

SP Energy Networks

# Incentive on Connections Engagement (ICE) Ofgem Submission

May 2017

Also available in Welsh



**SP ENERGY  
NETWORKS**

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## Looking Back Report

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# Introduction: CEO Foreword

## Right through our business, across every level and in every area, we're listening to our stakeholders.

But even more importantly, we're acting on what they say, taking what's important to them and getting it right.

The result is strong, genuine partnerships and collaborations that really make a difference.

## Broad and inclusive

This commitment to our stakeholders is reflected in how we approach our connections engagement and the way we build our ICE work plans.

Through workshops, face to face meetings, in-depth surveys and our well established Connections Stakeholder Panel, our connections engagement activities are broad and inclusive.

Our stakeholders are at the forefront of our thoughts when we build our ICE work plans.

This year we also draw on the details contained in Ofgem's qualitative assessment document. It clarifies requirements for our ICE submissions, provides guidance and highlights best practice.

As a result our new work plans have fewer, more focused actions, which are clearer and have more measurable targets.

And because we intend to complete our actions in quarters 2 and 3, we'll be better placed to plan and monitor progress and assess their impact in quarter 4.

## Customer commitment

We want to provide the best service we can; we are continually looking to improve our customer offering. Just like the Broader Customer Service Measures (BCMS) for minor connections customers, we have continued to survey our major connections customers monthly.

These surveys have shown a 15% improvement in customer satisfaction last year across both our licence areas –

SP Distribution (SPD) and SP Manweb (SPM). These satisfaction scores demonstrate the effectiveness of our improvement plans and we can easily gauge their impact.

## Evolving energy landscape

The Scottish and Welsh governments both have ambitious targets in the transition to low carbon economies. Until now, carbon targets have predominantly been met by the decarbonisation of electricity production. To meet the long-term aspirations and sustained decarbonisation, it is recognised that more of our heat and transport needs must be met by electrically-powered technologies (such as heat pumps and electric cars).

We recognised early that our energy landscape is changing, and that we must plan for this and be proactive in our discussions with Ofgem. We have worked hard to get our customers connected to our network, reinforcing where necessary. Currently within our licence area, North Wales and Dumfries & Galloway are net exporters of electricity. But we know that as demand increases we must look at alternative methods to get our customers connected.

We have led the way in this area, providing flexible connections – SPEN has the most flexible connection schemes implemented of planned any of DNO.

We've been busy in other areas too. Rather than sit back, we've led the way across a range of areas such as managing our constrained queues, Statement of Works (SoW) and innovation.

We've used our vast experience of working alongside renewable energy providers to take the lead in the journey to becoming a Distribution System Operator (DSO). Our detailed DSO vision developed by our DSO steering group, industry participants and stakeholders such as National Gas and Electricity Transmission (NGET), Elexon, RES, Electricity North West and Strathclyde University, is the first of its kind.

We do all of this, and much more, as a matter of routine. We go the extra mile for our customers – far beyond the typical energy business remit – engaging through social media, innovating and preparing for the future. It's what we do every single day.

Underpinning it all is our integrity, openness and determination to not simply tick boxes, but to put our stakeholders' opinions and expertise right at the heart of our business.

**Frank Mitchell**  
CEO of SP Energy Networks




# Our Connections Strategy

Everything we do revolves around our stakeholders. By actively engaging with them and seeking their opinions, we can be sure our strategy remains relevant and appropriate. We remain dedicated to our principal commitments which underpin our high level connections strategy (published on page 50).

## Time:



Our aim is to reduce how long it takes to provide a connection offer, and the time it takes to make it all happen.

## Cost:



Our vision is to make the whole process more efficient, and deliver cheaper connections.



## Satisfaction:

Our aim is to communicate better with our stakeholders, to be more flexible and to help enable a competitive market.

## Time

Timing is everything, our customers continue to tell us how important time is to them.

They want to receive their quote quicker, their connection delivered faster.

They've sent a clear and consistent message that we should make land rights and telecommunications our key areas of focus.

We know we still have some work to do.

That's why our 2017/18 work plan seeks to address their concerns and strives to make improvements.

## Cost

We realise that cost can make or break a project. For larger customers, it's often a key factor in a project's viability.

We believe in making our costing clear and transparent, such as giving a clear break down of costs in our connections offer letters. That way our customers know where they stand right at the start, and can make an informed choice.

Customers have a clear view of what's included in the cost of their project, particularly helpful for our repeat customers.

We're also committed to helping our customers understand more about the work we do for them. So we make a point of being clear and open in our communications.

To help keep costs down, we're making use of new technologies wherever we can.

Finally, our Code of Practice (CoP) has been highly successful. It's helped customers by removing barriers and ensuring they have choice in their connections provider.

## Satisfaction

We're constantly looking to improve our business from the inside, so it delivers better service on the outside. Above all, we want to provide the best service we can.

We've increased the number of customers surveyed each month from 30 to 60. By doing that, we can provide the same high standard of service for our major connections customers, as we do for the BMCS customers.

These surveys have shown a 15% improvement last year across both our licence areas – SP Distribution (SPD) and SP Manweb (SPM). Our SPD area overall average score rose from 7.3 to 8.3, while our SPM area improved from 7.1 to 8.2.

We'll continue to use customer satisfaction surveys to monitor our progress and seek further improvements to our service.

Customer satisfaction surveys have also helped steer us towards the actions to include in our 2017/18 ICE plan. Crucially, they also help us to understand our customers better, so we're in touch with what they think is really important.

We work hard to support alternative connections providers operating in our licence areas too, actively supporting and promoting customer choice, making sure that anyone seeking a connection from us knows they have a choice.



# Our Strategy for Stakeholder Engagement

## At the Heart of all We Do

**Our strategy aim:** continually improve how we engage with stakeholders across all aspects of our business – allowing stakeholders to influence, guide and steer our activities, enabling us to better deliver against our vision as a business.

### Strong foundation

When you are building for success, you need a solid foundation. Our strategy is evaluated against the AA1000 stakeholder standard, and we rigorously manage engagement to meet its high requirements.

**At the core of our strategy sit 3 principles:**

#### Inclusivity:

We're accountable for what we do. We accept our responsibilities and engage at all levels to achieve better outcomes.

#### Materiality:

We pinpoint the issues that are most relevant to us and our stakeholders and prioritise effectively.

#### Responsiveness:

We respond to feedback from our stakeholders and take action to improve performance.

### Our strategy is comprehensive

Working hand in hand with stakeholders is a vital ingredient in our business. That's why we have ensured our strategy for engagement is comprehensive and robust.

### Engagement is part of everyone's job

Our commitment runs broad and it runs deep. Responsibility for engagement is fully embedded across our whole business, via 14 engagement plans, 72 senior managers and all teams. The way we engage is embedded and constantly reviewed and challenged at senior level. Our strategy is updated annually, signed off by our CEO and senior management and supported by our central coordinating team.

It's at the heart of how we develop and deliver services. And it provides the backbone for our strong connections strategy.

**Our strategy is delivering positive outcomes and constructive change for our customers, in everything we do.**

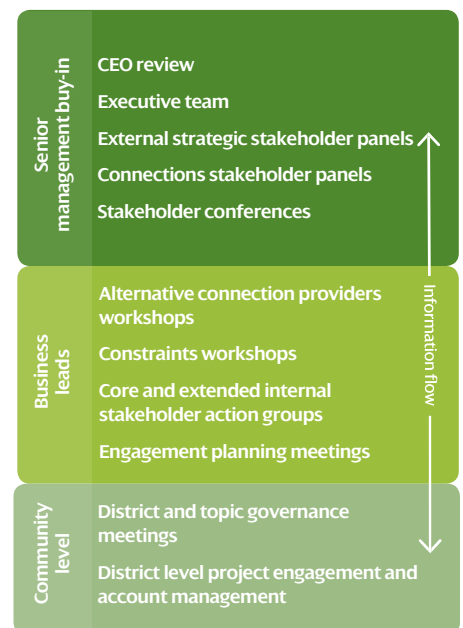
### Governance and accreditation

Our new district-based organisation and our embedded governance structure enables information sharing between

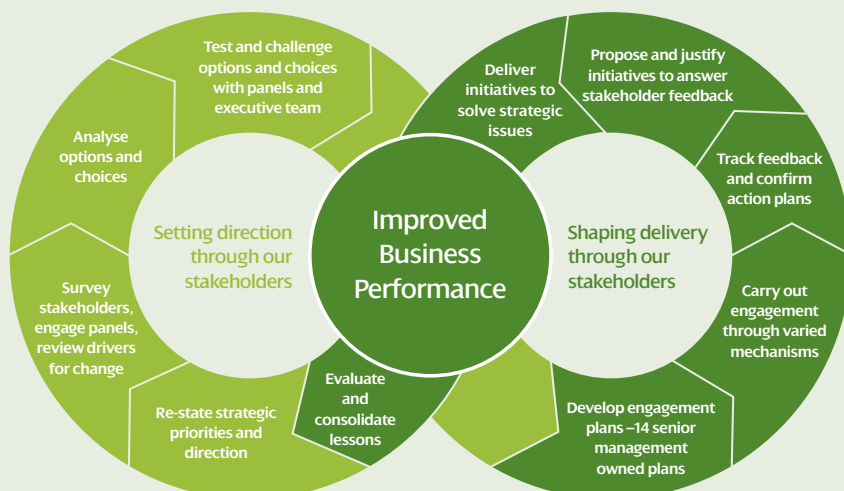
all levels of the organisation. It provides several touch points throughout the formal structure to facilitate the flow of information and feedback from the front line teams to the executive team and back again. This enables us to gather and develop strategic opinions and make decisions, implementing them in line with stakeholder feedback and themes.

Our governance structure supports compliance with the AA1000 stakeholder engagement standard. Independent reviewers (DNV GL) annually review our strategy in line with this standard.

### Our embedded governance structure



### Our perpetual feedback loop drives relentless service improvement



“As in previous years, we saw significant evidence of commitment at a senior level to the stakeholder engagement strategy, as well as executive and senior management participation in a variety of stakeholder engagements and events. This continued to be well received by the stakeholders we interviewed”.

DNV GL Independent Review 2017

# Bringing Connections Engagement to Life

## Planning, Engaging and Acting

By employing our consistent four-step process, we align our engagement with our strategic issues, prioritise our stakeholders effectively, select the right methods of engagement and turn feedback into actions.

### Step 1:

#### Identifying strategic issues and risks

As the needs of our business and our stakeholders evolve, we know that it is important to continually refine and improve our approach. We identify and validate our stakeholder's business priorities, capturing the emerging themes through a variety of mechanisms including:

- **Connections panels**
- **Industry working groups and best practice sharing**
- **Annual and monthly customer surveys**
- **Local district forums**
- **Face-to-face project meetings**

### Step 2:

#### Identifying and prioritising a broad and inclusive range of stakeholders

Mapping and prioritising stakeholders is a key part of our engagement planning process. Senior managers select the stakeholder groups applicable to their area from a master list of 139 categories.

From this list, they attribute a prioritisation rating to each stakeholder group, based on two key criteria:

- **Interest in this subject**
- **Influence over our organisation on this subject**

The subsequent ranking produces four levels of stakeholders on our interest/influence matrix.

#### Reaching a broad and inclusive range of stakeholders:

- **Survey** - all unmetered, metered and DG customers who have applied or accepted an application quote in the last year are given the opportunity to take part in our annual survey.
- **Workshops** - promoted through Electrical Networks Association (ENA) and Scottish Renewables to reach a wider audience.
- **Facebook and social media** - reaching a wide variety of individuals and organisations.
- **Stakeholder panels** - representing all market segments and covering all areas of the connections process.
- **Partnerships** - reaching community projects through partnerships with Local Energy Scotland, England and Wales and Community Energy Scotland, also represented on our panels.
- **Joint network operator community energy days** - to reach a wider range of stakeholders.
- **Future relationships** - building future relationships with young farmers, land owners and city energy projects.

### Step 3:

#### Informing and engaging stakeholders through a variety of mechanisms

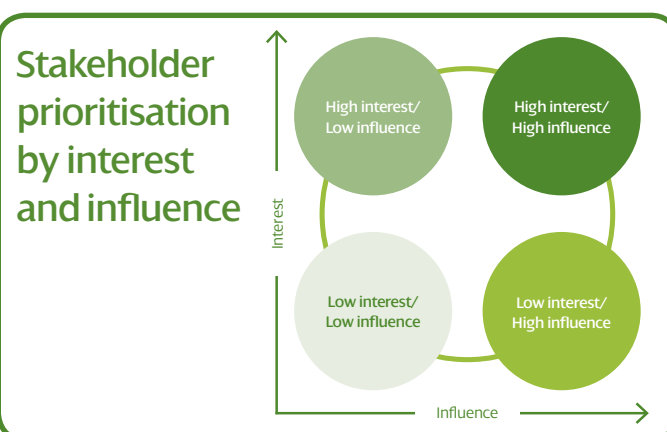
We plan targeted engagement to cover the strategic issues and risks and the results of stakeholder mapping identified in steps 1 and 2. We tailor engagement to the interest and influence level of the stakeholders identified and work to ensure breadth and depth of engagement across all areas. Some of our mechanisms:

- **Connections panels**
- **Partnerships with community and local energy organisations**
- **Alternative connections provider workshops**
- **Constraints workshops**
- **Face-to-face meetings**
- **Local district forums**
- **Exhibitions, conferences and industry events**
- **Focus groups and surveys**
- **Industry working groups and joint Distribution Network Operator (DNO) community energy events**
- **Newsletters**

### Step 4:

#### Recording feedback and taking action

Gathering feedback, analysing it and then taking the right action is where it all comes together. Our new Tractivity stakeholder management system is like a sorting office for feedback. It's here that all feedback from stakeholders is logged and linked to an associated contact and business action. 196 actionable items were logged in 2016–17. It helps us keep on top of stakeholders' feedback and track our actions, so we can see instantly what we have to do and how progress is being made. We highlight the outcomes from our extensive engagement programme on the following pages.





**Frank Mitchell, CEO SPEN,**  
SPEN Strategic Stakeholder panel



# Our Connections

## Stakeholder Engagement in Action

We need to know our work plans continue to reflect what our stakeholders want. So we carry out a variety of connections engagement activities, right through the year.

We make use of core engagement, including connections stakeholder panels and in-depth annual surveys. That way we can confirm business and stakeholder priorities and identify emerging themes.

Our feedback loop ensures our plans are valid and mirror our stakeholders' requirements.

### Connections Stakeholder Panel

Bi-Annual meetings held with 35+ key players across all market segments in the connections industry.

**35+** Key Players

### Annual Stakeholder Surveys

In-depth survey with 200 customers, and 2000 given the opportunity to provide views on our service and what we could be doing to improve it.

**200 & 2000** Customers



### Account Management

We have 8 Account Managers who engage with a range of metered, unmetered and DG customers on a daily basis.

**8** Account Managers

### Monthly Customer Satisfaction Survey

Our monthly surveys show that on average we score 8.3 for service from customers who have received a quote and/or connection from us.

**8.3** For Service





### Industry Events

We were key speakers at 40 events over the past year, including the National DG Forum and Scottish Renewables Conference, Smart Energy Wales and Energy Policy for Wales.

**40+** Events

### District Stakeholder Days

We reached over 350 people at 11 district days where we highlighted our plans and introduced our new district teams.

**350** People

### Customer Workshops

Over 600 stakeholders had the chance to attend our various customer workshops, covering topics such as queue management, statement of works, battery storage, export limiting devices and flexible connections in constrained areas.

