Stakeholder Panel Meeting Minutes – 7th October 2014

Subject:	Stakeholder Panel Session
When:	7th October 2014, 3pm
Where:	Queens Hotel, Chester
Panel Members:	Ian Mowatt – Energy Island Programme Anglesey Council Arwel Lloyd – UCML Steve Roberts – Sainsbury's Jody Bullock – UPL Paul Williams – Bellway Homes Marco Campolucci – Bordi- Green Switch Solutions Frank Welsh – Peel Utilities
SPEN Attendees:	Paul Brown Graham Campbell Louise Edwards Rachel Salter
Apologies:	N/A
Date of Next Meeting:	Jan/Feb 2015

Agenda

Introduction

3.00pm Tea and Coffee on Arrival
3.15pm Overview of SP Energy Networks Why are you here today? What are we trying to Achieve?
3.45pm Our Key Focuses to Date
4.00pm Tea and Coffee

Future Plans
4.15pm Our Approach
4.30pm Areas for Discussion:
- Customer Service
- Application Process
- Information Provision
- Communication
- Technical
- Enablers to Connection
- Choice
- Distribution/Transmission Interface
- Communities

5.30pm Agree Priority Areas and Next Steps

Purpose of Meeting:

Inaugural Stakeholder meeting to:

- Provide Overview of SPEN/Connections Business and key focuses to date
- Establish the purpose of the Stakeholder Group and function of panel
- Start to build upon our understanding of stakeholder needs and perspectives

- Agree Priority Areas and Next Steps

Actions:	Actioned By:	Completed By:
Share with the panel the action plan on competition following submission to OFGEM	SPEN	Dec 2014
Find out the rights on roads that are un-adopted	SPEN	Dec 2014
Provide more information on why we carry on with an Interconnected network rather than a radial one.	SPEN	Dec 2014
Consider if there are representatives missing from the group	Panel Members	Dec 2014 – email CAM's
Email Account Managers any other issues that were not discussed or missed on reflection	Panel Members	Dec 2014 - email CAM's

Welcome and Introductions	
SPEN Overview	
SPEN	SPEN provided a general overview of the business including the size, number of staff, location of operation and assets maintained. Also discussed the structure of the Transmission side of the Business and the three transmission owners and the 14 licences in the UK. SPEN discussed the retirement and the recruiting of new staff.
PANEL	Discussions were held on the difficulty SPEN were having on the recruitment of staff.
SPEN	SPEN recruit 125 per annum, from Graduates to craft apprentices, identifying the areas of shortage of staff.
PANEL	A point was raised that we cover England, Scotland and Wales and what we do to accommodate these three countries.
SPEN	SPEN explained that when interviewing staff, they try to identify where they originate from. Young graduates leavers are encouraged to work where they come to give back into their own community. There are Welsh speaking members of the staff within the company.
Our Business Plan – 2015 to 2023	
SPEN	SPEN provided an overview of what is proposed in our Regulatory (ED1) Business Plan submission.
PANEL	A member of the panel asked if SPEN have to make assumptions on growth in each area.
SPEN	SPEN explained that this is the case. The DG market is predominately led by policy and subsidies. Therefore some assumptions do have to be made.
PANEL	Some discussion was then had on CML (customer minutes lost) and the incentives that are already in place.
SPEN	SPEN explained that there are already incentives in place (GS payments). However, as we enter ED1 the timescales for customers being off supply are becoming tighter which has led to more investments being put into place in automation. We are looking at improving short term interruptions.
PANEL	A member posed the question if the 6.6kV network is going to be phased out.
SPEN	SPEN confirmed that this is being phased out but details on timescales could not be provided at this moment in time.
Network Connections	
SPEN	SPEN provided an overview of the size and scale of the Network Connections activities from enquiries received, quotes issued and objectives.
PANEL	It was suggested that the panel would benefit from understanding the detail on a number of the figures presented including the ratio to quotes issued to offers accepted.
SPEN	SPEN provided an overview of the figures as follows: Minor Connections – 55/60% are accepted which has risen in the last 3 years driven by customer behaviour and a much improved service. Housing – 15% are accepted – Significant numbers are awarded to ICPs/IDNOs with their ability to offer asset value.

	Diversion/Notice to Quit – 50% acceptance rate, with an increase in the number of notice to quits. Industrial/Commercial – 30/40% of projects accepted. It was discussed that this is higher than in the North due to there being less activity. Distributed Generation – 10-15% acceptance which has been dropping lately as heavily influenced by changes to the feed in tariffs (FITS) and Renewable Obligation Certificates (ROCS).
PANEL	Discussions then focused on competition. It was pointed out that SPEN's attitude on competition is good. The Panel's view is that ICPs over commit and under deliver. A member of the panel asked why we are unable to get ICP's to build wind renewables in Scotland.
SPEN	SPEN then went onto to explain that some market segments have opened up more than others. This is currently under review by OFGEM.
PANEL	A member of the panel believes that competition is not advertised enough in commercial entity. OFGEM should force the lead.
SPEN	SPEN promote competition on their website. It was then asked how SPEN can help to promote competition more. SPEN explained that they are doing all they can.
PANEL	Discussions then focused on modifications to price control and how we can work with OFGEM and do more to promote competition. It was discussed that the main disadvantage of going down the ICP/IDNO route was timescales. SPEN do more than necessary.
SPEN	SPEN are keen to promote more engagement with ICPs and moving forward it could be good for SPEN, ICP and customer to meet early on in the process.
SPEN	SPEN discussed the legacy contracts (in reference to Distribution Generation only) and how we are in our powers to release capacity when developers are not making progress.
PANEL	A member of the panel pointed out that other DNO's use milestones to ensure that work is moving forward.
SPEN	SPEN explained that work is currently underway to look at adding milestones into the offer letters to try and resolve this issue. SPEN recognise customers are doing their best to move contracts forward.
PANEL	Discussions turned to Diversions where it was specifically asked if SPEN have seen an increase in the number of 'notice to quit' (NTQ) jobs.
SPEN	SPEN explained that customers are choosing the NTQ route as in some cases it was suggested that SPEN can issue these faster.
PANEL	A panel member then explained that their customers us the NTQ process as they are unable to get a diversion quote quick enough.
SPEN	SPEN then went on to explain that we are looking at putting together voluntary SLA dates for Diversions in order to reduce timescales for offers.
Why Are You Here Today? / What Are We Trying to Achieve?	
SPEN	SPEN outlined the reasons why the panel members had been chosen and also described what they hoped that the panel would achieve. Panel members had been approached due to their standing within the industry and long established relationship with SPEN. The members were advised that minutes would be

