carbon schemes were genuinely effective, and not simply 'green washing', would be very helpful (E099).

16.46 Stakeholders also saw that DFES engagement tended to be piecemeal, with some delegates stating that they were only finding out during the workshop that others in neighbouring areas were facing issues that they did not know about. Cross-border and combined local authority DFES engagement was therefore advocated, along with a commitment to more granular engagement with LEPs, community energy groups, and domestic customers (E099).

16.47 A local authority in the West Midlands said it would be good to have a known contact within WPD with whom they could discuss their local housing plans. That way, they could find out where the potential constraints or opportunities might be early on (E099).

16.48 A government stakeholder in the South Wales said they think that there needs to be more of everything right now. Without the infrastructure that WPD provides in its regions, we will not hit Net Zero. You are establishing strong dialogue with local authorities that will take us forward, but you are constrained by the Ofgem and the lack of resources within local authorities to make the desired level of progress (E099).

WPD Data for Local Energy Plans

16.49 There was consensus that greater sharing and accessibility of data was critical to effective local energy plans, with specific calls for data that identifies areas of constraint and hotspots, three phase connections, numeric data in terms of capacity, heat maps, and wider access to DFES reports (E099).

16.50 A key point raised that the data needed to be understandable, digestible, and actionable (E099).

16.51 For many, greater access to data on network capacity and constraints would sit alongside considerations of local development plans, flood risk areas, sewage systems and the road network, forming a vital part of a total, cohesive planning strategy (E099).

Sub-topic: Innovation

What we heard in mid 2021:

This topic gathered the most feedback in this phase. 10% of stakeholders wanted to submit alternative commitments for the topic of Innovation, with a comment that there was no mention of learning from other companies' best practice, therefore the commitments seemed too internally focused, and a call for more science-based targets and for carbon accounting to feed through into innovation projects.

90% of stakeholders supported the commitment 'For each innovation project we will undertake a cost benefit assessment and implement into business practice to improve efficiency and effectiveness of assets, operations and customer service', and suggested considering carbon costs and holistic long-term benefits. In addition, 95% supported the ideas portal, suggesting it should be as accessible and inclusive as possible to give all kind of stakeholders the opportunity to contribute to it, whereas others preferred round-table discussions. Other proposals to encourage a diverse participation was partnering with universities or participating in open forums although some cautioned that WPD should not commit to partnerships too early, to remain open to a wide pool of stakeholders.

In the very rich discussion about data, 43% of stakeholders voted for WPD to increase the volume of data available via API by 60%, but it was also made clear that WPD should deliver three levels of data, namely high-level visual, raw data and API, as different users have very different data needs. Similarly, 94% of stakeholders supported WPD's proposed commitment to 'Introduce a customer satisfaction monitor to measure data availability, ease of access and usefulness, improving from the baseline throughout RIIO-ED2', but made comments that data go out of date quickly so should be timestamped, and that there is need for historical data as well. Providing examples of how to use the data, identifying overlaps in different stakeholder needs and prioritising tailoring data to serve those demands were also strongly supported.

In terms of community energy, 14% of stakeholders voted for alternative commitments, with comments including that the company should commit to working with organisations that support social enterprises like community energy groups, as well as working with the groups directly. 41% agreed with the current level of ambition (30 surgeries per year) for the commitment to 'Hold Community Energy Surgeries for local Community Energy groups', but a sizeable proportion (27% and 28%) called for 60 and 90 per year, respectively. Moreover, 97% supported the commitment to 'Establish dedicated innovation projects for Community Energy schemes'.

There was broad support for the three core principles of the Digitalisation Strategy, although WPD was urged to improve scalability and expansion, and develop an ethical framework for data sharing. There was also strong support for continuing to focus on delivering against the EDTF recommendations in RIIO-ED2. Most stakeholders also agreed that WPD had covered the main stakeholder types that would seek to use the company's data, but said that more work is needed to more closely serve their individual needs, while others pushed for a more holistic approach and identified some missing groups. Stakeholders also debated the proposed investment, with some feeling that it is not ambitious enough and that more should be done to achieve BAU innovation, such as demonstrating lessons learned and having a board member responsible for innovation. Overall, it was felt that WPD should adopt a more open and collaborative approach to innovation, including publishing innovation challenges and encouraging stakeholders to solve them.

Summary of Phase 5 feedback

- 17.3 To do There was a good deal of positive feedback on WPD's innovation strategy, with many voicing support for its ambition, and for their experiences of dealing with WPD on innovation in the past. Stakeholders did want however innovation on a wider context, so it can apply to the supply chain and other parts of the industry.
- 17.4 One of the most important aspects seems to be to embedding innovation and making it business as usual, and on that, there was a feeling of reassurance that innovation was a key pillar in the business plan.
- 17.5 In terms of the digitalisation strategy, stakeholders revisited the topic of human contact to guide them despite having availability of data. The consensus was that although most approved of the investment and the aspiration, and that more network monitoring was critical, it needs to be more tangible to the customer.
- 17.6 Stakeholders thought that the commitments under community energy were also very positive but again urged WPD for a more joined-up approach, allowing for synergies between community energy and other commitments of the business plan to truly innovate and create a seamless offering. Stakeholders were very welcoming of dedicated community energy engineers, although it was felt that 1 such expert per region is extremely low.
- 17.7 A total of **129** pieces of feedback were collected for innovation during phase 5 engagement, which adds to the **290** pieces collected during phase 4, **249** collected during phase 3, **273** collected during phase 2, and further **3** pieces collected during phase 1.

Detailed feedback

Feedback for Innovation can be divided into five themes:

- Innovation strategy
- Digitalisation strategy
- Community energy
- Technology
- Innovation commitments

Innovation strategy

17.8 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 (E097).

17.9 On the ambition to celebrate a culture of innovation, an academic institution said that there are major opportunities to create business innovation champions and establish a culture of community within the business that can help embed innovative approaches. It means that these centrally coordinated innovation strategies can be rolled out and embraced at a local level (E097).

17.10 Some urged WPD to go even further by reducing the barriers to innovation across the network, 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' (E097).

17.11 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-phased power to new housing developments, now being widely rolled out following a trial scheme in Wales, as great examples of engagement and innovation embedded as business as usual. In this light, delegates urged WPD to be even more ambitious and take more learnings and solutions from trials and innovation projects into day-to-day activities (E097).

17.12 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: looking at the modularisation of design patterns to increase efficiency and react more rapidly to a sudden step change was suggested here (E097).

17.13 There was some critique of the innovation plan, where 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 (E097).

17.14 Others wanted more detail on how innovation might streamline the connections process for innovative projects such as grid-scale batteries, while some felt that the figures in the plan were too vague, with some percentages that did not benchmark current performance accurately enough to be able to take an educated view (E097).

17.15 These differences of opinion were registered in the electronic voting, where when asked: '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 abstained. There was less acceptability 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 (E097).

Digitalisation strategy

17.16 S Discussing WPD's digitalisation strategy, the consensus was that although most approved of the investment and the aspiration, and that more network monitoring was critical, the key takeaway was 'it needs to be more tangible to the customer' (E097).