**600** Stakeholders

### District Days

We have promoted 132 district days, where customers had the chance to meet local staff and discuss any issues.

**132** District Days

### Website

Our website's connection section received 36,000 hits this year alone.

**36,000** Hits



### Newsletters

Our Independent Connection Provider (ICP) / Independent Distribution Network Operator (IDNO) newsletter was circulated to over 100 stakeholders this year.

**100** Stakeholders

### Plan Endorsement

Over 1,400 customers and stakeholders had the chance to endorse our work plan.

**1,400** Customers

### Social Media

We use Twitter and Facebook to deliver key messages, and have 5,458 Twitter followers.

**5,458** Followers

# We Play an Active Role in Industry Collaboration

We recognise the importance of sharing best practice between DNOs, other utility providers and industry stakeholders that ultimately delivers benefit for our stakeholders and customers.

## ICE – Best Practice Working Group

We have been instrumental in creating an ICE best practice working group. This group's aim is to aid collaboration on creation and delivery of ICE plans and effective ways of engaging with our respective stakeholders. The terms of reference for this group are evolving, but respective ICE plans have been shared, and we have collaborated with all DNO's on a shared glossary for our respective ICE work plans.

ENA - Energy Network Association  
 DG - Distributed Generator  
 DSO - Distribution Systems Operator  
 TSO - Transmission Systems Operator  
 BEIS - Department of Business, Energy and Industry Strategy  
 NGET - National Grid Electric Transmission

## ENA TSO-DSO Steering Group

We are active participants of the newly created ENA TSO-DSO workstream, which will support BEIS/Ofgem in defining the roles and responsibilities of future DSO. This workstream comprises a steering group, advisory panel and four separate workstreams covering a range of issues:- transmission/distribution interface, customer experience, DSO transition and charging (SPEN leading). We will seek to inform our customers on the priorities, deliverables and decisions made by this key industry workstream.

## DG-DNO Steering Group

We sit on the DG-DNO steering group which brings together key representatives from the DG community, DNOs and NGET to address key industry issues.

## SPEN DSO Steering Group

SPEN Board Directors, representatives from NGET, Smarter Grid Solutions, Strathclyde University, RES and ELEXON, meet quarterly to develop our DSO vision and drive progress.

## EURELECTRIC's Distribution System Operator (DSO) Committee

SPEN CEO Frank Mitchell appointed Chairman of committee, representing the common interests of the electricity industry at pan-European level.

## Low Carbon Network Innovation (LCNI) Conference

We presented on a wide range of our innovation projects including our Accelerating Renewable Connections (ARC) project, Virtual Work Asset Management (VWAM) mapping our overhead networks in 3D and Flexible Networks.



### DNO Stakeholder Best Practice Group

The stakeholder best practice working group is a group which was formalised as an ENA group in 2015/2016. It brings together DNOs for the purpose of sharing stakeholder best practice and identifying national stakeholders with the aim of working collaboratively across DNOs.

### ENA DG Technical Group

DNO led group focussed on technical issues affecting the DG community.

### DNO Community Energy Group

We are a key member of this group, which looks to develop shared best practice for engagement with communities.

An output from this group was The Community Energy Conference which is a great way to help communities and new, small groups find their way in a rapidly evolving market.

The responses to the initial conferences have been so positive, that we've committed to hosting at least one conference a year in each of our areas.



### Scottish Government - Solar Deployment Working Group

Focusing on how the solar sector and DNO's can work collaboratively together to support the Scottish Government's Energy strategy. Focussing on G83-Stage 2 installations and associated grid capacity with SG Governments ambitions for building standard regulations. Grid capacity and grid faults and how DNO's can support future deployment for solar PV in Scotland.

### Scottish and Southern Electricity Networks (SSEN) / SP Energy Networks Collaboration

We have recognised the need to work with other DNO's on collaborative events in order to reduce stakeholder fatigue. In Scotland, we ran sessions in partnership with SSEN at the recent Scottish Renewables Conference. We are also planning to run a jointly hosted constraints workshop.





Incentive on Connections Engagement (ICE)

# SP Energy Networks Looking Forward Report





# Looking Forward: Introduction

## Our 2016/17 ICE work plan contained 54 actions across our market segments.

Over the year we completed small but really helpful changes like providing a buddy system for our new customers, to complex ones that involved reorganising our business by placing our land officers in each district.

We also took on wide-reaching actions such as new Queue Management and improved Statement of Works processes, which were developed with all the DNOs and Ofgem / Business Energy and Industrial Strategy (BEIS) to ensure consistency and compliance across the UK.

For the coming year, we've opted to focus on the things that really matter. As a result, each action now has the potential to have significant impact, with stakeholders placed at their core and the prospect of delivering far reaching benefits into the future.

In focussing on 11 significant and far-reaching actions, we're able to meet another of our stakeholders' requests – to cut the length of our ICE submission.

We have worked hard to ensure that our actions address our stakeholders feedback. This year we are set to deliver one of our largest investments in back office systems. With this in mind, we have recognised that we will be unable to make any changes to our RADAR system, as requested. We will however ensure we improve consistency in process by trialling one of our new communication channels and run webinars for our Alternative Connection Providers.

Here we will outline our SPEN journey and explain the improvements our stakeholders have benefited from across our key business areas; application, information provision, communication, choice, enablers to connections, communities and innovation.



# The Plan Development: Listening to our Stakeholders

We're committed to recognising community projects and to making sure we help communities that want to connect to the electricity network.

## Acting on feedback to create our work plans

While developing our work plans, we made a point of engaging with stakeholders through a variety of channels, and really listening to their feedback.

We published our work plan in draft form on the 28th April 2017. It appeared on our website along with a link to a survey, which also gave stakeholders the chance to provide feedback.



## Responding to feedback to our draft work plans

Since we published our draft work plans in April, we've listened to stakeholder feedback. We have modified action 7 and added actions number 10 and 11 below.

### Our stakeholders told us...

That they would like to understand the impact of our network plans on their existing connection or planned future connections – often this affects their income or viability of planned projects.

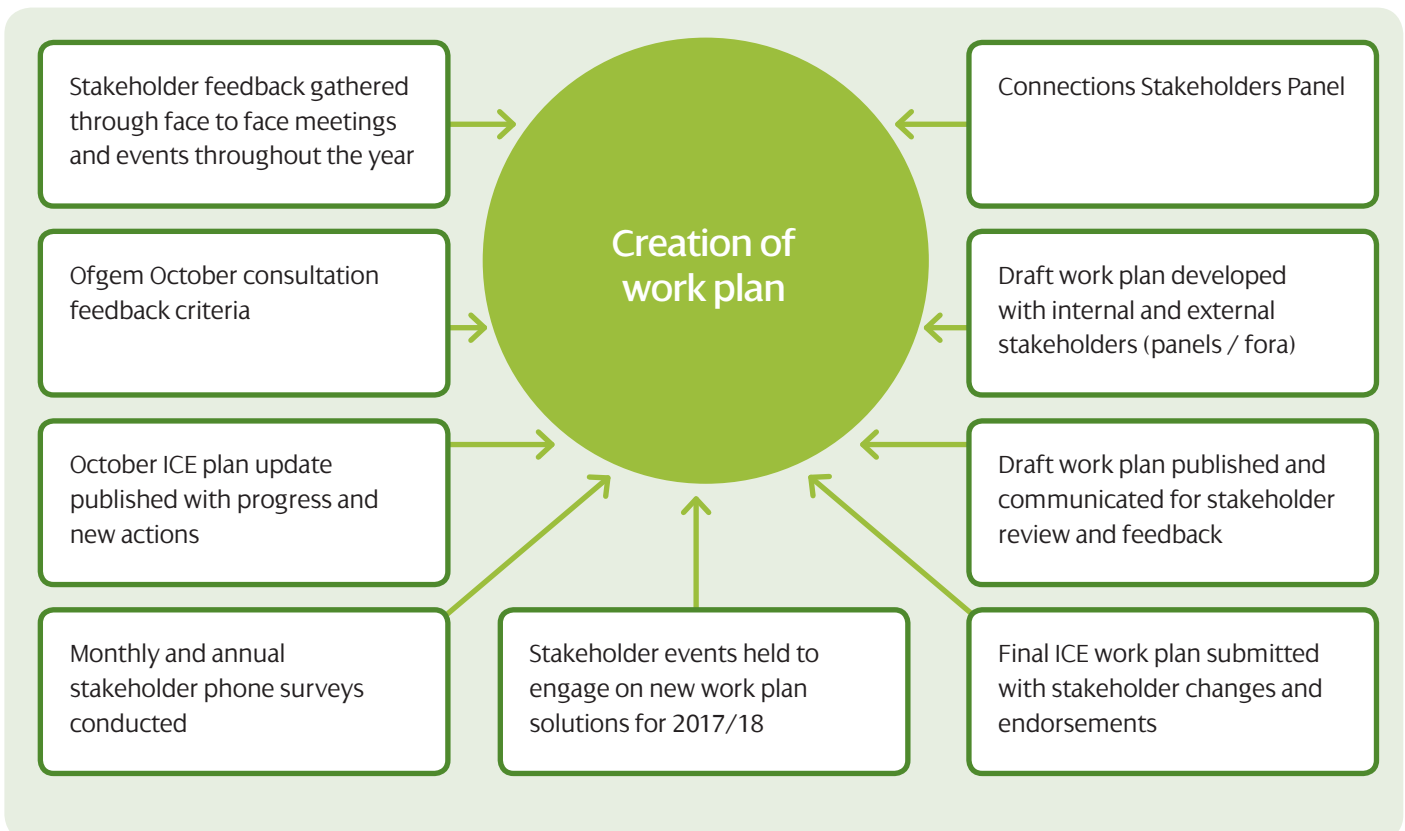
They would like SPEN to consider making telecommunication solutions a contestable element.

Improve the communication and visibility of indicative timescales for securing land rights.

### What we have done

**We have modified:** - Land rights action number 7

**We have added:** - Telecommunication trial action number 10, Network planning action number 11



# Our Work Plan has been Endorsed

## Our stakeholders were asked...

### On a scale of 1 – 10

(with 1 being low and 10 being high)



**1.** Do the actions proposed address the issues that you face as a customer?

**2.** If these actions are completed in the timescales proposed, do you believe that the overall service will improve?

**3.** How supportive are you of the work plans that we have proposed?

**4.** How ambitious do you believe our work plans to be?



The average response = 8.4

## What our stakeholders have said:

“Service has improved in recent years, of all the services we deal with SP Energy Networks are quickest with quotes and best communicators”

David Lorimar - Asher Associates- DG

“We are keen to continue working with SP Energy Networks to progress our various community energy projects across North Wales. These projects use new innovative solutions to generating and using energy locally which is important to help the local economy across North Wales and we welcome any support SP Energy Networks can provide”

Keith Jones - National Trust

“The proposed development improvements will significantly improve the connection process and site selection development”

Arundel - WHP - DG

“The SPEN work programme provides a clear and transparent improvement plan that will result in improvement information and clearer expectations for customers and stakeholders”

Peter Bulmer - Cheshire and Chester Council

“Yes, there is an increased element of Statement of Work (SoW) noted on quotations for generation quotation and the Independent Connection Provider (ICP) will need an understanding and improvement of the process (by the Distribution Network Operator (DNO), National Grid Electricity Transmission (NGET) to allow them to inform the client.

Wayleaves is always a potential element to delay a project, I’m satisfied these are on the future targets for next year.

Regular dialogue relating to the wayleaves shall improve the service received by our customers.

Very supportive, the elements stated in the work plans are vital for connections to be completed. It is imperative that both the DNO and an ICP have constant dialogue with each other to fundamentally simplify and improve the process.

I’m delighted SPEN have highlighted work plans that are critical to the process such as wayleaves and SoW. These elements can be seen to be contentious as they can delay connection dates for customers. Hopefully within the next year we can achieve an improved process.”

Willie Milligan - FES - ICP/ IDNO

Stakeholder feedback feature throughout our plans.



# Responding to our Stakeholders and Lobbying for Change

Our Looking Forward report outlines a series of actions that will help us to improve the service our customer's experience.

That's not all we are doing. We're also continuing to drive improvements and lobbying in a number of key areas of industry policy that are important both to us and to our stakeholders. However we recognise that sometimes progress is not within our control and requires further industry collaboration, policy or legislative changes.

Throughout it all, we'll keep our stakeholders informed of progress and update our ICE plans when necessary to reflect feedback or if an explicit action is identified.

Key areas of industry policy which we will seek to influence in 2017/18 include:

## Distribution System Operator

As outlined in our in our looking back report, SPEN has led the way in preparing for the challenges of a low carbon, de-centralised network, and how we recognise the need for a shift in the way we operate.

We released our DSO Vision document, and published our responses. We're now continuing to develop our thinking and engagement on the transition to a DSO.

In 2017/18, we plan to publish a more detailed DSO route map document which will outline the steps we need to take to move towards becoming a DSO.

Our DSO thinking has also been reviewed in the context of wider EU considerations on the roles and responsibilities of a future DSO, and broadly aligns with the thinking of EU regulation bodies. We're also working with colleagues from the wider Iberdrola Group to seek best practice. We're also fully supportive of the newly created Energy Networks Association (ENA) TSO-DSO steering group.

It was created in early 2017, and will seek to define the roles and responsibilities of a UK DSO. The steering group has the full support of BEIS and Ofgem, and is also informed by a separate advisory panel which includes representatives from a range industry bodies and customer groups.

The Steering Group is also supported by four working groups:

- **Workstream 1 – Transmission Distribution Interface**
- **Workstream 2 – Customer Experience**
- **Workstream 3 – DNO to DSO Transition**
- **Workstream 4 – Charging**

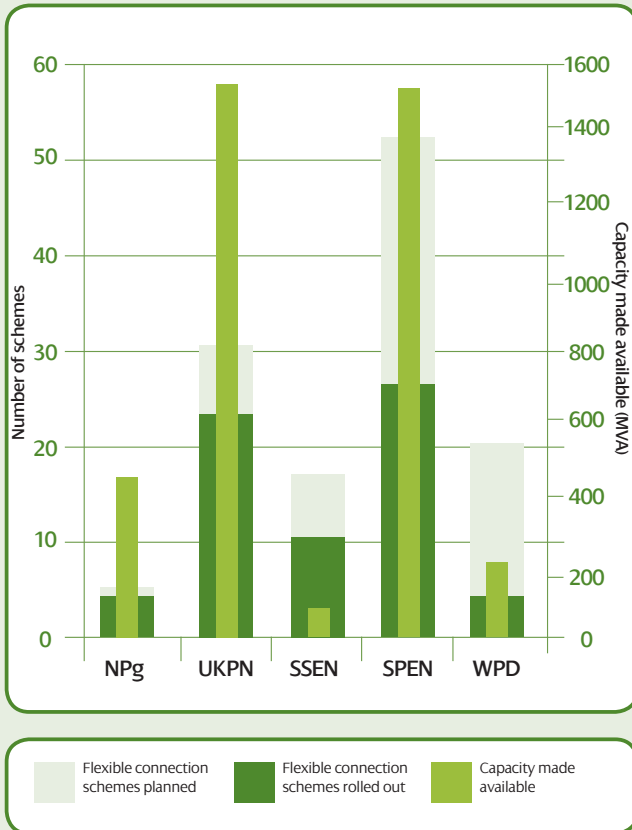
We will ensure that our customers are informed of the products and findings of the key industry work and in particular we will outline how they will be affected by the DSO transition, including the risks and opportunities that may result from any regulatory or market changes.