	published on the internet with panel members names anonymised. A number of questions were asked of the panel; was there representation missing from the group? Was this the right time for holding this type of meeting?
PANEL	The group were happy to be invited and agreed that they were happy for their names and minutes of the meeting to be published on the web. The general consensus was that this was a good time to hold the meeting and they are keen to ensure that they are maintained.
Our Key Focus to Date	
SPEN	SPEN gave an overview of a number of initiatives that they had been working on with regards to Customer Service Improvements, Stakeholder Engagement, Information Provision and extension of Contestable activities. Discussions took place on the idea of an online portal in the future.
PANEL	A member of the panel asked if this online portal will be available for Wayleaves / Land Rights.
SPEN	SPEN advised that this would be available, however, this is a very complex area and there are currently a number of improvements being considered. Having an online portal for Land Right is likely to be a few years before it is available. This is a very hot topic at the moment and a lot of time is being spent on improving this. SPEN also went on to discuss that the more information SPEN can provide to their customers the better. The heat maps for Distributed Generation are already available online and are considering if these could be used for demand. Evidence from Distribution Generation is that they are not being used.
PANEL	A member of the panel shared their positive views on our heat maps and also Quote + and how useful it has proven to be. The panel members discussed dual offers and the use of them. Some panel members shared that they issued 4-5 offers to ICP for the same development. This led onto discussions on charging for costs and whether SPEN should be charging admin fees for their quotes. This has gone to OFGEM / DECC to review. It was widely agreed that the re-introduction of A&D fees would encourage developers to use the tools available to them, more so than they do today.
The Future...	
SPEN	SPEN outlined their plans to develop improvement plans for all of the defined market segments over the next 4/5 months. SPEN described the approach as to how these plans would be developed and that SPEN would be looking for the panel to sanction these improvement plans.
Areas for Discussion	
SPEN	The meeting was then opened up to panel members to raise any areas that they would like to discuss.
Consents/Wayleaves	
PANEL	A number of the members of the panel spoke openly of the issues they face with Wayleaves / Land Rights. One panel member quoted an example on how they find it difficult to deal with SPEN on this matter. They feel that the department is being obstructive and find it very difficult to move the project forward. The members feel that we need to be much clearer on the time that it takes to get Land Rights

SPEN	SPEN explained that they are continually looking at improving this process and with increased workload; the Legal team are working increasingly hard to improve this. There are weekly phone calls with external lawyers in order to establish ownership and clarity. They need to know how to prioritise.
PANEL	A member of the panel asked the question on why we can't have temporary Wayleaves when securing an easement.
SPEN	SPEN answered that we are reluctant on issuing temporary Wayleaves. Temporary Wayleaves have been used in the past but only under certain circumstances.
PANEL	A member of the panel asked why as default don't offer an underground cable solution.
SPEN	SPEN explained that we are obliged to provide our customers with the minimum scheme. If a customer requests us to go underground we can but it will then be an enhanced scheme.
Customer Service	
PANEL	Members of the panel felt that the role of a Customer Account Manager was very important and find it a great help to have the one point of contact. One member of the panel felt that it was important that the Customer Account Managers are treated correctly by their customers. Their details should not being passed about with a company.
Communication	
PANEL	A member of the panel discussed how SPEN need to look at the overall position. How SPEN need to communicate with stakeholders to look at demand and generation coming together in order to come up with an affordable way of connecting. The member of the panel felt that a more joined up solution was required. People want to focus on and understand barriers (rather than enablers) in order to identify potential solutions.
SPEN	SPEN discussed how the first comer rule applies and how we are unable to be the first comer due to it being DUOS customers that would pay for this.
PANEL	A member of the panel discussed how other DNOs send email updates if there are any changes to specifications etc. Customers need to go online and sign up to start to receive these emails rather than them getting them automatically.
SPEN	SPEN explained moving forward we will ask our customers what it is that they wish to subscribe to.
PANEL	A member of the panel asked when the last time our end to end process was reviewed.
SPEN	SPEN explained how there are so many sub processes with Network Connections and so we are trying to target those where there have been some improvements identified.
Additional points	
SPEN	SPEN discussed with the members of the panel the proposed reorganisation that the business is going through. One panel member stated that they had heard that SPEN were moving to a more regionalised structure.
PANEL	The members of the panel collectively agreed that it is important that this stakeholder panel doesn't lose focus during this reorganisation.