17.17 Delegates praised the commitment to having face to face engagement with stakeholders, as it was felt that while online, self-serving portals and services were vital, it needed to be backed up and supported by a 'real human being' (E097).

17.18 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 capacity and outputs and peak demands (E097).

17.19 In terms of going further and being more ambitious, stakeholders called for more data availability from LV feeders, and others wanted to see more digitalisation around infrastructure, to know what is happening at transformer level and to know where exactly the constraints were (E097).

17.20 Others praised the 'no regret' perspective and urged WPD to work with other partners interested in steering how the network functions, seeing that otherwise, a situation could be enabled where flexibility takes away from fairness. A key comment here was: 'Digitalisation needs to be a team sport' (E097).

17.21 This focus on partnership working was also emphasised in 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 (E097).

- 17.22 Others 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 (E097).
- 17.23 Some energy consultants were concerned about the timescales, commenting that in the meantime, there is 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 (E097).
- 17.24 Given the emphasis stakeholders placed on receiving direct, expert advice and support as we move to greater digitalisation of the network and systems, when asked the question, 'I am confident that WPD's digitalisation strategy will achieve benefits that are business-wide,' not everyone felt they had the requisite expertise to answer the question, with 31% remaining neutral, and 7 stakeholders abstaining as they felt they didn't know. 56%, however, either agreed or strongly agreed (E097).
- 17.25 Similarly, when asked whether the digitalisation strategy was sufficiently ambitious, 12 stakeholders felt unqualified to answer, although 73% agreed or strongly agreed (E097).
- 17.26 Specifically on whether WPD is sufficiently ambitious in the area of digitalisation and whether there are radical alternatives to consider, an environment group stakeholder commented that the process and approach are solid enough but making it accessible to customers and groups is the problem, which is how you have to move forward. On your decarbonisation objectives, more public reporting on that would bring people with you (E097).

Community Energy

- 17.27 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 (E097).
- 17.28 Others 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 (E097).
- 17.29 Some delegates felt that a community energy forum commitment was missing, which would underpin the ability for community energy groups to build their own network and have a more constructive relationship with WPD and local authorities (E097).
- 17.30 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 (E097).

17.31 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.

17.32 However, stakeholders did seek more ambition. Whilst 53% agreed or strongly agreed the proposals were sufficiently ambitious enough, a sizeable proportion (38%) felt neutral. Again, only one stakeholder abstained (E097).

17.33 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Community energy is the tenth most supported area (64%) and the tenth most sufficiently ambitious one (61%) (E109).

Community Energy Engineers

17.34 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 (E097).

17.35 As a CVP, 62% of stakeholders strongly agreed or agreed that WPD is best placed to take this action, although a fair proportion (17%) strongly disagreed (E098).

17.36 This was borne out in the discussion, where the consensus was that WPD has a good overall view of the network, and that providing customers with a single point of liaison for community energy matters would be hugely beneficial. However, there were some questions around how this would work in practice. For example, one stakeholder asked whether only established community energy groups could benefit from this initiative, and how WPD is planning to grassroots projects. Another asked how community-led schemes would go about contacting their designated community engineer (E098).

17.37 Interestingly, while 44% felt the level of ambition is right, the same proportion felt that WPD needs to go further or go much further. Suggestions for how WPD could go further included the provision of education and funding for community energy groups, further promotion of WPD's role in the energy network (in contrast to the supplier's role), and outreach to less affluent communities to tout the benefits of community energy in collaboration with local authorities. Overall, though, 83% felt that this proposition was acceptable (E098).

17.38 A couple of stakeholders felt that one engineer per region was a drop in the ocean compared to the number of community energy projects that will be taking off during the next price control period and suggested that WPD needs to move away from showcasing projects to actually facilitating community energy on a large scale (E097, E098).

17.39 On what are stakeholders' views on the positive outcomes and value WPD intends to deliver, a local authority stakeholder said that it is laudable. From their experience of

local community groups, you need to have leadership there. Maybe WPD need to be more proactive and be an advocate rather than just responding to people coming to them. WPD need to promote the benefits and publicise them. It is also about holding people's hands a bit. If you look at areas with high levels of fuel poverty, you might not have that initial leadership on the ground (E098).

17.40A local authority stakeholder added that if WPD representatives could come forward and advise on district heating, it would be very helpful (E098).

17.41 In terms of Willingness to Pay, Improving the service outcome to 'Establish Community Energy Engineers to support the development and delivery of community-based energy schemes to drive the UK's achievement of net zero' from '0 community energy engineers' to '4 community energy engineers' ranked 7th among household participant and 8th among non-household participants (E103).

17.42 The mean willingness to pay (WTP), in GBP at average annual electricity bill and as a percentage of annual electricity bill, for the initiative to 'Establish community energy engineers' is £1.99 for household participants and 0.26% for non-household participants (E103).

17.43 As a CVP, in the November 2021 acceptability testing, 'Establish community energy engineers to support the development and delivery of community-based energy schemes to drive the UK's achievement of net zero' was 84% understood, 81% accepted, 68% sufficiently ambitious and 65% supported in terms of CVP and associated cost impact. The digitally excluded and female were significantly more likely to accept this CVP. In terms of the support of the proposed CVP and its associated cost impact, the regional breakdown is as follows: West Midlands 62%, East Midlands 72%, South Wales 63%, South West 55%. Specifically, customers in the South West were significantly more likely to opt for a reduced CVP and potential bill decrease (42% vs 30% overall), while those in East Midlands were significantly more likely to choose the proposed CVP and its associated cost (72%) (E109).

Technology

17.44 In the June 2021 Acceptability testing, 'Technology was rated as the lowest priority (four out of four priorities with 6%), similarly to the November 2021 testing where 'Technology' was also rated fourth out of four priorities with 7% (E108, E109). Customers who were significantly more likely to favour 'Technology' as a top priority are shown below (E109):

Customer group	%	Weighted Base
Digitally Excluded – Yes	15%	149
PSR- Yes	13%	304
16 to 29	15%	310
30 to 44	10%	336
Male	9%	731
AB	10%	285
DE	12%	394

Power cut – Yes	9%	505
Vulnerable	11%	349
Struggling Financially	10%	824

Innovation commitments

General

17.45 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Innovation is the eighth most supported area (67%) and the eighth most sufficiently ambitious one (63%) (E109).

Commitment 9: Facilitate access to funding streams for community energy groups

17.46 81% of June 2021 Acceptability Testing participants understood the commitment, of which 81% supported it, 16% neither supported nor opposed it, 2% opposed it and 2% said they do not know. Also, 76% supported its ambition, while 7% did not and 17% said they do not know. Lastly, 81% supported its proposed level and bill impact, while 15% preferred to see the commitment reduced & see potential bill decrease, and 5% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Support local community energy groups by holding 60 community energy surgeries per year and providing a dedicated WPD community energy representative who will assist to with connection and flexibility offers

17.47 87% of June 2021 Acceptability Testing participants understood the commitment, of which 78% supported it, 16% neither supported nor opposed it, 1% opposed it and 5% said they do not know. Also, 75% supported its ambition, while 9% did not and 16% said they do not know. Lastly, 70% supported its proposed level and bill impact, while 26% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

17.48 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were shown 9 core commitments and asked to pick the top 3. Community energy surgeries to be held was the eighth most important aspect for 11% of customers. Those 30 to 44, those in the C2 segment and those struggling financially were significantly more likely to choose this commitment as top priority (E109).