## Flexible Connections

We've been recognised by Ofgem as leading the way in providing flexible connections to customers. We'll continue to provide and expand our capability to provide an even better service.



Graph Source: Ofgem's - Unlocking the Capacity of the Networks Document, published February 2017

The Dumfries and Galloway network area is rich in natural resources but has relatively low demand requirements. As a result, there are large volumes of DG now connected to the network, making Dumfries and Galloway a net exporter of energy. There is currently 190MW of demand compared to 340MW DG connected. And there's a further 660MW contracted to connect to the network.

In 2017 SP Energy Networks will submit an innovation roll-out mechanism bid to Ofgem to develop a wide scale actively managed zone within the Dumfries and Galloway area.

The North and Mid Wales network area includes a wide range of urban and rural environments, with a significant penetration of DG. There is currently 800MW of demand with 800MW DG connected and a further 700MW contracted to connect to the network.

We want to ensure we can facilitate future distributed generation in the area. We'll seek innovative solutions,

including active network management, enhanced thermal ratings, battery storage and direct current (DC) cable solutions. The network also operates heavily interconnected which will allow us to demonstrate novel ANM solutions on this type of network architecture.

We have already started in North Wales. By installing the required network monitoring and control equipment we will have a clearer picture of the network's capabilities. This will then be extended to active control of the network, eventually leading to commercial trials of a working DSO model. This will help to address the significant system constraints in both areas.

## Queue Management and SoW

In 2017/18 we will continue to efficiently manage contracted connection queues across our networks. We will proactively identify those projects that are no longer being progressed or have stalled, implementing the principles of our queue management policy to minimise the impact on those projects that are able to advance, ensuring delays in connection dates are reduced wherever possible and unnecessary reinforcement works are avoided.

We have also been leading the industry in championing improvements to the statement of works process. We'll continue to do that under the TSO-DSO Transmission/Distribution interface working group. However, extensive adoption of our trial process across the UK will require changes in national policies such as the CUSC, which are not entirely within our control.

## Charging

SPEN has been leading the industry debate in addressing inequalities in system charging between Transmission and Distribution. We'll continue that under the ENA TSO-DSO Charging work stream. This work stream will also be captured under Ofgem's Charging Co-ordination Group, which will oversee a range of system charging reviews which are currently either underway now, or planned to commence in 2017/18.

## Government and Industry Consultations

Getting our voice heard is important. We'll respond to government and industry consultations that are pertinent to the energy network – such as this year's Scottish Government Energy Strategy and the outcome of BEIS/Ofgem's Strategy on flexibility, among others. Outlining our views on what actions will best represent our customers and the networks that we operate.

# Communication - Customer Journey

## Action 1

### Our stakeholders told us...

Their key priorities are:

- A simple intuitive website layout, with fewer clicks to arrive on the relevant section
- To see an overview of the connections process with time frames to manage expectations

### What we've achieved

We're proud of our online connection customer journey and how well it outlines the steps customers should take. Now we want to develop it even further, adding key information booklet links to the current version and significantly enhancing it for all stakeholder segments. We will also provide an indication of timescales.



### Our action

We will develop an interactive tool on our website that will provide clear guidance on our customer connections processes. This will include information on application, design, acceptance, land rights, delivery and metering. We will also develop a separate tool for our alternative connections providers (ICPs/IDNOs).

### Measuring our success

We will seek endorsement from our key stakeholders prior to implementation.

We will make an interactive tool available on our website.

We will review its effectiveness by monitoring our website traffic 3 months after implementation.



Quarter 3 deliverable  
December 2017



Satisfaction strategy area



DG, unmetered and metered sector

### What our stakeholders say:

“Service has improved in recent years, of all the services we deal with SP Energy Networks are quickest with quotes and best communicators”  
Asher Associates- DG

“This new interactive tool will help clarify many queries from our side and we are happy to see this included in the new plan.”  
UK Power Reserve-requesting ICP Journey  
- John Cross

# Communication - External

## Action 2

### Our stakeholders told us...

Their key priorities are:

- **To be kept informed, from design right through to completion of work**
- **To receive regular updates on the quotation process and how each application is progressing**
- **The project manager should provide early and regular land rights updates**

### What we've achieved

We've improved how well we communicate. We've brought land rights officers into districts to help ease the flow of communication, and made project managers the single point of contact for our customers.

We now plan to provide more detail at the outset of discussions, including adding extra information to our quote letters. That way customers will have all the relevant information they need, right at the start. We also aim to ensure consistency across all districts, so customers know who to contact.

We'll continue to engage with stakeholders throughout the year. That way we can respond to their feedback and continue to improve the way we communicate.

### Our action

We will improve the consistency and application of how we communicate across every process, right across our districts and throughout the lifecycle of a project.

This will clearly define the method of contact, who is responsible for each stage of the project, the appropriate timescales and effectiveness of the communication.

We will focus on our communication at design, delivery and our land rights project stages, as they've been identified as our stakeholders' priorities.

For lands rights, we will also commit to providing regular updates on the progression as agreed with the customer but no less than once a month.

### Measuring our success

We will survey our customers specifically on our design, delivery and land rights communications, establish a benchmark, agree this with our stakeholders, set and publish an improvement target.



Quarter 2 deliverable  
September 2017



Satisfaction strategy area



DG, unmetered and metered sector

### What our stakeholders say:

"The focus on communication is welcomed. This should ensure that issues are identified as they arise and that routes are available to address issues"

Danny Mackle - Energetics

"I think the reduced number of key actions will allow an improvement in the key areas."

Stephen Phimister - TUV

# Communication - Website

## Action 3

### Our stakeholders told us...

Their key priorities are:

- Make sure our website is easy to understand, using everyday terms where possible
- Use simple intuitive layout, with less clicks to get to the relevant section
- Make it easier to find the forms that match customers' needs

### What we've achieved

We've already overhauled our website to make it easier to use. But we believe we can make the content and navigation even better.

We'll review stakeholder feedback and work to cut the number of clicks required to get to the information they want. Our navigation should be more intuitive.

We recognise the need to use plain simple language. We now have a third party engaged in preparing our content for all our external communications, providing simpler, friendlier content with less confusing jargon. We will now do this as a matter of course moving forward.

### Our action

Building on the success from last year's website improvements, we will further improve the online experience by simplifying navigation of our connections area of the website and editing content based on stakeholder feedback.

### Measuring our success

We will seek endorsement from our Stakeholder Panel prior to implementation.

An interactive tool will be available on our website

We will review its effectiveness by monitoring our website traffic 3 months after implementation.

We will survey our customers specifically on our website and measure the effectiveness.



Quarter 3 deliverable  
December 2017



Satisfaction strategy area



DG, unmetered and metered sector

### What our stakeholders say:

"Communication between parties throughout is key for proposed plans, totally agree with proposals"

Jack Alundel - WHP - DG





# Communication - Channels

## Action 4

### Our stakeholders told us...

Their key priorities are:

- More communication on DG policy and areas we are developing, such as export limiting devices and flexible connections
- They are very receptive to the development of the Distribution Systems Operator (DSO), which aligns with the aspirations on community driven sustainable energy
- They want more information to better understand the choices available
- The RAdAR system could be more intuitive
- Land rights could be explained a bit better
- An option to drop in to discuss alternative connections
- They'd like to be involved in smart grid updates

### What we've achieved

The workshops we've held over the past two years have been successful. So we'll build on those and create further workshops on topics requested by our stakeholders. Where possible we'll use the interactive methods employed during our well received recent workshops.

We will review our stakeholder feedback and pilot alternative communication channels on specific topics. We'll look to increase the frequency of updates, and help reduce the time pressures for stakeholders who may otherwise need to travel and or take full days out. We'll do this by using webinars, online tutorials, education videos and any other appropriate methods.

We will continue to engage with our stakeholders to develop the key topics and ensure we have a full suite of new and existing communication channels that meet their current and future need.

Providing simpler, friendlier content with less confusing jargon. We will now do this as a matter of course moving forward.

### Our action

Building on our well established stakeholder workshops, we will use alternative communication channels to deliver key messages and updates. This will include channels such as online tutorials and SPEN hosted webinars.

We will test each alternative communication channel to measure success and determine its effectiveness: We will hold these sessions every two months, prioritised by stakeholder feedback as follows:

- RAdAR webinar
- Flexible Connections. online tutorial
- DSO, webinar
- Land Rights, online tutorial
- Electric / Battery storage webinar

### Measuring our success

We test the delivery of key information/messages via alternative communication methods

We will hold sessions held every two months, prioritised by stakeholder feedback.

We will seek feedback from our attendees and measure success.



Quarter 2 deliverable  
September 2017



Satisfaction strategy area

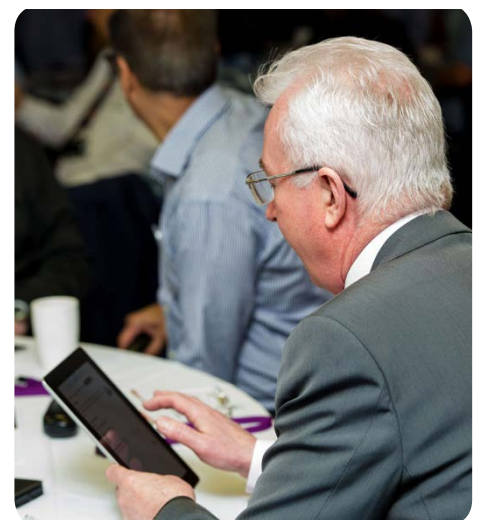


DG, unmetered and metered sector

### What our stakeholders say:

"Effectively communicating key messages by a variety of media enables customers and stakeholders to be kept up to date"

Emma Edwards - Cheshire and Chester Council



# Working in Partnership

## Action 5

### Our stakeholders told us...

Their key priorities are:

- Regular face to face meetings to help understand any changes to policy and updates
- They are very receptive to the development of the DSO which aligns with the aspirations for community driven sustainable energy
- We should share investment plans with interested parties so any amendments can be made and efficiencies gained
- They'd like to be involved in future technology groups

### What we've achieved

Our industry and technology is changing, and we are committed to working closely with a wide range of stakeholders, customers and community groups to develop innovative ideas, provide alternative solutions and make use of new technology.

We're involved in a number of wide ranging projects, from new commercial funding arrangements to wider investment strategy. We're keen to continue our involvement and our existing partnerships, while also seizing any new opportunities.

Our door is open to groups that would like to investigate further opportunities within our licence areas.

### Our action

We will continue to work in partnership with existing groups of stakeholders to inform our strategy and policies.

We will actively seek new partnerships to help communicate the important innovative and commercial developments within our industry.

We will progress new opportunities from customers/community groups/stakeholders within our licence areas to broaden our range of partnerships to a wider audience.

We will communicate the learning of each partnership to ensure any learnings are cascaded.

### Measuring our success

We will publish a quarterly progress update to our wider stakeholder group, including an update of any new partnerships initiated during each quarter.

We will seek endorsement from our key stakeholders following the first quarterly progress update to ensure continued success.

We will aim to agree a partnership with all interested parties that approach us, provided we can determine a benefit to our wider stakeholder group.

We will proactively seek out a minimum of 4 new partnerships with customers/community groups/stakeholders across our licence areas to build strong and enduring relationships, broadening our range of partnerships to a wider audience.



Quarter 3 deliverable  
December 2017



Satisfaction strategy area



DG, unmetered and metered sector

### What our stakeholders say:

"We are very excited about our partnership with SP Energy Networks which will provide our members with key information on their services, career opportunities and health and safety"

Stuart Jamieson, SAYFC  
national chairman

"SP Energy Networks have helped achieve our goals for the future of energy and Well-being of Future Generations in Wales".

Eleanor Knight - Welsh  
Government

# Project Management

## Action 6

### Our stakeholders told us...

Their key priorities are:

- Our project managers should be able to produce construction programmes and keep them updated monthly so there are no surprises on the way to completion
- Lack of communication surrounding changes to delivery dates can lead to frustration
- The project manager needs time to manage the project in detail

### What we've achieved

We've started creating more detailed project plans aimed at meeting customer needs, which fit their communication preference and match their connection timeline.

We work with customers to ensure there's a detailed, consistent and personal approach to their project management needs. We provide a connection project plan, including key milestone dates, which we update at least monthly.

We also conduct a project 'close out' discussion to ensure the customer is satisfied. It's a chance to capture and address any outstanding issues.

### Our Action

We will agree at the outset of each project, key milestones and a delivery programme which reflects both the customer's and SPEN's project commitments.

### Measuring our success

We will publish a template on our website, for typical projects, reflecting indicative timescales for each milestone.

We will survey our customers, establish a benchmark, agree this with our stakeholders, set and publish an improvement target.

At the close out of a project we will review the effectiveness of our improvements by seeking feedback from our customers.



Quarter 3 deliverable  
December 2017



Time strategy area



DG, unmetered and metered sector

### What our stakeholders say:

"Delivery programmes are always critical to projects - would be pleased to see more formal comms on this - seeing improvements"

David Lorimer - Asher Associates - ICP / IDNO

"The commitment in Action 6 is a critical improvement to manage the delivery of the connection alongside our site construction. Regular progress reviews will ensure no late surprises to the completion date."

Andrew Yates - Airvolution - DG

# Land Rights Action 7

## Our stakeholders told us...

Their key priorities are:

- **Customers need more communication on land rights**
- **It would be good to get more information upfront and highlighted in the connection offer letter**
- **They want more details on likely timescales**

## What we've achieved

Our stakeholders say we've made good progress in our land rights processes. But they feel we could go even further.

Customers want more information, guidance and assistance. And we believe we can improve our processes to help, so land rights issues become a key component of our connection process.

Having taken our stakeholder priorities on board, we'll ensure land rights matters are integrated into our overall connections process, so the appropriate information, communication and support is available right from the start.

We're committed to provide all round better communication. We think it makes sense to integrate land rights information into our existing or new communications, so it becomes a clear part of the process throughout the life cycle of a project, rather than a separate issue.

We'll ensure land rights updates are provided with any other relevant project details, and make improvements to connection offer letters which will explain the process for securing land rights.

We strongly believe that by building on the good work already done, and ensuring land rights become a seamless element of the overall connection process, our stakeholders will see clear improvements.

## Our action

We will improve the information within our connection offer letter to explain the process for securing Land Rights and provide indicative timescales based on the project type. Monthly project updates will include progress against these timescales and highlight any significant risks. For any identified significant risks we will agree the frequency of updates with our customers.

## Measuring our success

We will highlight potential timescales and cost in our connection offers.

We will seek endorsement and use the monthly surveys to monitor if there are any improvements in the comments or scores.

We will survey our customers monthly to determine the effectiveness of our improvements.



Quarter 3 deliverable  
December 2017



Time strategy area



DG, unmetered and metered

## What our stakeholders say:

"Wayleaves are always a potential element to delays project, I'm satisfied these are on the future targets for next year".

Willie Milligan - FES

"Land rights remain a potential barrier to our participation in the CiC market and the action in that area is welcome"

Danny Mackle - Energetics



# Flexible Connections

## Action 8

### Our stakeholders told us...

Their key priorities are:

- They'd like to better understand their flexible connections options, especially in the Dumfries and Galloway region
- They want alternative options and better communications with personal visits
- More discussion up front about alternative connections in constrained areas
- To understand where Active Network Management (ANM) is available

### What we've achieved

We've worked hard and made significant progress over recent years to provide our customers with flexibility in the connection they are offered. We worked particularly hard on our flexible connections and Principles of Access Policy, which clarified options for customers.

We're leading the industry in key areas, such as our DSO vision, SoW trials and queue management policy – and we intend to continue breaking new ground. We're responding to customer needs as our industry evolves and new technology becomes available.

We've adopted an approach of providing customers with information in the format that most suits them. We're also committed to publishing the locations of our ANM zones, as well as a plan for future enabled zones, building on our flexible connections work.

Communication has been positioned as a key focus of our new ICE action plan. We intend to use a range of media to keep stakeholders informed as we update our practices in line with legislative and industry changes.

### Our action

We will publish the location of our ANM zones, together with a forward looking plan for future enabled zones.

### Measuring our success

We will publish the SPD and SPM ANM zones currently available by quarter 2.

We will publish future locations for SPD and SPM ANM zones on our website by end of quarter 3.

We will survey our customers to determine the effectiveness of this improvement, after implementation, seek stakeholder feedback from customers.



Guy Jefferson, Director, SP Distribution at SP Energy Networks  
Speaking at the SPD strategic stakeholder panel



Quarter 3 deliverable  
December 2017



Time strategy area



DG, unmetered and metered

### What our stakeholders say:

"We actively support a continued focus on flexible connections and transition towards full DSO to enable quicker connections and avoidance of expensive reinforcement costs for local and community generation projects."

James Buchan  
- Local Energy Scotland

"We recognise particular issues with network constraints and support the proactive approach being taken to resolve these issues"

Bob Weaver - PowerCon

# Telecommunications Solution - Design & Delivery

## Action 9

### Our stakeholders told us...

- They'd like a telecommunications quote early in the application process
- Then, once the project is accepted, they'd like more cost certainty
- Stakeholders say time and cost are key issues affecting their project's viability
- They want regular contact and updates regarding the telecommunications on the progress of each project

### What we've achieved

Stakeholders have many things to consider when deciding on the financial viability of their project. Among the most important, are telecommunication issues.

They say early indications of costs and timings help them make big decisions about their project.

We want to provide the best service for our customers. So we are looking into how we can produce accurate quotes, much earlier in the process.

Then, once the project is accepted, we can follow through with more far more detail about design, costs and timescales.

Just like our customers, we want to make sure the telecommunication element of a project doesn't affect delivery timescales. So we'll aim to provide regular updates and keep customers well informed.

### Our action

We will ensure our customers receive an approximate estimate of costs for their telecommunications solution at the design stage of their project. Once it's accepted, we'll provide even more details. Then at the delivery stage, we'll make the telecommunication element of their project even clearer, with a monthly report detailing programme critical dates and programme status.

### Measuring our success

We will develop an improvement plan which meets our stakeholders' requirements at the design stage and upon project acceptance.

An individual monthly project programme will be created for customers.

We'll review our current performance in terms of cost and timescales. And we will establish a benchmark, agree it with our stakeholders, then set and publish an improvement target.

Q3

Quarter 3 deliverable  
December 2017

£

Cost strategy area

✓

DG and metered sector

### What our stakeholders say:

"We note the comments within the document (Looking Forward : Sections 9 & 10) relating to telecommunication solutions. We particularly welcome these initiatives."

Bob Weaver Powercon  
(UK) Ltd



**Chris Stark, Director of Energy and Climate Change, Scottish Government**

Speaking at the annual Scottish renewables conference

# Telecommunications Solution - Contestable Trial

## Action 10

### Our stakeholders told us...

- They'd like more choice should a telecommunication solution be needed for their project
- They would also like greater control over cost and project progression
- And they want SPEN to consider making this a contestable element of a project

### What we've achieved

We are keen to give our customers freedom of choice and flexibility around their project.

At the moment, some parts of telecoms installations are deemed contestable, such provision and installation of fibre.

We're keen to do more but we know that finding suitable telecoms installation that meets our specification can be complicated.

So we are identifying partners to work hand in hand with us on a number of projects. That way we can assess whether it's possible to make this a contestable area, and will help us determine the potential scope of this activity.

### Our action

We will investigate if additional aspects of operational telecommunications works can be treated as contestable. Over the next year we will conduct trials with identified partners to determine the feasibility and scope of future contestable telecommunications works.

### Measuring our success

We will identify partners who are willing to participate in a trial. We will provide a progress update in our October ICE submission. Following the trial, we will publish the key learnings and outcome.



Quarter 4 deliverable  
March 2018



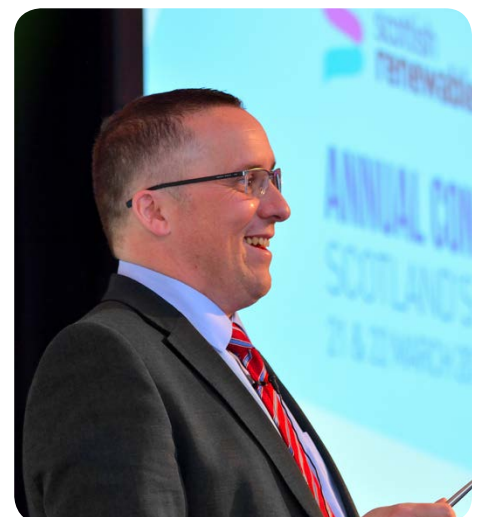
Cost strategy area



DG and metered sector

### What our stakeholders say:

"We very much welcome SPEN's attention being paid to telecommunications, it has frequently arisen as a problem area for us at site selection and quoting stages – this is an important element in generation projects."  
SPD stakeholder panel



Colin Taylor, Director of Engineering Services (SPEN)

Speaking at the annual Scottish renewables conference

# Network Planning

## Action 11

### Our stakeholders told us...

- They would like more information about our plans to work on the network and how long the work might take, so they can plan and prioritise their own projects.
- The income or viability of their existing connection or planned work can be affected by our network operations, they'd like more information about what we plan to do and when.

### What we've achieved

We can see how vital it is for our stakeholders to be aware of our network plans.

And we recognise there are subtle differences within our two licence areas - particularly the transmission/distribution boundary – which mean we have to think carefully about the best method of sharing information with our stakeholders.

In Scotland, we are already actively involved in bi-annual Grid Code OC 2 Forums which are run with NGET and Scottish Hydro Electric Limited (SHEL). They provide a chance to share our high level outage plans for the year ahead. During these workshops, we can reach both our transmission connected customers and our distribution customers, who may be impacted by reduced security of supply, increased operation of load management or ANM schemes.

There is a high volume of generation connected to our network, particularly in Scotland. So we are going to trial tailored sessions for individual generation customers. We plan to run these individual sessions bi-annually in conjunction with key timelines in the Grid Code OC2 process.

In England and Wales, we already provide key strategic customers with our long term outage plans annually. We will engage with our customers when their normal connection arrangements are compromised either by planned work or faults. We will review our register of key stakeholders and will add any additional generation customers who feel they would like to be kept informed as part of this process. This will ensure all customers interested in viewing our long term plans will have access to the information.

We will also provide a facility on our website so that potential connections customers can register to receive our plans, subject to the information being relevant to their connection application. We will offer individual meetings with any customer who would like to discuss our long term plans in greater detail so they can make informed business decisions about their particular connections.

Our Distributed Generation constraints workshops have been highly successful. We are looking to enhance these in both our licence areas. We want to expand the information shared at these sessions to include planned outage information, system operation requirements and other useful information to help our stakeholders understand how the power system is operated once it's connected.

We will provide greater visibility of these sessions on our website by ensuring that these are captured on our events calendar.

### Our action

**We will provide greater visibility of our long term outage plan for both our licenced areas;**

**In our SPD licence area we will trial tailored sessions for individual generation customers to provide them with a more relevant briefing on any planned network outages that are likely to affect their existing or future connections.**

**In our SPM licence area, we will review and add new generation customers to our list of strategic customers that receive our SPM long term plan annually. We will also offer individual meetings for any customer who would like to discuss our long term outage plans prior to accepting their connection offer.**

**We will enhance our constraints workshops and include planned outage information and system operation requirements.**

**We will review the information on our website and ensure clear visibility of our planned events.**

### Measuring our success

Tailored sessions ran biannually for key stakeholders in SPD.

SPM long term plans shared with key strategic customers, ability to register for updates on our website and individual meetings with potential customers at connection offer stage if required.

Bi-annual constraints workshops held with additional outage and system operational information included.

Events published on website.

Customer satisfaction score of workshop attendees.



# Network Planning Continued

## Action 11



Quarter 2 deliverable  
September 2017



Satisfaction strategy area

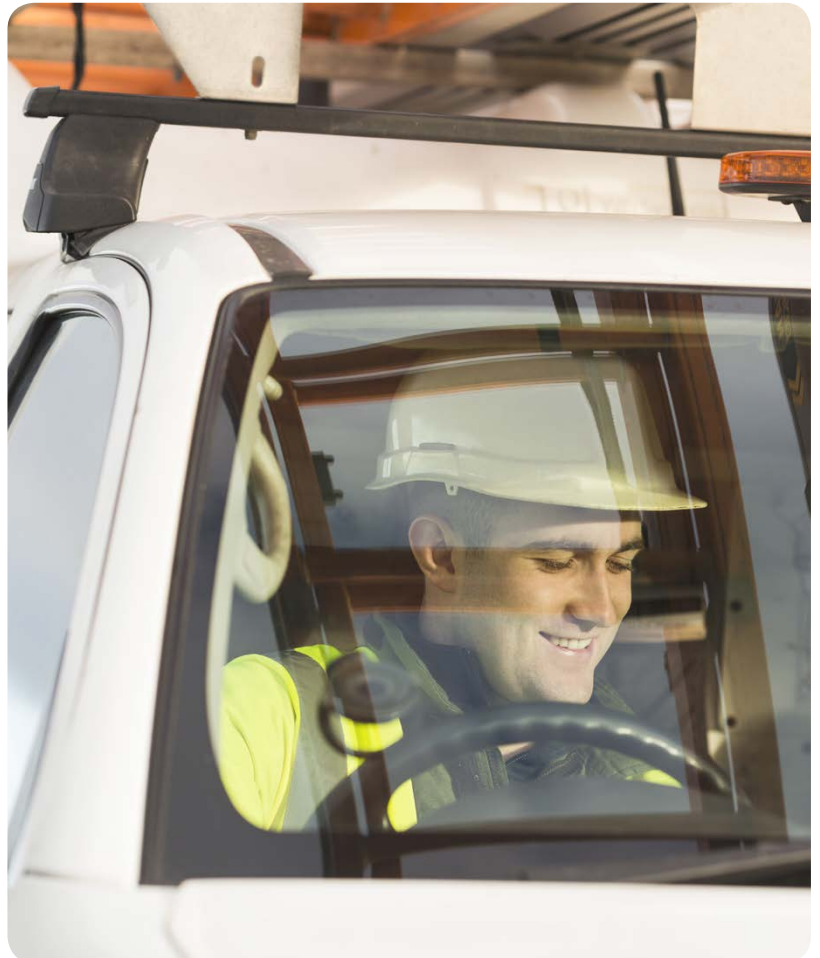
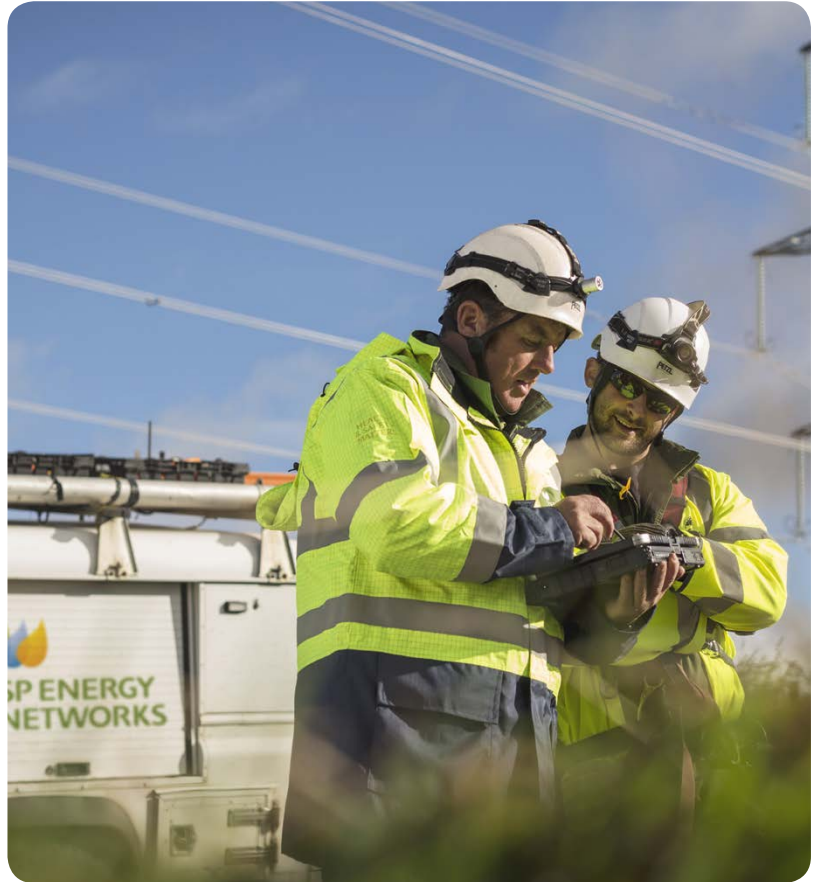


DG sector

### What our stakeholders say:

“The visibility of SPM long term outage plan will significantly help us plan our connection works better.”