Commitment: Improve efficiency by 1% and the effectiveness of assets, operations and customer service by encompassing innovations into standard business practice that show a positive cost benefit and carbon impact

17.4990% of June 2021 Acceptability Testing participants understood the commitment, of which 85% supported it, 13% neither supported not opposed it, 0% opposed it and 2% said they do not know. Also, 72% supported its ambition, while 14% did not and 14% said they do not know. Lastly, 80% supported its proposed level and bill impact, while 13% preferred to see the commitment reduced & see potential bill decrease, and 7% preferred to see the commitment increased & see potential bill increase (E108).

Commitment: Improve the accessibility and usefulness of data, tailored to individual customer needs and in the format of their choosing by making 60% of WPD's network data available via an interactive Application Programming Interface

17.5084% of June 2021 Acceptability Testing participants understood the commitment, of which 83% supported it, 14% neither supported not opposed it, 2% opposed it and 1% said they do not know. Also, 73% supported its ambition, while 11% did not and 15% said they do not know. Lastly, 80% supported its proposed level and bill impact, while 16% preferred to see the commitment reduced & see potential bill decrease, and 4% preferred to see the commitment increased & see potential bill increase (E108).

High-level topic: Business Planning

Sub-topic: Acceptability

What we heard in mid 2021:

In terms of the layout and structure of the business plan, some found it very comprehensive with little jargon, while others disagreed and thought the plan was too long and difficult to follow, and suggested an executive summary.

In general voting about the content of the business plan, 22% did have some caveats or comments to make on the feedback included so far, while a staggering 73% felt priorities had changed or new issues had emerged, primarily as a result of the Covid-19 pandemic, but also due to Brexit and the green agenda. There were also comments that the presentation of the content is over-complicated, and one wanted to see commitments presented as SMART targets.

In terms of customer bills, there was general support that bills will need to increase to achieve net zero and the commitments presented, however it was also commented that as costs have not been shared until this final stage in the consultation, it has been difficult to assess and consider the balance of these issues in relation to the costs.

In terms of engagement to determine the best view, some praised it, while others felt the 'best view' was a little 'conservative' and that WPD needs to ensure that this view will enable the country to achieve its Net Zero targets.

Summary of Phase 5 feedback

- 18.1 The topic of acceptability of the business plan contains feedback on the business plan as a whole and overall willingness to pay and acceptability testing results. The Business Plan received widespread approval, however there was some uncertainty in one workshop around what WPD is investing in specifically. Stakeholders from different sectors raised different issues such as delivery of EVs, security of supply, continuity, asset replacement and resilience, aligning local plans with WPD's and achieving net zero in a sustainable way. Stakeholders were condemned with the level of engagement to refine and develop the business plan.
- 18.2 There was a lot of discussion on the impact on customer bills, with many saying that the upcoming advancements in the network made the raise necessary, given that it would bring the needed results of a smarter and more reliable network, others were concerned with the raise especially for the vulnerable or people who would not easily take part in this transition. Regional variances in regional bills were also widely discussed, where the variance was felt to be inequitable, and stakeholders mentioned the issue of differences in up-take of LCTs and whether that would also be a factor to consider. Some also asked for a clearer explanation of the reasons for the regional

variances.

- 18.3 Despite the final acceptability research being undertaken in fall 2021 (October and reported in November), during a time of headline national news about soaring wholesale energy prices leading to multiple supplier failures and concerns about millions of customers defaulting to the energy price cap and the need for future bill rises to account for this, acceptability of the business plan remains high at 80%, with only 4% of customers founding the plan unacceptable, and 68% thinking that the level of bill proposed is either affordable or very affordable.
- 18.4 A total of **424** pieces of feedback were collected for acceptability during phase 5 engagement, which adds to the **35** pieces collected during phase 4 for the previously called draft business plan sub-topic, under the high-level topic of Business Planning.

Detailed feedback

Feedback for Acceptability can be divided into four themes:

- General
- Impact on Customer Bills
- Willingness to Pay
- Acceptability testing

General

- 18.5 WPD's Business Plan received widespread approval. Across the 4 stakeholder workshops (E095, E096, E097, E098), 94%, 87%, 78% and 56% respectively either agreed or strongly agreed that the Business Plan was acceptable to them. In the first one no stakeholders indicated that they found the plan to be unacceptable, in the second one 7% strongly disagreed and 7% were neutral, in the third one 3% disagreed and 6% strongly disagreed, while 14% were neutral, and 10% voted for Don't know / can't say, and finally in the fourth one no stakeholder disagreed but 37% voted for Don't know / can't say. This uncertainty was reflected in the discussion session, where a couple of stakeholders called for more clarity around what WPD is investing in specifically (E098).
- 18.6 In particular, stakeholders expressed support for the proposal to increase the number of fuel-poor customers supported between RIIO-ED1 and RIIO-ED2 (E095).
- 18.7 The focus on smart energy was also seen as a step in the right direction, as this is a growing area of interest for customers, with particular praise for the ambitious target for net zero (E095, E096).
- 18.8 However, 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 (E097, E098)
- 18.1 Delegates from the connections, business and major user side wanted to know more about how WPD was ensuring security of supply, continuity, asset replacement and resilience over its next price control period (E096).
- 18.2 This interest in reliability and resilience intersected with the questions and concerns of many of the local authorities attending the workshop, whose focus understandably lay in increasing capacities and connections for the growth of decarbonised transport and heat, and increased working with community energy groups and local energy partnerships. Many were keen to strategise how their plans could align with WPD's Business Plan to find effective solutions for reaching net zero and ensure the low carbon transition takes place in a 'safe and robust way' (E096).
- 18.3 Others 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.

- 18.4 Delegates reserved praise for 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

- 18.5 Responses to the bill impact of increased expenditure over RIIO-ED2, were split. Some felt that although a bill increase was generally unpleasant, it would be more acceptable if they could demonstrate to their constituents and communities that the increased investment was resulting in cheaper connections, a smarter, more reliable network, and higher rates of connected renewable generation (E095, E096, E097, E098).
- 18.6 Others felt strongly that the focus on keeping bills flat was the wrong approach in order to combat 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 if WPD had underestimated customers' acceptance of the cost of decarbonisation and greening the network, and that many might feel they could, in fact, pay more (E097, E098).
- 18.7 A number of stakeholders expressed reservations over the proposed rise in bills, noting that "every penny counts for vulnerable people". It was felt that increases in bills are troubling given that other household expenses are also set to rise (E095, E096).
- 18.8 In this light, some questioned whether it was fair for fuel-poor customers to face higher bills, given that they are less likely to install and benefit from the low-carbon technologies that have contributed to the need for a bill increase (E095). Others felt that if bills were to rise for the fuel-poor, they wanted to see a concomitant rise in the level of service, especially for those in the South West and South Wales (E096).
- 18.9 However, several suggestions were made as to how WPD could mitigate the rise in bills, including by tying the bill increase to improvements to the support available for vulnerable customers and communicating its energy efficiency assistance measures more effectively (E095).
- 18.10 Stakeholders from the academic and connections sectors were more likely to approve of the impact and the regional differences, seeing that 'the logic around the sparsity challenge in the South West is sound'. For these delegates, who have a deep technical knowledge of the electricity network, this understanding and appreciation of the costs of getting to net zero is perhaps unsurprising (E096).
- 18.11 Stakeholders in South West and South Wales 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. An example from West Wales was given, where the ageing network had made the connection costs for windfarm prohibitively expensive

(E096, E097).