UK Power Reserve -  
Nigel Jefferson





Incentive on Connections Engagement (ICE)






# SP Energy Networks Looking Forward Plan


















| Subject  | Action  | Key Strategic Objective   | Key Performance Indicator  | Timeframe (Regulatory Year) | Relevant Market Segment               | Source               |
|--|---|---|--|-----------------------------|---------------------------------------|----------------------|
| <p><b>1</b> Communication - Customer journey</p> | <p>We will develop an interactive tool on our website that will provide clear guidance on our customer connections processes. This will include information on application, design, acceptance, land rights, delivery and metering. We will also develop a separate tool for our alternative connections providers (ICPs/IDNOs).</p>  |    | <p>Endorsement from our Stakeholders Panel prior to implementation<br/>Interactive tool available on our website<br/>Monitoring web traffic trends, 3 months after implementation<br/>Monthly survey conducted, website satisfaction score</p>   | <p>Q2<br/>Q3<br/>Q4</p>     | <p>DC,<br/>Unmetered,<br/>Metered</p> | <p>1<br/>2</p>       |
| <p><b>2</b> Communication - External</p>         | <p>We will improve the consistency and application of every aspect of the process across our districts in the way we communicate throughout the lifecycle of a project. This will clearly define the method of contact, who is responsible for each stage of the project, the appropriate timescales and effectiveness of the communication.<br/>We will focus on our communication at design, delivery and our land rights project stages, as these are identified as our stakeholders' priorities.<br/>For land rights, we will also commit to providing regular updates on the progression as agreed with the customer but no less than once a month.</p>                        |    | <p>Monthly updates to customers for Land Rights provided<br/>Monthly survey conducted, communication satisfaction score for Design, Delivery and Land Rights aspects<br/>Benchmark established<br/>Improvement target agreed with stakeholders and published</p>   | <p>Q2</p>                   | <p>DC,<br/>Unmetered,<br/>Metered</p> | <p>1<br/>2<br/>3</p> |
| <p><b>3</b> Communication - Website</p>          | <p>Building on the success from last year's website improvements, we will further improve the online experience by simplifying navigation of our connections area of the website and editing content based on stakeholder feedback.</p>   |    | <p>Endorsement from our Stakeholder Panel prior to implementation<br/>Interactive tool available on our website<br/>Monitoring website traffic trends, 3 months after implementation<br/>Monthly survey conducted, website satisfaction score</p>  | <p>Q2<br/>Q3<br/>Q4</p>     | <p>DC,<br/>Unmetered,<br/>Metered</p> | <p>1<br/>3</p>       |
| <p><b>4</b> Communication - Channels</p>         | <p>Building on our well established stakeholder workshops, we will use alternative communication channels to deliver key messages and updates. This will include channels such as online tutorials and SPEN hosted webinars.<br/>We will test each alternative communication channel to measure success and determine its effectiveness as follows: We will hold these session every 2 months, prioritised by stakeholder feedback as follows:</p> <ul style="list-style-type: none"> <li>• RAGAR webinar</li> <li>• Flexible connections, online tutorial</li> <li>• DSO, webinar</li> <li>• Land Rights, online tutorial</li> <li>• Electric / battery storage webinar</li> </ul> |    | <p>Delivery of key information/messages via alternative communication methods<br/>Session held every 2 months, prioritised by stakeholder feedback<br/>Feedback from attendees and satisfaction measured</p>   | <p>Q2<br/>Q3<br/>Q4</p>     | <p>DC,<br/>Unmetered,<br/>Metered</p> | <p>1<br/>2<br/>3</p> |
| <p><b>5</b> Working in Partnership</p>           | <p>We will continue to work in partnership with existing groups of stakeholders to inform our strategy and policies.<br/>We will actively seek new partnerships to help communicate the important innovative and commercial developments within our industry.<br/>We will progress new opportunities from customers/community groups/stakeholders within our licence areas to broaden our range of partnerships to a wider audience.<br/>We will communicate the learning of each partnership to ensure any learnings are cascaded.</p>   |  | <p>Publish a quarterly progress update to our wider stakeholder group<br/>Seek endorsement from our key stakeholders following the first quarterly progress update to ensure continued success<br/>Agree a partnership with all interested parties that approach us, provided we can determine a benefit to our wider stakeholder group<br/>Proactively seek out a minimum of 4 new partnerships with customers/community groups/stakeholders across our licence areas</p> | <p>Q3<br/>Q4</p>            | <p>DC,<br/>Unmetered,<br/>Metered</p> | <p>2<br/>3</p>       |

|   |
|---|
| <p><b>6 Project Management</b></p> <p>We will agree at the outset of each project, key milestones and a delivery programme which reflects both the customer's and SPEN's project commitments.</p> <p></p> <p>Publish template on our website, for typical projects, reflecting indicative timescales for each milestone</p> <p>Monthly survey conducted, project management satisfaction score</p> <p>Benchmark established</p> <p>Improvement target agreed with stakeholders and published</p> <p>DC, Unmetered, Metered</p> <p><b>1</b> <b>2</b> <b>3</b></p> <p><b>Q2</b> <b>Q3</b> <b>Q4</b></p>  |
| <p><b>7 Land Rights - Information</b></p> <p>We will improve the information within our connection offer letter to explain the process for securing Land Rights and provide indicative timescales based on the project type. Monthly project updates will include progress against these timescales and highlight any significant risks. For any identified significant risks we will agree the frequency of updates with customers.</p> <p></p> <p>Highlight indicative timescales and cost in our connection offers</p> <p>Monthly updates to customers for land rights provided will highlight any significant risks and issues</p> <p>Monthly survey conducted, connection offers satisfaction score</p> <p>DC, Unmetered, Metered</p> <p><b>1</b> <b>2</b> <b>3</b></p> <p><b>Q3</b> <b>Q4</b></p>  |
| <p><b>8 Flexible Connections</b></p> <p>We will publish the location of our ANM zones, together with a forward looking plan for future enabled zones.</p> <p></p> <p>Publish the SPD and SPM ANM zones currently available, quarter 2</p> <p>Publish future SPD and SPM ANM locations, quarter 3</p> <p>Survey conducted, satisfaction measured</p> <p>DC</p> <p><b>2</b> <b>3</b></p> <p><b>Q2</b> <b>Q3</b> <b>Q4</b></p>  |
| <p><b>9 Telecommunications - Design and Delivery</b></p> <p>We will ensure our customers receive an approximate estimate of costs for their telecommunications solution at the design stage of their project. Once it's accepted, we'll provide even more details. Then at the delivery stage, we'll make the telecommunication element of their project even clearer, with a monthly report detailing programme critical dates and programme status.</p> <p></p> <p>Develop and publish an improvement plan</p> <p>Provide individual project programmes</p> <p>Monthly survey conducted, telecommunications solution satisfaction score</p> <p>Benchmark established</p> <p>Improvement target agreed with stakeholders and published</p> <p>DC, Metered</p> <p><b>2</b> <b>3</b></p> <p><b>Q3</b> <b>Q4</b></p>   |
| <p><b>10 Telecommunications Trial</b></p> <p>We will investigate if additional aspects of operational telecommunications works can be treated as contestable. Over the next year we will conduct trials with identified partners to determine the feasibility and scope of future contestable telecommunications works.</p> <p></p> <p>Identify stakeholders to participate in a trial</p> <p>Publish a progress update in our October ICE submission</p> <p>Conduct, publish key learnings and outcome of trial</p> <p>DC, Metered</p> <p><b>2</b> <b>3</b></p> <p><b>Q4</b></p>  |
| <p><b>11 Network Planning</b></p> <p>We will provide greater visibility of our long term outage plan for both our licenced areas:</p> <p>In our SPD licence area we will trial tailored sessions for individual generation customers to provide them with a more relevant briefing on any planned network outages that are likely to affect their existing or future connections.</p> <p>In our SPM licence area, we will review and add new generation customers to our list of strategic customers that receive our SPM long term plan annually. We will also offer individual meetings for any customer who would like to discuss our long term outage plans prior to accepting their connection offer.</p> <p>We will enhance our constraints workshops and include planned outage information and system operation requirements.</p> <p>We will review the information on our website and ensure clear visibility of our planned events.</p> <p></p> <p>Tailored sessions ran biannually for key stakeholders in SPD</p> <p>SPM long term plans shared with key strategic customers, ability to register for updates on our website and individual meetings with potential customers at connection offer stage if required</p> <p>Bi-annual constraints workshops held with additional outage and system operational information included.</p> <p>Events published on website</p> <p>Customer satisfaction score of workshop attendee</p> <p>DC, Metered</p> <p><b>2</b></p> <p><b>Q2</b></p> |

|  |  |  |   |  |
|--|--|--|---|--|
| <p></p> <p>Time</p> | <p></p> <p>Satisfaction</p> | <p><b>Q1</b> Quarter 1 (April - June 2017)</p> <p><b>Q3</b> Quarter 3 (October - December 2017)</p>  | <p><b>1</b> Monthly &amp; Annual Survey</p>   | <p><b>3</b> Panels, Workshops, Conferences</p> |
| <p></p> <p>Cost</p> |  | <p><b>Q2</b> Quarter 2 (July - September 2017)</p> <p><b>Q4</b> Quarter 4 (January - March 2018)</p> | <p><b>2</b> Specific Stakeholder Feedback</p> |  |

Incentive on Connections Engagement (ICE)

# SP Energy Networks Looking Back Report





# Looking Back: Introduction

## Our 2016/17 work plan contained 54 improvement actions.

That was a lot, but we wanted to respond positively to stakeholder feedback and tackle the issues they felt were important.

A year on, and we are delighted to have made significant progress on our commitments.

Of course we're proud of what we have achieved. But we're particularly pleased to have led the way in a number of initiatives which have gone on to be replicated as best practice.

We've been working hard to improve our heat maps and ensure that these are updated regularly. Our commitment was to do this quarterly, although we have updated them, this has not been as frequently as we targeted. Additionally, we identified that our heat maps would not be enhanced any further.

We have kicked off the process of reviewing our guidance leaflets and recognised the benefit of aligning this with our customer journey. We will continue this work as part of our 2017/18 work plan commitment, within action number 1.

Over the following pages we'll detail some of the work we've carried out this year, and highlight the positive feedback we've received from our stakeholders.



# Working in Collaboration and Partnership

Working in partnership with others doesn't just support SP Energy Networks, it creates wide ranging opportunities and benefits.

Over the last year SPEN has built upon and forged formal partnerships with various government and local authorities within our two licence areas. Most have formal agreements such as Memorandum of Understandings or Terms of Reference, which show our ongoing commitment to innovation and problem solving.

## Local Authority Collaborations

We are currently working with Fife Council, ORE Catapult and Scottish Government, on a project covering low carbon generation, security of supply and critically fuel poverty

Based in Levenmouth in Fife, our role in the project is to demonstrate the DSO model. As the site has wind, natural gas and hydrogen, we are also providing energy integration support.

The University of St Andrews' Guardbridge Project, now renamed Eden Campus, has high ambitions for the University to be carbon neutral by 2020. We are investigating the DSO option.

EU Horizon 2020 programme involves collaboration with Glasgow City Council, the University of Strathclyde, Siemens, Transport Scotland, Tennents Brewery and Glasgow Housing Association. Its aim is to develop a smart city corridor, to develop innovative and sustainable applications including intelligent energy management systems which make sharing of energy possible between the various buildings within the smart street in the city.

Liverpool City Council Baltic Triangle & Ropewalks Trial is investigating strategic investment solutions for an area

which has more than 80 small developers. The project is looking at alternative investment options, as the usual charging methodology is not suitable for so many small developers initiating the required reinforcement.

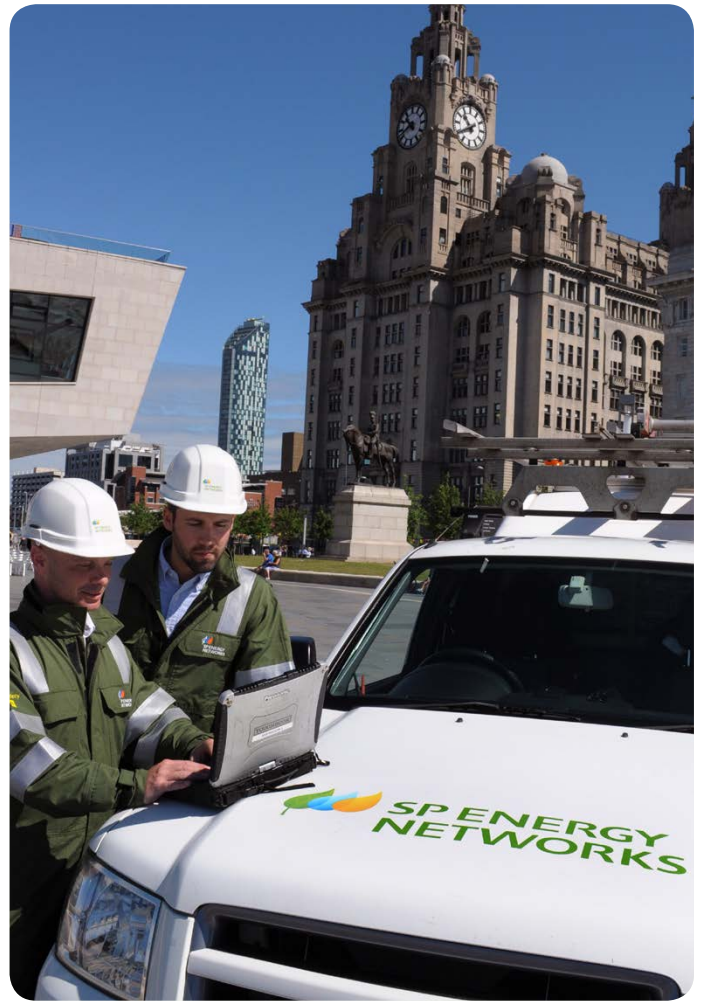
Flintshire Virtual Private Network Project is a project with Flintshire County Council funded by the Welsh Government. The project is investigating new commercial arrangements for a virtual private network connection between large demand and generation customers across various sites.

Dolwyddelan Community Hydro Project, funded by Conwy County Borough Council and Welsh European Funding Office, is investigating the opportunities for a rural village to benefit from local generation, through a private network from the hydro generation.

Cheshire West and Chester Council Heat Network Project is looking into demand side management. Based in an area of Ellesmere Port, it utilises steam waste from a large customer to heat local businesses and domestic properties. SPEN is expected to benefit from reduced demand which will enable further generation connections and could postpone planned reinforcement in the area.







Stephen Stewart, SPM Distribution Director  
SPM strategic stakeholder panel



## Local Government Relationships

We have forged many different levels of communication with local government across Scotland, England and Wales. Our pro-active 'can do' relationship helps all parties towards the goal of facilitating and strengthening energy policy for the UK.

Here are some examples of the various types of collaboration we have established:

### Scotland's Town Partnership (STP)

We have established strong links with Scotland's Towns Partnership (STP) which is Scotland's largest towns' collective and which represents and promotes the towns and places, and supports interested organisations and groups. We are working with STP and a wide range of partners and stakeholders to build Scotland's first sustainable town plan. "Sustainable Cumnock" will complement the communities developed action plan. SPEN will play a supportive role however it provides an ideal learning opportunity for future projects.

### Liverpool City Region (LCR) Local Enterprise Partnership (LEP)

Representatives from SP Manweb sit on two boards with LCR Local Enterprise Partnership:

LCR LEP Low Carbon Board oversees and facilitates all low carbon activity across the region.

LCR LEP Future Energy is a BEIS funded project recently been set up to help develop employment opportunities for small businesses in the renewable energy sector. SPEN recognises it is important for us to support the local economy, and has a place on the project board.

We are proud of our close working relationship with LCR LEP and have regular meetings at a strategic and tactical level to develop local opportunities for investment, education, recruitment and improve the local economy by facilitating large scale and community generation.

### Cheshire Local Enterprise Partnership

SP Energy Networks have developed excellent relationships with LCR LEP above that are benefitting both parties. We are in the process of joining the Cheshire LEP to extend those relationships across the whole of our England Licence area.



## Welsh Government

Our partnerships stretch to the highest levels. We're proud of our relationship with Welsh Government and are extremely keen to help the Welsh Government achieve their renewable and investment goals for North Wales.

The SP Manweb Director has met with Assembly Members for both Infrastructure and Environment to discuss long term energy strategy in Wales and at a UK level. We're also involved in more localised working groups on specific projects such as Anglesey Energy Island and Northern Gateway.

SP Energy Networks sits on the Welsh Government funded Institute of Welsh Affairs Re-energising Wales Steering Group. We're committed to providing support to the Institute of Welsh Affairs and Welsh Government's aspirations to be fully independent of fossil fuel by 2035.

We are also committed to providing support for the Welsh Government's commitment to community energy schemes in North Wales as a way to improve the rural economy, particularly in areas of high fuel poverty. We were involved in the recent visit by the Climate Change, Environment and Rural Affairs Committee to Bethesda in North Wales to view a small scale community energy project in operation, and have supported the Welsh Government funded Energy Local project since its inception in September 2015.

We are supportive of the Welsh Government's intention to establish a National Infrastructure Commission for Wales (NICfW) to help inform and prioritise investment decisions on infrastructure needs in Wales. Our SP Manweb Director attended the recent consultation on this subject as we see this as an important way to help identify and address cross cutting delivery issues that might be a barrier to effective infrastructure development in Wales.