18.12 However, it was still widely felt that the regional disparity was inequitable; stakeholders questioned whether areas with high take-up of renewable schemes should be penalised with higher bills (E095, E098).

18.13 Similarly, the fact that rural and lower-income areas may face higher bills was seen as unfair, with the price difference between the West and East Midlands described by one stakeholder as “a shocking gap”, especially for a vulnerable person (E095).

18.14 A major connections customer said they wonder how hamstrung WPD feel about keeping their prices down when trying to find money to invest in improving the network moving forward (E096).

18.15 On the whole, stakeholders seemed to have a good understanding of the regional variation in bills. When they were asked to rate their understanding of the variation on a scale from 1 to 5, an average vote of 4 out of 5 was returned in one workshop (E095, although over a quarter (28%) rated their understanding at 2 or 3 out of 5. Some acknowledged that regional differences led to differences in the cost of running the network and recognized that higher bills would help to meet the cost of the low-carbon transition.

18.16 In one workshop (E096), the average vote was 4.5 / 5, also signalling a good level of understanding, while in another workshop (E097) it was 4.02 / 5, which signalled a good level of understanding. Finally in the CVP workshop the average was lower, at 3.6 / 5 (E098).

18.17 When asked whether the regional variance in customer bills is acceptable, 19% of one workshop respondents disagreed or strongly disagreed (E095), similar to another workshop where (E096): 19% disagreed or strongly agreed, 19% were neutral, but a slim majority, 56%, agreed or strongly agreed.

18.18 However, in another workshop (E097), 23% disagreed or strongly disagreed, 21% were neutral, and a slim majority, 56%, agreed or strongly agreed, and one stakeholder abstained from this vote, and in the CVP workshop, just over a third of them (35%) agreed that it was acceptable, but a similar proportion either disagreed or said they felt neutral on this (33%) (E098).

18.19 Lastly, on the level of understanding, two stakeholders felt that WPD had not really explained the reasons for the regional variance in customer bills. A local authority stakeholder asked whether their bills in the South West were increasing due to the age of the network or the dispersed nature of the region, and a business customer said that it seems geography explains why Wales and the South West face higher bills, though the variation is not really explained (E098).

Willingness to Pay

18.20 Households and non-households displayed similar value rankings amongst the service areas. The highest values for both customer types were associated with (E103):

- a. Prioritise asset replacement programme to reduce power cuts in areas with high levels of vulnerable customers
- b. Achieve net zero carbon emissions for our own business carbon footprint by 2028 (including the use of greenhouse gas removal schemes)
- c. Ensure there are no customers experiencing 12 or more power cuts over a 3-year period
- d. Increase proportion of eligible customers registered on WPD's Priority Service Register
- e. Provide advice to customers looking to switch to electric vehicles, heat pumps or solar power

18.21 Among the top five, households had a stronger preference for prioritising asset replacement to improve reliability for vulnerable customers and for increasing the proportion of eligible customers registered on WPD's Priority Service Register (PSR), while non-households gave higher priority to bringing WPD's net zero target forward and to providing advice to customers looking to switch to Low Carbon Technologies (LCT) (E103).

18.22 Many significant differences in priorities and WTP values were found between households of different social grades; households which did/did not struggle to pay bills, across age groups, and between regions. Variation in valuations was in line with prior expectation, e.g., that higher social grades were found to have higher WTP (E103).

18.23 At the mean, household participants were willing to pay 3.9% of their total electricity bill for the full package of improvement initiatives, corresponding to £28.7 at the average bill of £742, while non-households were willing to pay 4.0%. Median household WTP was £18.6, while WTP at the 75th percentile (75% willing to pay this amount) was £11.1, and WTP at the 85th percentile was £7.4. Organisations struggling to pay energy bills as well as organisations that had not experienced a power cut were found to have a lower WTP, as a percentage of their annual electricity bill, than the rest. The difference in mean percentage WTP between households and non-households is statistically significant at the 10% level (E103).

18.24 Nearly 50% of household participants (49.8%) were willing to pay 3% or more for the full package of service improvements (i.e., around £22 at an average bill of £742), while just over 85% were willing to pay 1% or more (i.e., around £7.4). A number of differences are found to be statistically significant, with differences consistent with expectation. Social grade D/E had a lower WTP than higher social grade participants; those struggling to pay energy bills had a lower WTP than those who did not; those who had fallen behind on household bills due to COVID had a lower WTP, on average, than those who had not, as did those who were concerned about their ability to pay household bills in the future.

18.25 Additionally, those aged 60 or above tended to have a higher WTP than younger age groups. Those on the PSR tended to have a lower WTP, as did highly vulnerable households. Participants from the East Midlands had a higher WTP than participants from other regions. Participants whose electricity use had increased since COVID also had a higher WTP (E103).

- 18.26 Younger customers gave higher priority to funding education on net zero and to setting a biodiversity net gain target. Higher social grades gave higher priority to providing advice on LCTs, while lower grades gave lower priority to bringing WPD's net zero target forward, as did households who struggle to pay energy bills (E103).
- 18.27 Those who are solely responsible for paying energy bills gave higher priority to increasing customer satisfaction. Those registered on the PSR gave higher priority to increasing the proportion signing up to PSR. Those registered on the PSR gave higher priority to increasing customer satisfaction, as did vulnerable and highly vulnerable customers (E103).
- 18.28 Users of LCTs and smart meters gave higher priority to providing advice on LCTs (E103).
- 18.29 Those living in South Wales gave considerably higher priority to creating a National Energy Plan for Wales (E103).
- 18.30 Non-households struggling to pay energy bills gave considerably lower priority to setting a biodiversity net gain target (E103).

Change in energy usage

- 18.31 The majority of household customers (44%) reported not having changed their usage since the beginning of the pandemic and the subsequent lockdowns. However, a third also reported using more energy (E103).
- 18.32 Among future customers, 57% reported using more energy since the beginning of the pandemic, 1 in 10 were unsure about their usage levels (E103).
- 18.33 For non-household customers, nearly 2 in 5 (37%) thought their business used less electricity, and 17% said they were unsure (E103).

Working & financial situation

- 18.34 The majority of participants (52%) thought their household income had remained the same and would do next year, however this figure is significantly lower among future customers when compared to current household customers (E103).
- 18.35 Over a quarter of future customers (28%) thought their income would reduce. Uncertainty about household income was also higher among future customers, with nearly 2 in 5 admitting they were not yet sure (E103).
- 18.36 Most participants weren't concerned with their ability to pay bills before the pandemic. However, this has changed, with more customers recorded that they are either concerned or very concerned with their ability to pay now or in the future (E103).
- 18.37 When asked about the impact of COVID on paying their household bills, 1 in 10 household customers reported having fallen behind on their household bills. Those

with more concerns about paying their household bills (as seen in Table 21) were also likely to be late on their household bills (E103).

Impact on business

18.38 When asked to evaluate their business turnover, nearly 2 in 5 non-households claimed they had seen no change (38%), and 27% were not sure. Significantly more non-household (E103).

18.39 A smaller proportion of non-households (21%) reported a decrease in their turnover, and an even smaller proportion (14%) reported an increase in their turnover (E103).

18.40 Nearly 60% of non-household customers who saw a change in their business turnover believed COVID was the biggest contributor, followed by a combination of COVID and Brexit (20%). Interestingly, around 12% of those non-households whose turnover had been affected weren't sure about why their turnovers were impacted (E103).

18.41 While 21% of non-household customers reported a decrease in their turnover from the last three months, around a third were optimistic about the future: 31% expected their turnover to increase, and only 6% thought it would go down in the next 3 months. Uncertainty about the future, however, was relatively high – around 1 in 5 (22%) were unsure about their income in the coming quarter (E103).

18.42 Since the start of the pandemic, 57% of non-household customers reported that they had more staff working from home. However, only a third (36%) of the surveyed non-household customers thought homeworking could be a permanent business model going forward. Half of non-household customers said they did not intend to use increased homeworking as a permanent business model. Nearly 1 in 5 were unsure about the working environment for the staff post-pandemic (E103).

18.43 While 75% reported they would not close any sites, the same level of uncertainty can be seen when business customers had to think about whether or not they have to permanently close any of their sites in the next six months (20%) (E103).

Acceptability Testing

Customers' perception of WPD

18.44 In June 2021, customers were asked how well they know Western Power Distribution (WPD) and the services it is responsible for. At an overall level, Awareness is high at 79%, however, the proportion of customers know WPD very well is small at 3%. About 1 in 10 claims that they know a fair amount about the organisation and 28% know just a little about WPD (E108).

18.45 Customers who had experience power cut are significantly more likely to know about WPD when compared to those who did not (54% vs 34% - customers who claimed to "know just a little", "fair amount" and "know WPD very well"). This is also true for customers on PSR when compared to those you are not (55% vs 40%). Non-household customers are also significantly more likely to have some knowledge of

WPD (54%). Among socio-economic groups, those in AB are significantly more likely to know a fair amount about WPD or know WPD very well. Younger customers, especially those 16-29 are significantly more likely to not have any awareness of WPD (41%), while those over 65s are considerably more likely to have some knowledge of WPD (48%) (E108).

18.46 Answering the same question in the final stage of acceptability testing, in November 2021, awareness was slightly higher at 81%, however, the proportion of customers the know WPD very well is small at 4%. About 1 in 10 (11%) claimed they know a fair amount about the organisation and 28% know just a little about WPD (E109)

18.47 Among different regions, there were no significant differences when it comes to awareness levels of WPD. HH and future customers were significantly less likely to be aware of WPD when compared to NHH. Younger customers, especially those 16-29, are significantly more likely to not have any awareness of WPD (37%), while those over 65s are considerably more likely to have some knowledge of WPD (49%). Customers who had experienced a power cut are significantly more likely to know about WPD when compared to those who did not (49% vs 39% - customers who claimed to “know just a little”, “fair amount” and “know WPD very well”). This is also true for customers on PSR when compared to those who are not (61% vs 38%). Among socio-economic groups, those in AB are significantly more likely to know a fair amount about WPD or know WPD very well when compared to those in DE (E109).

Customers’ perception of WPD

18.48 In June 2021, the majority of customers found the information about WPD was easy to understand. 91% found the material they saw were either easy to understand or very easy to understand. 7% claimed that it was either difficult or very difficult to understand the material. Among those who did not find the information easy to understand, some of the comments were around the levels of information, complicated wording and the number of companies/parties involved in the process. Those in the South West (94%) and those who were not on the PSR (93%) were significantly more likely to have a higher top 2 box rating (“Yes – Easy to understand” and “Yes-Very easy to understand”) (E108).

18.49 Even more customers found the information about WPD easy to understand in the November 2021 testing. On average, 94% found the material they saw were either easy to understand or very easy to understand. Only 3% (on average) claimed that it was either difficult or very difficult to understand the material. Reasons for not finding the information easy to understand were similar to the June testing. Finally, those digitally excluded, those older than 65, and those who are not on the PSR were significantly more likely to have a higher top 2 box rating (“Yes – Easy to understand” and “Yes-Very easy to understand”). No consistently noticeable difference can be said about different regions (E109).

Overall satisfaction with WPD

18.50 When tested in June 2021, satisfaction with WPD's performance during the current business plan was high, with 82% of customers being either satisfied or very satisfied with WPD's performance. Only 1% said they were dissatisfied or very dissatisfied. Neutral sentiment and "don't know" were recorded at 17%. Positively, there were only 1% of customers that reported being dissatisfied with WPD's performance, with some reasons being need for more sustainability, too many power cuts and high charges (E108).

18.51 Indeed, unsurprisingly, customers who had experienced power cut were significantly more likely to be dissatisfied with WPD (2% vs 1%), while those who did not had considerably higher satisfied satisfaction rating (84% vs 83%). (top 2 box: Satisfied and Very satisfied). When looking at "satisfied" (top 2 box), the following statistically significant differences can be seen between the following groups:

- Future customers vs Household customers (90% vs 81%)
- South West vs East Midland and West Midland (87% vs 80% and 81% respectively)
- Customers on PSR vs those who are not (88% vs 84%)
- Those over 65s vs the 30-44s (86% vs 79%)

No significant differences can be seen among household and non-household customers when asked about satisfaction level with WPD (E108).

18.52 In November 2021, satisfaction with WPD's performance during the current business plan remained high, with 80% of customers either satisfied or very satisfied with WPD's performance. Less than 1% said they were dissatisfied or very dissatisfied. Neutral sentiment was recorded by 16% and "don't know" responses were 4%. Reasons for dissatisfaction were power cuts, high prices, power fluctuations and appetite for greater carbon reduction (E109).

Uninformed Acceptability

18.53 Around 4 of 5 (78%) of customers found the proposed bill level acceptable when considered prior to seeing the full detail of the plan. Only 3% said the proposed bill level is unacceptable. No significant differences can be seen between household and non-household customers. However, when compared to the future customer group, the following can be noted:

- Future customers were significantly more likely to have a higher acceptability rating (92% vs 77% and 78% for household and non-household customer respectively)
- Household and non-household customers were significantly more likely to have chosen a neutral response (Neither unacceptable nor acceptable) when compared to the future customer group (15% vs 4%).

This indicates that future customers were more opinionated and tend to have a less divided perception of acceptability levels. Among the four key regions, no significant differences were noted (E108).