**"The Welsh Government is keen to keep working with SP Energy Networks to investigate innovative solutions to facilitate development of distributed renewable energy"**

Eleanor Knight –  
Welsh Government

## Enterprise Zones in Wales

SP Manweb has a board member on the Anglesey Enterprise Zone Board and we regularly provide advice and support to the Deeside and Snowdonia Enterprise Zones.

Working with these groups helps to ensure our strategic investment plans are aligned with local government plans for the North Wales area. Communicating and explaining our plans helps local businesses and groups to understand where we can use our expertise to assist locally, especially with regards to facilitating large scale and community renewable projects.

## Other Local Engagement

### Scottish Association of Young Farmers

We are proud sponsors of the Scottish Association of Young Farmers (SAYFC) and have worked hard to build a strong and enduring relationship over the past year. This partnership provides a vital link into the farming community, which is one of our key stakeholder groups. This provides a platform to ensure our vital safety messages can be heard. Importantly for our connections customers, our links mean we have improved our lines of communication in relation to land access and built trust within this key stakeholder group.

### Wales Young Farmers Cymru

We are also proud of our partnership with Wales Rugby Union, and our sponsorship of the Wales Under 20s National Team and RGC North Wales rugby team. SPEN and WRU have both prioritised getting closer to our local communities in North Wales during the first year of the partnership. We are also building links with Wales Young Farmers Cymru (WYFC). We are running a number of community rugby festivals with WRU and WYFC across North Wales throughout the summer, culminating in our attendance at the Agricultural Shows in North Wales.

This is another excellent way of building relationships across the North Wales area, communicating our important safety message and our investment plans across each of the local communities.

## We've received positive feedback

**"Encouraged by the openness"**  
Dumfries and Galloway Council –  
Metered and DG

**"Communication of information is absolutely key"**  
Ken Asher - Asher

# Application Process

An application process that's too complicated just puts people off. It's vital that customers can find their way around the process easily, while ensuring we still have all the information we need.

## Our stakeholders told us:

- SPEN staff are helpful and do a good job, but the application process can be complicated, especially for first-time customers.
- Other companies seem to use less jargon and are easier to understand.
- The introduction of Design and Assessment Fees is an important issue which they'd like to see developed further.



## What we did:

We've improved the information we give to our customer's right at the start of their journey. That way we can guide new and less experienced customers through their application with ease.

We simplified our application process and published a connections customer journey, which clearly explains how we work.

Stakeholders said that was really useful. So we've added links to it in the information leaflets we produce for each part of our application process. These leaflets give customers extra information and details of how to contact us.

Applying for a new connection can be daunting for new and inexperienced customers, and our stakeholders wanted us to make it easier.

So we came up with an innovative Buddy system. Each district has a specially trained 'buddy', who can help any customer who wants a little extra help. Our Contact Team knows who each buddy is, and can put customers in touch with the right person as soon as they ask for help.

SPEN also took the lead in an industry-wide consultation of Design and Assessment Fees. Most of the research was completed between April and December 2016 as part of ENA working groups. The findings have been passed to BEIS for consideration.

## We've received positive feedback

**"The customer journey is very important to help people understand and manage their expectations, better information and more accessible"**

Peter Bulmer -  
Cheshire and Chester Council



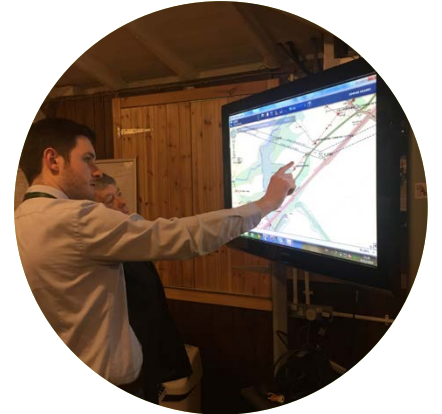


# Information Provision

We've worked hard to give our customers clear and concise information and data, so they can fully assess their connection needs before seeking a formal connection offer.

## Our customers told us:

- They weren't fully aware of all the services we provide.
- They'd like a clearer explanation of our processes.
- Our heat maps are good, but they'd like them to be updated more regularly.
- Stakeholders want to see our plans for network improvement.



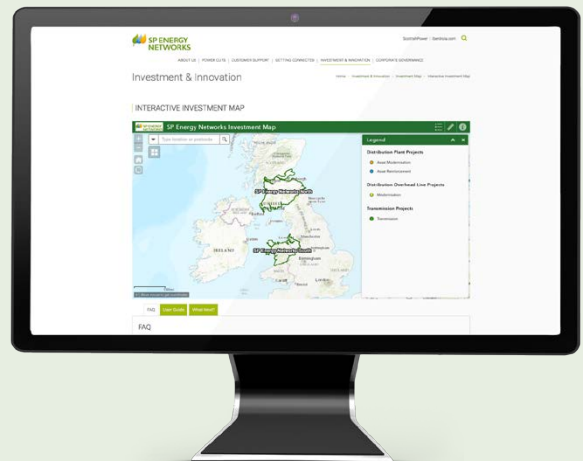
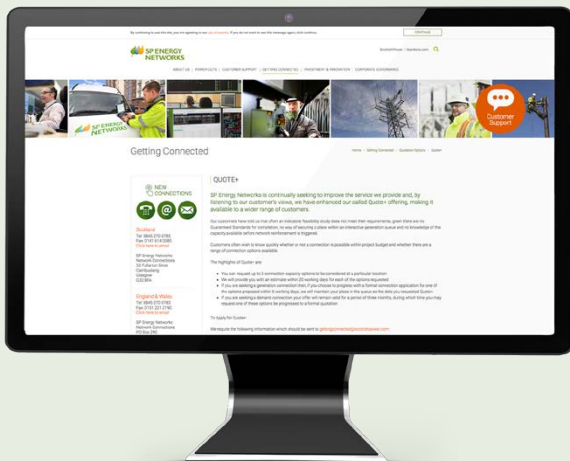
## What we did:

We've revamped our website so it's much easier for users to find their way around.

We responded to our customers' views by enhancing our Quote+ offering. Now it's available to a wider range of customers.

Our Heat Maps are live and updated more often - giving our customers the best information at time of use.

Our Investment Maps went live on our website on 31st March. They provide information on planned distribution asset modernisation, asset reinforcement, overhead projects and transmission projects.



## We've received positive feedback



“Local Energy Scotland are encouraged to see improvements in information provision such as the development of Quote+ which has benefited a number of communities we support in relation to speeding up the decision making process for connection assessment.”  
James Buchan - Local Energy Scotland

# Communication

Our customers are the reason we're here. So we are always looking at ways to improve our service and we've been leading the way on some of the key issues that matter most to them.

## Our stakeholders told us:

- They wanted to see our performance information.
- We should make our processes clear, so they can better understand how we work.
- They'd like a website that's easier to navigate.
- There should be early notice of planned events and workshops.
- Different methods of communication would help.



## What we did:

Every month we ask our major connections customers how we're doing and publish the results on our website. Our 'connections customer journey' graphic is also available online. It clearly shows the processes and steps we go through, so customers can see at a glance how we work. We've know this really helps, so we're evolving the content to make it even better.

We felt we could improve the 'connections' area of our website. So we held focus groups and surveyed a cross section of stakeholders to find out what they wanted. We went on to overhaul our website, so now it's more user-friendly, with clear icons to guide users. There's lots of information on our website, however there's still some work to do. Improving it further is a key focus.

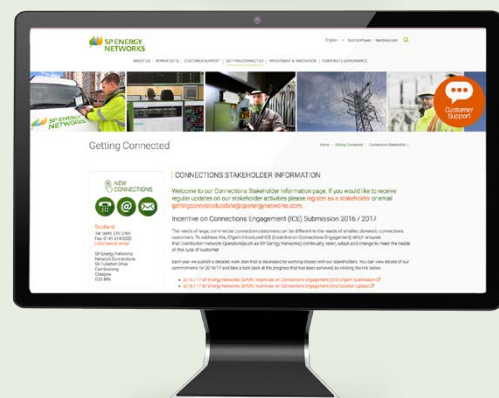
Organising a connection to our network is a big issue for customers. We want it to be as straight forward as possible.

So as well as making our website easier to navigate, we responded to stakeholders' requests and held workshops on capacity constraints, plus tailored sessions for alternative connections providers.

We've had extremely positive feedback. Our workshops are now published on our events calendar, so it's easier to track when they're happening.

We've also continued our successful Local District Forums where we share details of our local plans and meet customers.

And we've created new videos to help customers better understand how we work. They've received positive comments, so we plan to continue this approach, focussing particularly on areas our customers want more guidance on.



## We've received positive feedback

'It is great to see progress being made with customer interaction and the level of information now available to customers / developers which contributes greatly to the connections process'

VG Energy - Stuart Templeton - DG

# Choice

We want to make sure our customers have all the tools and knowledge they need to make the right connection choice for them, whether that's with SP Energy Networks or an alternative connection provider.

## Our customers told us:

- They welcome our new Code of Practice (CoP) and want support to fully utilise the benefits.
- If reinforcement costs arise, they'd like SPEN to consider how they are apportioned.
- They're still unsure how to choose an independent alternative connections provider.
- Alternative connections providers want DNO support in an emergency situation.



## What we did:

We hold monthly district level meetings with independent connection providers (ICP). We've also held workshops to reaffirm the Code of Practice (CoP) process and promote use.

We now offer Emergency Service Provision to IDNOs, with limited uptake to date.

We'll continue to hold workshops requested by our customers, to help make the journey to a new connection as smooth as possible.



About CiC

Guidance & Information

Code of Practice

Documents

## We've received positive feedback



"The work plans show that SPEN are keen to improve their services to all stakeholders, making life easier for all parties."

John Morgan - BPI Energy



# Communities

We're committed to recognising community projects and to making sure we help communities that want to connect to the electricity network.

## New technology and innovation is paving the way for communities to make use of local resources

In rural areas in particular, community energy projects can deliver positive outcomes - whether that's in the fight against fuel poverty or helping to grow the local economy.

SPEN wants to help our customers and stakeholders make the most of these new and exciting opportunities.

We've been involved with various community energy groups across our licence areas for over 5 years. It's an important role for us, and we're committed to helping our local communities benefit.

## Our customers told us:

- We've never requested an electrical connection and find the process daunting.
- The website has lots of information, so could community groups have a section just for them?
- We'd like to work together to gain the knowledge and expertise needed to get an electrical quotation or connection to the network.
- We need to understand the new technologies available to us.
- We can't move to an area that is less constrained like the big developers – we want to connect in our local community.
- We want to understand the pricing methodology and how using local energy can help us save money.

## What we did:

Our industry is changing, new technology is bringing fresh benefits and there are new opportunities. SPEN is working closely with a diverse range of stakeholders, customers and community groups, helping to drive forward innovative ideas and providing alternative solutions to problems.

Our projects and partnerships range from new commercial funding arrangements to wider investment strategy projects. We're keen to continue to build on our partnerships, and to seize any new opportunities that may arise.

To provide information to our communities, we created a community page on our website, with links to our community booklet and external organisations that offer impartial advice.

[www.spenergynetworks.co.uk/pages/community\\_page.aspx](http://www.spenergynetworks.co.uk/pages/community_page.aspx)

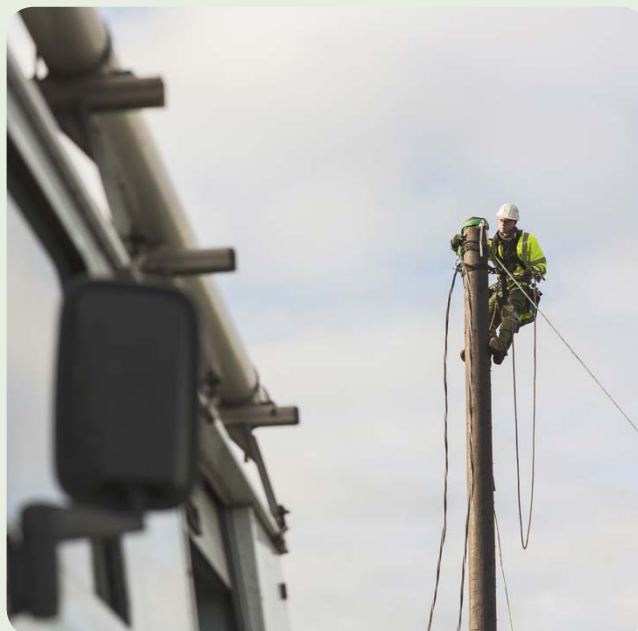
We also emailed our community booklet to community councils and known community groups, and provided links to our website. Every community council was also offered an information session.

Below are the main projects we're involved in. We operate an open door policy for any additional groups that would like to investigate further opportunities within our licence areas.



## Community Projects

- Bethesda Community Energy Project is using a small local hydro generation scheme to provide local energy in an attempt to reduce customer's bills. SPEN is working closely with the project to see if alternative commercial charging methodology can be adopted.
- Liverpool City Council Community Energy Initiatives want to use small generation locally to benefit areas of fuel poverty. SPEN is liaising to find potential sites in SPEN substations that could be utilised.
- SPEN is looking into working alongside the National Trust in North Wales on local generation and demand side management projects. We're keen to develop links with the National Trust so we can share our knowledge with more local groups and communities.
- SPEN have been working with Natural Power who are carrying out a feasibility study looking at Carsphairn village being the first SMART village in Scotland. We have been assisting Natural Power to identify the electrical supply to the houses and the robustness of their supply, upgrading supplies where necessary. We are committed to ensuring we are not a barrier to this ambitious plan and indeed a supportive collaborator.
- Working with Berwickshire Housing Association (BHA), SPEN connected the three-turbine Hoprigsheils Community Windfarm in the Scottish Borders. The project was the first wind farm developed by a housing association in the UK and is the first connection to the grid solely funded by charities. It has been developed by a partnership between Berwickshire Housing Association (BHA) and Community Energy Scotland (CES) who we have supported in the delivery of this landmark community project.



### We've received positive feedback

"Cheshire West and Chester have been working with SPEN for a number of years on Community Energy and wider supply/ connection issues. We have built up a very good working relationship with a number of contacts at SPEN on of a range of issues and the action plan has supported this approach".

Peter Bulmer -  
Cheshire and Chester Council - metered



# Constraint Management

Remove, where possible, all perceived barriers to connection and will do so by listening to your feedback and seeking resolution.

## Our customers told us:

- They want effective management of the contracted queue, review of contracted projects and progress, and contracted terminated if necessary.
- Connected customers should be reviewed and agreed capacity aligned with actual use.
- Streamline the Statement of Works process, and provide information on cost/timescales earlier in the connection process.

## What we did:

### Queue Management

Providing new or upgraded connections is a key element of what we do. But so many applications from generation developers lead to contracted queues. There were delays in connection dates, higher connection costs and an increasing impact on the transmission system.

It didn't help that network capacity was reserved on a first come, first served basis, even though a project's ability to progress wasn't clear.

As a result, we've developed a new Queue Management Policy. We wanted to make sure we got it right, so we consulted widely, and hosted a series of stakeholder events and workshops with Scottish Renewables and its members. The sessions helped shape a policy which better facilitates network access and timely connections. These principles form the cornerstone of our policy:

1. Initial queue position is determined by the date of offer acceptance
2. The maintenance of queue position is dependent on contract milestones being met
3. Opportunities for queue advancement should only be given to projects able to provide unconditional instruction to commence works
4. We will seek to recover capacity where it is not being fully utilised
5. We will terminate contracts where defined criteria not met

## Statement of Work (SoW)

The current industry SoW process means customers can face a considerable wait to find out how their project's connection will impact on the transmission system. But that's information that can often be a key indicator of a project's viability. So we've developed proposals which will get this information to customers much earlier, when they receive their distribution offer.