18.54 Those significantly more likely to not accept the plan were the following, while reasons for unacceptability were either related with high prices and bills, people on low/limited income who cannot afford their energy bill or an appetite for the company to cover costs from its profits (E108):

Customer group	Digitally Excluded - Yes (A)	Male	30 to 44	45 to 64	SEG: C2
% Not acceptable	7%	4%	18%	17%	18%
Base size	192	1,009	284	927	302

18.55 Those significantly more likely to find the plan acceptable were (E108):

Customer group	PSR - Yes	16 to 29	65+	SEG: AB	SEG: C1
% Acceptable	83%	83%	82%	83%	81%
Base size	448	160	866	667	580

Uninformed Affordability

18.56 66% percent of customers thought the plan was affordable and about a quarter (26%) of customers had either a neutral response or was unsure about whether or not the plan was affordable. Eight percent overall found the plan unaffordable (E108).

18.57 A noticeable difference can be seen among younger customers and future customers. While they were more likely to have a higher level of acceptability rating, they were less likely to find the plan affordable (E108).

18.58 Uninformed affordability among the 16-29 was at 56% compared to 65%, 64% and 76% for those 30-44, 45-63 and over 65s, in that order. This age group was also significantly more likely to be uncertain about affordability (18% compared to 8% overall) (E108).

18.59 Groups of customers that were significantly more likely to not find the plan affordable were the following, while reasons for unacceptability were related with high prices and bills and people on low/limited income who cannot afford their energy bill (E108):

Customer group	30 to 44	45 to 64	Female	C2	DE
% Not affordable	10%	9%	9%	9%	11%
Base size	284	927	1,226	302	667

18.60 Groups of customers that were significantly more likely find the plan affordable were (E108):

Customer group	HH	NHH	South West	Digitally Excluded -Yes	30 to 44	45 to 64	65+	Male	SEG: AB	SEG: C1
% Affordable	66%	71%	73%	76%	65%	64%	76%	68%	75%	68%
Base size	2,175	368	528	192	284	927	866	1,009	667	580

Informed Acceptability

- 18.61 Once customers are presented with greater detail on the plan, including the detailed propositions and commitments, acceptability increased significantly to 82% overall, in June 2021 (E108). The proportion of customers who regarded the plan as “unacceptable” remained the same at 3%. Acceptability was also high at 80%, with unacceptability at 4%, in the November 2021 testing (E109).
- 18.62 Significant differences among sub-groups are similar to the finding above in the uninformed section, with those in social-economic group AB, those over 65, the digitally excluded, future customers and those in the South West significantly more likely to be acceptive of the plan, in June 2021 (E108). In the November 2021 testing, higher acceptability can be seen among females (82%) when compared to males (78%), those in AB and C1 when compared to C2 (85% and 83% vs 74%), those who were not struggling financially (82%) when compared to those who were (78%). Among HH, Future and Non HH customers, no significant differences can be seen for levels of acceptability. However, uncertainty was significantly higher among Future customers when compared to other two groups (14% of Future Customers selected Don’t know vs 8% for HH and 6% for NHH) (E109).

Informed Affordability

- 18.63 Similar to acceptability, once customers knew more about the plan and individual commitments, affordability rating increased 4 percentage points to 70% (significant). There was a small reduction of those who found the plan unaffordable, as well as those selected “neither affordable nor unaffordable”. Those 30-44 are significantly more likely to find the plan unaffordable, even after having seen further information about WPD, as well as customers in lower socio-economic groups (DE), while non-household customers, 65+, male, those in the South West, and those in the socio-economic groups AB and C1 were significantly more likely to find the plan affordable (informed) in June 2021 (E108).
- 18.64 In November 2021 (E109) nearly 7 out of 10 thought the level of bill proposed was either affordable or very affordable (68%). Again, no significant differences can be seen between regions. Affordability varied significantly between some customers groups. Demographics below were significantly less likely to find the bills affordable:
- Future customers when compared to HH and Business (59% vs 69% and 71% respectively)
 - Digitally Excluded (80%) when compared to NOT Digitally Excluded (67%)
 - Those 64 and under when compared to those over 65+
 - Those in C1, C2 and DE when compared to those in AB
 - Those who were struggling financially (61%) when compared to those who were not (76%)
- 18.65 Verbatim feedback for those who found the bill level not affordable were similar to those given in the acceptability question above, with cost being the key theme. Among HH, Future and Non HH customers, no significant differences can be seen for bottom 2 box (unaffordable). There is a high proportion of Future customers selected Don’t know (22%). This is significantly higher than the overall average, HH and NHH customers. This has impacted level of affordability among this group (E109).

Reasons for changing perception of affordability

18.66 Among 275 comments in June 2021, the key theme was having a better understanding and that the amount charged is affordable given the benefits likely to be gained. The “explanation of cost” also helped customers to change their views on affordability. After seeing the selections of commitments, customers realised that there is a lot of work that goes into servicing them and their community. Positive changes to protect the environment were also mentioned as a reason for changing affordability perceptions (E109).

Impact of the pandemic

18.67 In terms of change in energy usage In November 2021, the majority of HH customers (38%) have not changed their usage since the beginning of the pandemic and the subsequent lockdowns. However, 2 in 5 also reported using more energy. Among future customers, 45% reported using more energy since the beginning of the pandemic, 16% were unsure about their usage levels. For NHH customers, nearly 2 in 5 (35%) thought their business used less electricity, and 11% said they were unsure (E109).

18.68 Those that found that their energy usage had changed thought social distancing measures and consequently weren’t going out as much was the main contributor to using more or less energy. Looking at subgroups, future consumers were more likely to work from home while HH customers were more likely to have children at home and not going out as much (E109).

18.69 Around half of future and household customers recorded their work situation as “not working”. More household customers weren’t working when compared to future customers. A very small proportion of participants recorded being currently furloughed, totalling 1% of the sample. About a third of future and household customers still travel to their workplace (29%). More than 1 in 10 (11%) reported mostly work from home due to COVID (E109).

18.70 The majority of participants (52%) thought their household income will remain the same and would do next year, however this figure is significantly lower among future customers when compared to HH customers. Over a quarter of future customers (28%) thought their income would reduce. Uncertainty about household income is also higher among future customers, with nearly 2 in 5 admitted they were not yet sure (E109).

18.71 Most participants were not concerned with their ability to pay bills before the pandemic. However, this has changed, with more customers stated that they are either concerned or very concerned about their ability to pay now or in the future (E109).

18.72 Higher level of concern (now and in the next 12 months are recorded among customers in the West Midlands (59% now and 64% in the next 12 months), in the South West (62% now and 63% in the next 12 months), the digitally excluded (75% now and 81% in the next 12 months), those on the PSR (69% now and 71% in the next 12 months), and the ages groups 16 to 29 (72% now and 71% in the next 12 months) and 30 to 40 (74% now and 76% in the next 12 months) (E109).

18.73HH customers were also asked about the impact of COVID on paying their household bills, 1 in 10 reported fallen behind on their household bills. Unsurprisingly, those with more concerns about paying their household bills (as seen in Table 17) were also likely to be late on their household bills (E109).