Trials are underway at three grid supply points (GSP), **Berwick, Linmill and Cupar**. Offers issued in these areas now provide full visibility of project critical information, including **transmission connection asset, wider reinforcement and one off works, associated capital costs, security requirements and transmission programme dates**.

Early findings have enabled us to extend the trial to a fourth GSP. Active network management (ANM) is already in place there to manage against a transmission constraint, allowing DG access in advance of system upgrades.

This combination of visibility and understanding of the planning limit, plus known transmission constraints means we can make a complete offer product and reduce the need for referral to NGET (the System Operator).

## We've received positive feedback

"We also recognise particular issues with network constraints within the SP areas and support the proactive approach being taken by SP to resolve these issues."

Bob Weaver, Powercon (UK) Ltd



# Flexible Connections

We will continue to lead the sector in our approach to researching, piloting and implementing appropriate innovations as business as usual in a timely manner where practicable, to ensure your connection needs are met.

## Our customers told us:

- **When are the alternative connection pilots going to go main stream? Pilots are fine but they do not help across my constrained areas.**
- **Where do I get a copy of the procedures and guidance for the use of export limiting devices from the workshops?**
- **I am aware that the ARC team have been developing new technology which, if rolled out, could be useful.**



## What we did:

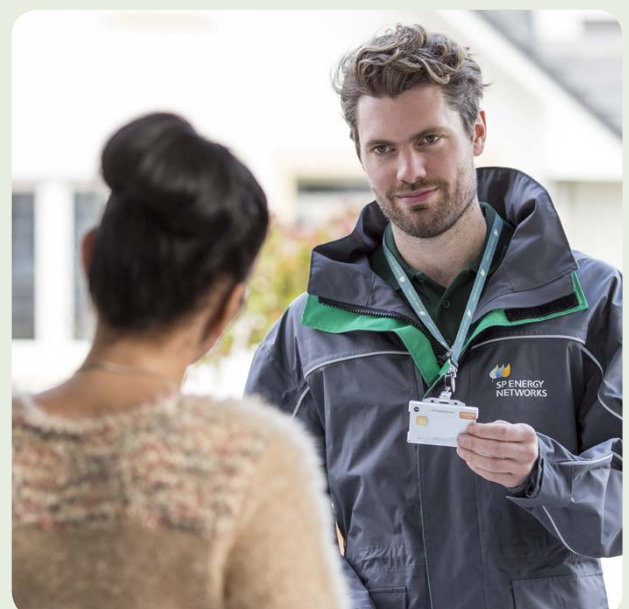
Flexible connections facilitate non-firm connections into constrained areas of the network.

In some areas it's just not possible to connect further amounts of generation or energy storage without the risk of breaching network limits. And introducing new connections in an unconstrained manner would require significant network modifications or upstream reinforcements. That's often difficult because of costs and/or timescales. So a shift toward flexible connections is required.

Flexible connections can cover a range of solutions with various degrees of complexity and network optimisation, including:

- **Active Network Management (Zones, Circuits and Local Schemes)**
- **Export Limiting Devices**
- **Local Management Schemes**
- **Remote Intertrip Schemes and**
- **Timed Capacity Connections**

We're committed to offering a range of connection options to customers. So we've developed a flexible connections and Principles of Access Policy which will support the commercial principles, arrangements and techniques needed to achieve a flexible connection solution. The policy has been published on our website.



# Land Rights

The provision of land rights on your connection project remains one of our highest priorities and we aim to continue the improvements made in the last two years.

## Our customers told us:

- The land rights process holds up the delivery of a project.
- Our customers perceive delays occur when land rights are involved.
- The time taken to secure the necessary land agreement could be much better.



## What we did:

We've embedded land officers in our district offices, creating the opportunity for land rights issues to become an integral part of the connection process, right through planning, design and delivery.

We have also published 'land rights for connection customers', a guide to land rights relating to the connection process. In it, we set out what situations may require land rights, what type of land right may be needed, how long they can take and who is responsible for securing the land right at various stages.

In addition, we've published our template documents related to various landowner agreements.

We wanted to see what else could be done. So we carried out a survey directed at land rights issues. Only 3 (11%) of the 26 surveys were returned. SPEN has reviewed the responses and considers them valuable in identifying opportunities for further improvement in its connection process.



## We've received positive feedback

**"The decentralisation of the land rights responsibilities has gone a long way to solving the issues identified in this area and we are looking forward to further improvements highlighted as actions going forward."**

Danny Mackle, Energetics



# Innovation

Continue our leadership on innovation by developing connection enabling technologies with our customers.

## Our customers told us:

- Our stakeholders wanted to understand our policy for connecting battery storage to our network.
- They were keen to understand key network innovation developments.
- They wanted to know how our network might evolve in the future, as more and more DG is connected.



## What we did:

### Distribution System Operator (DSO)

Our industry is evolving rapidly. Large power stations which were relied upon to meet our electricity demands are giving way to increasing numbers of smaller distributed generation.

At the same time, there's fresh demand from low carbon technologies such as electric vehicles and heat pumps.

Network operators must adapt to meet these fresh challenges. But at the same time we must continue to provide a low cost and reliable energy system for our customers.

We believe the right way forward is to extend our current role as Distribution Network Operator (DNO), to that of a Distribution System Operator (DSO).

### But what does becoming a DSO mean?

As a DSO we would enable market facilitation, encourage transparent and non-discriminatory access to the network. We would ensure system security and quality of service.

We would achieve this by using active system management, through supervision control and Distributed Energy Resource (DER) management systems. As a result, the network will become more dynamically active.

We're already leading the way in driving forward this vision for the future.

We became the first DNO to issue a consultation on "Our DSO Vision". This was developed by our DSO Steering Group and included industry participants and stakeholders such as NGET, Elexon, RES, Electricity North West and Strathclyde University.

Meanwhile interest is growing in Electric Energy Storage (EES) technologies - especially the new field of battery electricity storage.

While it is similar to conventional generation and demand, it has many features that need special consideration at the design stage of a connection. Because EES can be operated in many different ways, it affects how the connection is made, both technically and commercially.

To help guide customers through, we published a supplementary connection guide which explains connecting battery storage to our network.

But this is just an interim measure, pending the final conclusions and outcomes from the formal BEIS/Ofgem Call for Evidence. That means it's subject to change and will be reviewed and finalised once the BEIS/Ofgem Call for Evidence has been completed.

## We've received positive feedback

**"Working in partnership with SP Energy Networks on the Virtual Private Network Project has been incredibly important in the ongoing development of this pilot project, particularly in navigating the complexities of the balancing and settlement charges and the interfaces between generation, demand and charging structure".**

Eleanor Knight - Welsh Government



Incentive on Connections Engagement (ICE)

# SP Energy Networks 2016/17 Looking Back Report Update







# Principal Commitments Actions

|            | Implementation Evidence  | Key Strategic Area | Timeframe | KPI Measure   | Comment   |
|------------|--|--------------------|-----------|---|---|
| <b>PC1</b> | <p>Continual collaboration with industry and other DNOs to address issues that are universally affecting our stakeholders, ensuring that best practice is shared in the application of innovative commercial arrangements and innovative technical solutions.</p>  |                    | <b>Q4</b> | Stakeholders satisfied we have best practices in place      | c60+ meetings attended throughout the year.   |
| <b>PC2</b> | <p>Ongoing cost reductions passed on to customers</p> <p>We will continue to ensure that any opportunity to reduce the cost of connection through efficiencies in process and procurement of contracts are passed onto our customers.</p>  |                    | <b>Q2</b> | Cost reductions passed on to customers                      | Savings automatically added to cost system.   |
| <b>PC3</b> | <p>Connections industry code of practice (CoP) roll out</p> <p>We will continue to work with our competitors, stakeholders and other DNOs to implement and develop the competition in connections industry code of practice (CoP) and the processes we have in place to support it.</p>  |                    | <b>Q2</b> | Stakeholders satisfied we have CoP in place                 | First self determination for POC complete, more in progress.  |
| <b>PC4</b> | <p>Connection quote continual improvement towards best practice levels</p> <p>We will reduce the overall time taken to connect by reducing the average time we take to provide a quote by 20% or to best practice levels.</p>  |                    | <b>Q3</b> | Connection quote improvement over 12 month period           | Improvement targets reached by 2017. We will continue to monitor this as a key KPI.                     |
| <b>PC5</b> | <p>Overall connection continual improvement towards best practice levels</p> <p>We will reduce the overall time taken to connect by reducing the average period between agreeing the works and completing the connection by 20% or to best practice levels.</p>  |                    | <b>Q3</b> | Overall connection improvement over 12 month period         | Improvement targets reached between 2016 / 2017. We will continue to monitor this as a key KPI.         |
| <b>PC6</b> | <p>Our district model embedded</p> <p>Our district organisational model has provided a more local service to you and we recognise that we must maintain a consistent application of process, particularly to those of you who work across our licence area. We will continue to embed this model and communicate the benefits to our key stakeholders.</p> |                    | <b>Q3</b> | Stakeholders satisfied with the district model              | District heads of department meet regularly to ensure consistency and district stakeholder events held. |
| <b>PC7</b> | <p>Account management commitment</p> <p>We recognise that for those of you who work across our licence area, a single point of contact is important.</p>   |                    | <b>Q3</b> | Stakeholders satisfied with the level of account management | Account manager names published on web.   |



|  |   |   |   |   |
|--|---|---|---|---|
| <p><b>PC8</b> Scotland wide multi-organisational / governmental connections working group</p> <p>In Scotland, we recognise that our DG stakeholders face some unique issues. We will continue to work closely with Scottish and Southern Electricity Networks (SSEN), National Grid Electricity Transmission (NGET) &amp; Scottish Renewables as part of a working group to address the issues affecting our stakeholders in Scotland.</p>   |  |  |  | <p>Stakeholders satisfied with the outputs of the working group</p> <p>Numbers of work group session held. Work still ongoing progress details in engagement plans.</p> |
| <p><b>PC9</b> Wales wide multi-organisational / governmental connections working group</p> <p>In Wales, we recognise that some of our DG customers also face unique issues, particularly around connecting to the higher voltage networks in the Anglesey area. We will continue to work closely with Welsh Government, Energy Island Programme &amp; Isle of Anglesey County Council as part of a working group to address the issues affecting our stakeholders on Anglesey and the wider North Wales area. We also work with these parties &amp; other local authorities to address the issues affecting our rural customers.</p> |  |  |  | <p>Stakeholders satisfied with the outputs of the working group</p> <p>Numbers work group session held. Work still ongoing progress details in engagement plans.</p>    |
| <p><b>PC10</b> Evolving stakeholder engagement</p> <p>We will engage with you as part of our stakeholder engagement strategy and through our stakeholder engagement plans to ensure we are addressing the issues that you face.</p>  |  |  |  | <p>Stakeholders satisfied with the level of continual engagement</p> <p>Each district has an engagement plan aligned to our stakeholder strategy.</p>                   |
| <p><b>PC11</b> Constraint management</p> <p>We will work with our stakeholders to review alternative connection methods ensuring that options are considered to facilitate connections in constrained network areas.</p>   |  |  |  | <p>Several constraint management options implemented as business as usual</p> <p>We will continue to improve the flexibility in our offers.</p>                         |

 Complete
  Work in progress
  Cancelled

 Time
  Satisfaction
  Cost

 Quarter 1
  Quarter 2
  Quarter 3
  Quarter 4

| Application Process Actions |  | Implementation Evidence | Key Strategic Area | Timeframe | KPI Measure   | Comment  | Source   |
|-----------------------------|--|-------------------------|--------------------|-----------|---|--|--|
| AP1                         | Provide additional support to 'first-time' customers   |                         |                    |           | New applicant facility available on website and feedback from customers on buddy system | Buddy system in place                          | DG customer                                    |
|                             | A facility on our website for new customers to request assistance.                                     |                         |                    |           | Buddy system in place and positive feedback gained from stakeholders                    | Named contacts in place                        | DG customer                                    |
| AP2                         | Provide you with more clarity on cost, information and associated timescales on your quotation options |                         |                    |           | Output of consultation published  | BEIS decision expected end of 2017             | DECC, stakeholder workshops, DNO collaboration |
|                             | We will review our successful Quote* tool to identify if further improvements can be made.             |                         |                    |           | Review conducted and results published on our website                                   | Improved process in place and published on web | Stakeholder survey                             |

Complete  
 Work in progress  
 Cancelled

Time  
 Satisfaction  
 Cost

Quarter 1  
 Quarter 2  
 Quarter 3  
 Quarter 4

| Information Provision Actions |   | Implementation Evidence | Key Strategic Area | Timeframe | KPI Measure                                      | Comment  | Source             |
|-------------------------------|---|-------------------------|--------------------|-----------|--|--|--------------------|
| IP1                           | <p>Improve the way we provide information to facilitate a better connections process</p> <p>We will publish further information regarding our new business model, including district level investment plans.</p> <p>We will review and improve our suite of guidance leaflets and look to expand the range to ensure that our key processes are explained fully.</p> <p>We will review, improve and simplify our technical document library.</p> <p>Review and improve the quality of information provided to prospective connection customers about the cost of getting connected, identifying clearly what work they can undertake.</p> <p>Review and improve processes, communication channels and the quality of information provided to connection customers for projects with a transmission system impact.</p> |                         |                    | <b>Q3</b> | Investment plans on website                      | Investment plans in heat map format on website   | Stakeholder survey |
|                               |   |                         |                    | <b>Q3</b> | Publication of relevant documentation            | Ongoing improvement as part of major communication review  | Stakeholder survey |
|                               |   |                         |                    | <b>Q4</b> | Output of review published                       | New improved document library established  | Stakeholder survey |
|                               |   |                         |                    | <b>Q2</b> | Estimated cost and work outlined at design stage | New quote letter with detailed cost information  | Stakeholder survey |
|                               |   |                         |                    | <b>Q3</b> | Review, update and publish new process           | Improved process in place and endorsed by original stakeholder   | Stakeholder survey |
| IP2                           | <p>Strengthen the content of our 'heat maps' and 'contracted capacity'</p> <p>Our new heat maps will be updated on a quarterly basis and we will look to enhance the functionality.</p> <p>We will engage with external parties to understand the opportunity to include relevant external information into our heat maps.</p>  |                         |                    | <b>Q2</b> | Heat map and capacity register provided          | Update date now on heat map – last update 27th February 2017, enduring update solution still being determined. | Stakeholder panel  |
|                               |   |                         |                    | <b>Q4</b> | Improvement heat map provided                    | Review of feedback on heat maps negated the need for further improvements at this time                         | Stakeholder panel  |