Covid Impact on Business

18.74When asked to evaluate their business turnover nearly 2 in 5 NHH customers stated they had not seen a change (37%), and 25% were unsure. Significantly more NHH customers in West Midlands were unsure about their turnover. 18% of businesses report a decrease in their turnover. Comparatively, 21% have reported an increase in their turnover compared to what is usually expected in this period. Over half (56%) of NHH customers who saw a change in their business turnover believed COVID was the biggest contributor, followed by a combination of COVID and Brexit (23%). Interestingly, about 6% of those NHH whose turnover has been affected weren't sure about why their turnovers were impacted (E109).

18.75While 18% of NHH customers reported a decrease in their turnover from the last three months, around a third were optimistic about the future: 32% expected their turnover to increase, and only 7% thought it would go down in the next 3 months. Uncertainty about the future, however, was relatively high – around 1 in 5 (19%) were unsure about their income in the coming quarter (E109).

18.76Since the start of the pandemic, 55% of NHH customers reported that they had more staff working from home. However, only a third (32%) of the surveyed NHH customers thought homeworking could be a permanent business model going forward. Less than half of NHH customers said they did not intend to use increased homeworking as a permanent business model. Nearly a quarter (23%) were unsure about the working environment for the staff post-pandemic (E109).

18.77While 70% reported they would not close any sites, the same level of uncertainty can be seen when business customers had to think about whether or not they have to permanently close any of their sites in the next six months (21%) (E109).

WPD customer satisfaction target

18.78Overall, acceptability of the 93% customer satisfaction target was high at 86%, and 7 in 10 thought this level was sufficiently ambitious. However, when presented with other options their associate cost impact, only half would pick the 93% satisfaction with no additional cost impact option. Nearly a quarter of participants (23%) would prefer a higher level of customer satisfaction with an additional of £0.48 per year on the average bill (E109).

18.79The most supported commitments are strongly relevant to the day-to-day of an average customer, such as being cost-effective, stable supply and quality of customer service. While the least supported commitments still had a high level of support, they are more specific to smaller groups of customers rather than being beneficial to everyone (E108).

Key areas

- 18.80 In the November 2021 acceptability testing, although not given an acceptability score in the same way as the CVPs, customers were asked for their level of support as well as of ambition for each of the 12 key areas. Safety is the most supported area (82%), followed by Customers in vulnerable situations (78%) and Environment and Sustainability (77%). Social contract is the lowest supported area, with less than 60% support (E109).
- 18.81 It is noticed that overall, level of disapproval was very low: on average only 2% of customers opposed a key area presented in the study. Areas with lower support levels had higher neutral ratings – rather than opposition (E109).
- 18.82 Participants in general had a higher level of uncertainty when asked to evaluate ambition levels for each key area. On average, 18% could not give a definitive answer to whether each key area was sufficiently ambitious, too ambitious, or not enough (E109).

Customer value propositions

- 18.83D Overall, there was a high level of understanding across all CVPs (81%). Looking across the board, acceptance levels were relatively even among individual CVPs, with no significant differences seen. Decarbonised community is the most understood CVP, and Community Energy Engineers was the least understood (E109).
- 18.84 Overall, 8 in 10 found the CVP presented to them acceptable. Looking across the board, acceptance levels were relatively even among individual CVPs, with no significant differences seen (E109). Net Zero had the highest level of acceptability at 82%, and Decarbonised community had the lowest acceptability rate at 80% (E109).
- 18.85 Overall, there was a high level of uncertainty when asking about ambition, with nearly 1 in 5 selected “don’t know” (E109).
- 18.86 Across all CVPs, some key themes of why customers did not accept the proposed CVPs were not knowing enough to make a decision, benefit to customer can be unclear, and that investment should come from WPD’s profits instead of customers.
- 18.87 Overall, 65% of participants support the proposed CVP they were presented with, and its cost. On average, 30% of customers prefer a potential bill decrease (E109).
- 18.88 Of the 30% preferring to see a bill increase than fund the CVPs at this level, context is extremely important. The final research was undertaken in October 2021, during a time of headline national news about soaring wholesale energy prices leading to multiple supplier failures and concerns about millions of customers defaulting to the energy price cap and the need for future bill rises to account for this. WPD therefore found greater consumer nervousness about energy prices and the need to keep bills as low as possible, than compared to the first round of acceptability testing in March 2021. Customers opting for a reduced CVP and bill impact tended to be low socio-economic grade, future customers (16-29) or financially struggling (E109) – therefore the current national environment would likely be having a significant impact on their views on

potential cost increases. Despite this context, the acceptability of WPD's final plan remains very high (80%).

18.89 In addition, the acceptability testing was undertaken based on WPD's draft CVPs as published in July 2021. This therefore tested the most conservative estimate of the total value these CVPs would deliver for customers as further work on social value research and finalisation of cost benefit analysis was still to be undertaken. Across all six CVPs WPD has subsequently provided evidence that the total value each initiative will achieve is significantly greater than the initial estimates in July 2021, as a result of which it is expected customer acceptance of the costs (relative to the updated benefits) to now be significantly higher than 70%.

Date	Phase	Event	Event code	Description	Delivery partner	Top 5 segments engaged (% of total event)	Attendees
Sep-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	WPD Fuel Poverty Best Practice Workshop: feedback report	E094	On 23 September 2021, Western Power Distribution (WPD) hosted a Fuel-Poverty Best Practice stakeholder workshop to inform stakeholders about – and seek feedback on – the following topics: A Smart and Fair Future; Sharing Best Practice; and Delivery and Effective Reporting. Due to of Covid-19 restrictions, the workshop was hosted online. It consisted of a series of presentations given by WPD representatives or stakeholders from key partners, followed by either round-table discussions or Q&A sessions. In addition, stakeholders were asked to vote in an online poll on a number of topics.	EQ Communications	1) Charities (100%)	17
Sep-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	WPD Business Plan workshop: Customer Service; Consumer Vulnerability and Social Contract	E095	On 15 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: customer service; customer vulnerability; and the social contract. The workshop was hosted online, using Zoom. Each session consisted of a short presentation 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.	EQ Communications	1) Charities (33%) 2) Other (14%) 3) Consumer interest bodies (10%) 4) Energy Consultant (10%) 5) Local authorities (10%)	21
Sep-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	WPD Business Plan 2 Workshop	E096	On 16 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; network resilience,	EQ Communications	1) Local authorities (24%) 2) Energy Consultant (18%) 3) Business customers (12%) 4) Domestic customers (12%) 5) Other (12%)	17

				business IT and cyber; environment and sustainability; and safety and workforce resilience. 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 propositions.			
Sep-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	Business Plan Workshop: Innovation and Digitalisation; WPD's Independent System Operator and Managing Uncertainty; Connecting to a Smarter Grid to facilitate Net Zero; and Community Energy	E097	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.	EQ Communications	<ol style="list-style-type: none"> 1) Local authorities (32%) 2) Other (21%) 3) Energy Consultant (11%) 4) Developers (6%) 5) Academic institutions (4%) 	47
Sep-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	WPD Customer Value Propositions workshop feedback report	E098	On 14 September 2021, Western Power Distribution (WPD) hosted a virtual workshop to seek feedback from its stakeholders on the Customer Value Propositions (CVPs) it was proposing to include in its RIIO-ED2 Business Plan. CVPs represent commitments that go significantly beyond the baseline expectations of a DNO. The propositions focus on areas where WPD feels it can	EQ Communications	<ol style="list-style-type: none"> 1) Local authorities (40%) 2) Other (21%) 3) Energy Consultant (15%) 4) Domestic customers (4%) 5) Academic institutions (2%) 	52

				deliver exceptional additional value to customers. 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 propositions. The workshop was split into five main sessions focusing on the following topics: the overall acceptability of the Business Plan and its bill impacts; CVPs on Net Zero and Community Energy; CVPs on partnering with Local Authorities & the National Energy Plan for Wales; CVPs on decarbonised Communities & Local Energy Schemes; and CVPs on LCT Energy Advisory Service & PSR Energy Action Plans.			
Oct-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	WPD Investment Workshops Interim Report	E099	Throughout September and October 2021, Western Power Distribution (WPD) hosted five virtual workshops covering WPD's four regions: Nottingham, Chesterfield and Derby in the East Midlands; Stoke and Telford in the West Midlands; Devon and Plymouth in the South West; and Swansea and West Wales, and Cardiff and East Wales in South Wales. Each workshop was designed to seek feedback from stakeholders on the following topics: familiarising delegates with WPD; supporting growth, the Green Recovery and the Transition to Net Zero; and planning the future network.	EQ Communications	<ul style="list-style-type: none"> 1) Local authorities (70%) 2) Developers (8%) 3) Storage / renewables providers (5%) and installers 4) Other (5%) 5) Consumer interest bodies (3%) 	39
Jun-21	Phase 5 - Business Plan Acceptance Testing and	WPD Customer Panel June 2021	E100	WPD Customer panel held online on June 24th with 12 stakeholders in attendance.	WPD	<ul style="list-style-type: none"> 1) Utilities (25%) 2) Other (25%) 3) Emergency services (17%) 4) Consumer interest bodies (17%) 	12

	Gap Analysis					5) Charities (8%)	
Jun-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	Connection Customer Steering Group meeting June 2021	E101	Connection Customer Steering Group meeting held online on June 23rd with 19 stakeholders in attendance.	WPD	1) Other (26%) 2) Utilities (21%) 3) Energy Consultant (21%) 4) Storage / renewables providers and installers (21%) 5) Electric vehicle charge point manufacturers and installers (11%)	19
Sep-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	WPD Customer Panel September 2021	E102	WPD Customer panel held online on September 21st with 13 stakeholders in attendance.	WPD	1) Other (31%) 2) Consumer interest bodies (23%) 3) Utilities (15%) 4) Government (8%) 5) Emergency services (8%)	13
Oct-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	WPD RIIO-ED2 WTP Report October 2021	E103	Accent and PJM Economics were commissioned by Western Power Distribution (WPD) to design and implement a programme of research focused on obtaining customer willingness-to-pay (WTP) values for potential service improvements/initiatives. This follows two recent previous waves of WTP research. The purpose of this third phase is to explore a refined set of levels of service improvement, as well as some different attributes, in order to help finalise the company's business plan. This report describes the research design and presents key findings based on an analysis of the responses given by a sample of 1,544 participants.	Accent	1) Domestic customers (88%) 2) Business customers (12%)	1544
Jun-21	Phase 5 - Business Plan	Distribution Future Energy	E104	The purpose of the webinar was to communicate to stakeholders in the South West licence area an overview of the DFES	Regen	1) Utilities (44%) 2) Local authorities (23%) 3) Other (18%)	89

	Acceptance Testing and Gap Analysis	Scenarios 2021 South West		process, what the project outcomes would look like and how they may feed into and access the data. Stakeholder participation was also facilitated, and responses were sought on the near-term factors impacting the uptake rate and spatial distribution of low carbon technologies, and how the unique characteristics of the licence area would impact these.		4) Community energy groups (7%) 5) Energy Consultant (6%)	
Jun-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	Distribution Future Energy Scenarios 2021 South Wales	E105	The purpose of the webinar was to communicate to stakeholders in the South Wales licence area an overview of the DFES process, what the project outcomes would look like and how they may feed into and access the data. Stakeholder participation was also facilitated, and responses were sought on the near-term factors impacting the uptake rate and spatial distribution of low carbon technologies, and how the unique characteristics of the licence area would impact these	Regen	1) Utilities (43%) 2) Local authorities (26%) 3) Academic institutions (9%) 4) Community energy groups (8%) 5) Government (8%)	53
Jun-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	Distribution Future Energy Scenarios 2021 West Midlands	E106	The purpose of the webinar was to communicate to stakeholders in the West Midlands licence area an overview of the DFES process, what the project outcomes would look like and how they may feed into and access the data. Stakeholder participation was also facilitated, and responses were sought on the near-term factors impacting the uptake rate and spatial distribution of low carbon technologies, and how the unique characteristics of the licence area region would impact these.	Regen	1) Utilities (61%) 2) Government (32%) 3) Other (5%) 4) Trade associations (2%)	44
Jul-21	Phase 5 - Business Plan Acceptance	Distribution Future Energy Scenarios 2021 East Midlands	E107	The purpose of the webinar was to communicate to stakeholders in the East Midlands licence area an overview of the DFES process, what the project outcomes	Regen	1) Government (55%) 2) Utilities (27%) 3) Other (9%) 4) Academic institutions (5%)	44

	Testing and Gap Analysis			would look like and how they may feed into and access the data. Stakeholder participation was also facilitated, and responses were sought on the near-term factors impacting the uptake rate and spatial distribution of low carbon technologies, and how the unique characteristics of the licence area region would impact these.		5) Energy Consultant (2%)	
Jun-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	ED2 Business Plan Acceptability Testing June 2021	E108	Accent were commissioned by WPD to design and implement a programme of research to support WPD's aim to ensure that its business plan is in line with customer priorities and expectations and provide evidence that this is the case. The research also needed to assess whether customers find the proposed business plan acceptable and the bill impact(s) of the proposed plan affordable. An additional 116 qualitative responses contributed to the design and delivery of this research piece.	Accent	1) Domestic customers (83%) 2) Business customers (14%) 3) Future customers (2%)	2605
Nov-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	ED2: Final Plan Acceptability Testing November 2021	E109	The latest phase of customer engagement research was required to provide insight into the acceptability of WPD's final ED2 business plan. Accent were commissioned by WPD to design and implement a programme of research to support WPD's aim to ensure that its business plan is in line with customer priorities and expectations and provide evidence that this is the case. The research also needed to assess whether customers find the proposed business plan acceptable and the bill impact(s) of the proposed plan affordable. 12 cognitive testing interviews were conducted prior to the research piece to ensure participant understanding was maximised.	Accent	1) Domestic customers (70%) 2) Business customers (13%) 3) Vulnerable customer representatives (13%) 4) Future customers (4%)	1635

Aug-21	Phase 5 - Business Plan Acceptance Testing and Gap Analysis	Distributed Generation Owner/Operator Forum	E110	Western Power Distribution established a forum in July 2016 for Distributed Generation (DG) owner/operators to discuss issues in relation to outages and constraints under its Incentive on Connections Engagement (ICE) work plans.	WPD	1) Distributed generation customers (100%)	32
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