# Communication Actions

|   | Implementation Evidence | Key Strategic Area  | Timeframe | KPI Measure  | Comment   | Source                |
|---|-------------------------|---|-----------|--|---|-----------------------|
| <b>C1</b> Improve your customer experience by better communicating our processes and timescales | ✓                       |    | Q1        | Customer survey communicated                               | Current score published on website 8.3                                      | Stakeholder workshops |
|   | ✓                       |    | Q1        | Processes published on websites                            | New road map published on website   | Annual survey         |
|   | ✓                       |    | Q3        | Contact made within timescales                             | Open discussion on customer needs at on set of application                  | Annual survey         |
| <b>C2</b> Alternative methods for communicating with you  | ✓                       |    | Q3        | Communication methods agreed and adhered to                | Standard template at planning stage to capture customer needs               | Annual survey         |
|   | ✓                       |    | Q4        | Escalation process in place                                | Head of Design nominated as escalation point                                | Annual survey         |
|   | ✓                       |    | Q2        | Circulation list developed and messages distributed        | Several new media being used – Youtube, Tracktivity, Twitter, Facebook etc. | Annual survey         |
| <b>C3</b> Improve the connections area of our website   | ✓                       |  | Q4        | Registration facility available online                     | Enhance registration process on website                                     | Annual survey         |
|   | ✓                       |  | Q4        | Website changes made in line with stakeholder consultation | New enhanced website now live   | Annual survey         |

|  |   |          |          |           |   |
|--|---|----------|----------|-----------|---|
| <p><b>C4</b></p> <p>We will continue to engage with our local and national stakeholders by holding relevant forums/workshops</p> | <p>We will hold further local district forums to continue to communicate our new business model, providing an update to our local stakeholders on our investment plans, connections activities and progress made to date.</p> | <p>✓</p> | <p>👍</p> | <p>Q2</p> | <p>Forums held</p> <p>District day dates published on website</p> <p>Annual survey</p>  |
| <p>We will continue to engage with our local and national stakeholders by holding relevant forums/workshops</p>                  | <p>We will continue to run capacity constraint workshops on at least a bi-annual basis to inform and discuss work to facilitate connections in constrained areas.</p>   | <p>✓</p> | <p>👍</p> | <p>Q2</p> | <p>Workshops held</p> <p>4 workshops held</p> <p>Annual survey</p>  |
| <p><b>C5</b></p> <p>Improve our communication with local authorities</p>   | <p>We will publish our events calendar, informing you of our stakeholder events.</p>  | <p>✓</p> | <p>👍</p> | <p>Q1</p> | <p>Event calendar published</p> <p>Events calendar published</p> <p>Annual survey</p>   |
| <p><b>C6</b></p> <p>Providing our workforce with the right tools to communicate with our customers</p>                           | <p>We will continue to develop our engagement programme with all local authorities and embed it as a business as usual process.</p>   | <p>✓</p> | <p>👍</p> | <p>Q2</p> | <p>Feedback from stakeholders on effectiveness of engagement</p> <p>Each district has local authority communication plans ongoing, included in their engagement plans.</p> <p>Annual survey</p> |
|  | <p>We will continue to provide customer service training to all of our design, project management and site teams to further enhance their ability to deliver excellent customer service.</p>                                  | <p>✓</p> | <p>👍</p> | <p>Q4</p> | <p>Training delivered</p> <p>Best practice and awareness session held</p> <p>Annual survey</p>  |

 Complete  
 Work in progress  
 Cancelled

 Time  
 Satisfaction  
 Cost

 Quarter 1  
 Quarter 2  
 Quarter 3  
 Quarter 4

# Choice Actions

|  | Implementation Evidence   | Key Strategic Area  | Timeframe   | KPI Measure                             | Comment   | Source                  |
|--|---|---|---|---|---|-------------------------|
| <p><b>CH1</b></p> <p>Increase awareness and uptake of the new code of practice</p> <p>We will continue to promote the benefits of the new CoP with ICPs/IDNOs and stakeholders, utilising various communication channels and holding workshops.</p> <p>We will work with ICPs to pilot use of the CoP to assist with the implementation of the CoP principles.</p> |  |  |  | CoP campaign rolled out                 | Processes and procedures in place and interest growing                            | ICP / IDNO stakeholders |
| <p><b>CH2</b></p> <p>Part funded reinforcement</p> <p>We will engage with alternative connection providers, seeking opportunities to trial part funded reinforcement works.</p>  |  |  |  | Process agreed and published on website | Newsletter sent and process published on website                                  | ICP / IDNO stakeholders |
| <p><b>CH3</b></p> <p>Emergency Service Response</p> <p>Emergency response cover will be further developed with our key stakeholders and implemented where commercially practical.</p>  |  |  |  | Contracts available                     | Emergency service contracts written and available                                 | ICP / IDNO stakeholders |
| <p><b>CH4</b></p> <p>Providing you with more information about alternative connection providers</p> <p>We will continue to provide customers with information on independent connection providers to proactively promote competition.</p>  |  |  |  | Trial continued and result published    | 2 ICP / IDNO consultation meetings held and few being considered for 2017/18 plan | ICP / IDNO stakeholders |

 Complete
  Work in progress
  Cancelled

 Time
  Satisfaction
  Cost

 Quarter 1
  Quarter 2
  Quarter 3
  Quarter 4











| Communities Actions |  |  |           |             |  |   |                                 |               |
|---------------------|--|--|-----------|-------------|--|---|---------------------------------|---------------|
|                     | Implementation Evidence  | Key Strategic Area   | Timeframe | KPI Measure | Comment                                | Source  |                                 |               |
| <b>CM1</b>          | Provide additional support to our communities  | For communities, who have not requested a quote from us in the past, we will roll out our 'buddy' system which provides them with a local contact who will guide them through the application process. |           |             |  | Dedicated person assigned to support first-time customers   | Community buddy system in place | Annual survey |
|                     | We will establish a dedicated community area on our website as a repository of information for community groups looking to connect their energy project. |  |           |             | Community website area in place        | Dedicated community area on website                         | Annual survey                   |               |
|                     | We will provide community councils and local groups with our community energy guide, offering support where appropriate.                                 |  |           |             | Support offered and guides distributed | Community guide sent to community councils and local groups | Annual survey                   |               |
|                     | We will actively seek to identify and work with community partnerships within our district structure.  |  |           |             | Pilots completed                       | Community partnerships continually being sought             | Annual survey                   |               |
|                     | We will hold regular community energy workshops in each area to help guide communities through our processes.  |  |           |             | Pilots completed                       | Community energy workshop program in place                  | Annual survey                   |               |

| Innovation Actions |   |   |           |             |         |                                  |  |                         |
|--------------------|---|---|-----------|-------------|---------|----------------------------------|--|-------------------------|
|                    | Implementation Evidence   | Key Strategic Area  | Timeframe | KPI Measure | Comment | Source                           |  |                         |
| <b>IBP1</b>        | Determine, create and communicate our policy on Electricity / Battery Storage | We will work with other DNO's and industry experts in developing a strategy for the introduction of storage technologies. We will determine, communicate and implement our policy on battery storage on the information from this consultation. |           |             |         | Policy published                 | Electric energy storage policy published                 | DG constraints workshop |
| <b>IBP2</b>        | Review electric vehicles' growth projections                                  | We will investigate the likely growth in electric vehicles taking into consideration government policy in order to understand likely future network impact.   |           |             |         | Investigation results published  | Electric vehicle growth predictions published            | DG constraints workshop |
| <b>IBP3</b>        | Develop a Distribution System Operator (DSO) Model                            | In an effort to address network constraints at a local level we will develop a DSO vision which will be developed in conjunction with appropriate stakeholder engagement.   |           |             |         | Educations programme implemented | DSO strategy published and endorsed at several workshops | DG constraints workshop |

# Enablers To Connection Actions

|     |   | Implementation Evidence | Key Strategic Area | Timeframe | KPI Measure                                     | Comment  | Source                              |
|-----|---|-------------------------|--------------------|-----------|---|--|-------------------------------------|
| EC1 | Implement a formal policy for termination of stalled projects | ✓                       | ⏸                  | Q2        | Provided evidence of terminations               | Ongoing discussions with 40MW of terminations achieved                             | Constraint workshops / DG customers |
| EC2 | Implement 'alternative' connection offer                      | ✓                       | 👍                  | Q4        | Review completed and process communicated       | Improved communication channels and processes in place                             | Constraint workshops / DG customers |
| EC3 | Promoting our export limiting device policy                   | ✓                       | ⏸                  | Q3        | Evidence of ELD offers being made               | Policy emails to customers and published on website                                | Constraint workshops / DG customers |
| EC4 | Continuing accelerated renewable connections (ARC) roll-out   | ✓                       | ⏸                  | Q3        | Policy published and communicated               | Policy published on website  | Constraint workshops / DG customers |
|     |   | ✓                       | ⏸                  | Q3        | Education and communication programme completed | Communications sessions held and district champions in pace to roll out ARC / ANM  | Constraint workshops / DG customers |
|     |   | ✓                       | ⏸                  | Q3        | AMN awareness campaign completed                | Several workshops held throughout the year   | Constraint workshops / DG customers |
| EC5 | Release under-utilised network capacity                       | ✓                       | ⏸                  | Q4        | Capacities aligned where appropriate            | 10MW freed with another 555MW identified   | Constraint workshops / DG customers |
| EC6 | Statement of works  | ✓                       | ⏸                  | Q3        | Pilot completed                                 | Pilot and discussions with stakeholders and Ofgem ongoing to prove new SOW process | Constraint workshops / DG customers |

|   |   |   |   |           |  |  |
|---|---|---|---|-----------|--|--|
| <p><b>EC7</b></p> <p>Our role in managing the 'contracted queue' impacted by the requisite transmission works</p> | <p>We will act on the results of our consultation on queue management creating a process to actively manage the queue. In addition we will seek to align this process with identified industry best practice.</p> <p>We will test the agreed queue management criteria in a pilot area to ensure it is "fair and just" for all parties with currently accepted connection offers.</p>   |  |    | <p>Q4</p> | <p>Pilot results communicated</p> <p>National agreement on queue management achieve and principles being adopted</p>   | <p>Constraint workshops / DG customers</p>   |
| <p><b>EC8</b></p> <p>The provision of land rights on your connection project</p>                                  | <p>Following our recent move to a district model and the inclusion of the land officers in each of the district teams, we will continue to develop a local approach to the delivery of your connection.</p> <p>We will actively promote our land rights published process.</p> <p>At the outset we will inform you of the land right required for your connection and what we require you to do to enable us to gain the relevant consents.</p> <p>We will regularly review our approach to gaining land rights, considering where appropriate the views of our customers.</p> <p>In order to identify potential areas for further improvements, we plan to issue a survey to our customers focusing on their experience of our approach to obtaining the appropriate land rights for their connection.</p> |  |    | <p>Q4</p> | <p>Pilot completed</p> <p>Queue management policy tested throughout the year with numerous stakeholders</p> <p>Land officers located locally in districts</p> <p>Stakeholder panel, stakeholder workshops, annual and monthly surveys</p> <p>Communication campaign</p> <p>New processes communicated via email to stakeholders</p> <p>District meetings communication</p> <p>Discussions held and links to land rights documentation shared</p> <p>Review completed and results published</p> <p>11% of recent customers completed survey</p> <p>Review completed and results published</p> <p>New streamlined processes published and in place</p> | <p>Constraint workshops / DG customers</p> <p>Constraint workshops / DG customers</p> <p>Stakeholder panel, stakeholder workshops, annual and monthly surveys</p> <p>Stakeholder panel, stakeholder workshops, annual and monthly surveys</p> <p>Stakeholder panel, stakeholder workshops, annual and monthly surveys</p> <p>Stakeholder panel, stakeholder workshops, annual and monthly surveys</p> <p>DG constraints workshop / Stephen Parnell</p> |
| <p><b>EC9</b></p> <p>Distribution, transmission, national grid interface improvements</p>                         | <p>We will work to streamline our interface processes and communications between SPEN Distribution, SPEN Transmission and NGET to improve your connections experience.</p>  |  |    | <p>Q2</p> | <p>Streamlined process published on website</p> <p>New processes published on website</p>  | <p>Bi-annual workshops held and quarterly newsletters published</p> <p>ICP / IDNO workshops held</p> <p>DG constraints workshop / Stephen Parnell</p>  |
| <p><b>EC10</b></p> <p>Alternative connection providers communication</p>  | <p>To improve the frequency and methods of communicating with the alternative connections providers operating within our SPD / SPM areas. We will hold bi-annual updates to communicate key policy and process changes, as well as publish a quarterly newsletter.</p>  |  |  | <p>Q4</p> | <p>Streamlined process published on website</p> <p>New processes published on website</p>  | <p>Bi-annual workshops held and quarterly newsletters published</p> <p>ICP / IDNO workshops held</p> <p>DG constraints workshop / Stephen Parnell</p>  |



# Glossary of Terms

| Term                                      | Definition   |
|---|--|
| Accreditation                             | The appropriate qualifications to allow alternative connection providers to operate on our electrical network  |
| After Diversity Maximum Demand (ADMD)     | The combined maximum demand for one or multiple customers when a diversity factor has been applied.  |
| Alternative Provider Register             | Scottish and Southern Electricity Networks & Northern Power Grid list of alternative providers that are active in our license areas for new connections work   |
| ANM                                       | Active Network Management; using technology to enable generators to connect in constrained areas on a commercially un-firm basis   |
| Appendix G                                | the Appendix in the CUSC offer that summarises the contracted generation connected to a GSP. This information forms the basis of the new SoW process whereby DNOs can work within materiality limits set by National Grid reducing the timescale for a decision on transmission impacts for DG offers. |
| ARC Accelerating Renewables Connections;  | SPEN 'Low Carbon Networks' funded project to consider innovative methods for connecting DG quicker and cheaper   |
| AVR                                       | Automatic Voltage Regulator; this is a device which can be deployed on our overhead line network and controls the voltage to ensure the network remains within statutory limits  |
| BEIS                                      | Department of Business, Energy and Industry Strategy - The Government department brings together responsibilities for business, industrial strategy, science, innovation, energy, and climate change.  |
| Budget Quote                              | A budget quote is provided to aid customers with up front planning of projects and is a simple review of the network within the vicinity of the proposed development and does not include detailed modelling of the system. A budget quote cannot be contracted  |
| BMCS                                      | Broader Measures of Customer Service   |
| CCCM                                      | Common Connection Charging Methodology   |
| CARES                                     | Community and Renewable Energy Scheme  |
| CIC                                       | Competition in Connection; ability for a customer to seek connection to the network using a Lloyds accredited ICP of your choice   |
| CIC Code of Practise (CoP)                | This is a proposed industry standard which is being developed jointly by DNOs and OFGEM. The code is aimed at making it easier for alternative connection providers to get their customers connected and better inform customer of their choices   |
| Collaborative Connections                 | These are connections where multiple customers are brought together to benefit from shared connection costs and shared assets to maximise the amount of generation connected in any part of our network  |
| Connections Customer Steering Panel(CCSP) | A dedicated forum to give you more influence over our connection service. Scottish and Southern Electricity Networks   |
| Constraint Managed Zones (CMZ)            | Effectively manage peaks in demand or distributed generation without needing to reinforce the network  |
| Contestable                               | When we talk about contestable work, these are the 'off the system' works, which can be completed by either ourselves or a Lloyds accredited ICP of your choice  |
| Contracted Capacity Register              | This lists generators that are contracted but not physically connected to our network  |
| CRAM                                      | Connection Registration and Management. This was a legacy IT system utilised to manage CIC enquiries where a Lloyds accredited ICP of your choice was being employed to complete the contestable works   |
| CRM                                       | Under the SP brand name of Athos, CRM is SP Energy Networks Customer Relationship Management system which will help us better serve our customers  |
| Customer                                  | A customer is defined as someone who is or has applied for a connection to our network   |
| Customer Connections Managers (CCMs)      | This role covers every part of our license areas SHEPD and SEPD to offer a more personalised service to our demand customers   |

|                                   |   |
|-----------------------------------|---|
| Customer Surgeries                | These are held monthly for any customers who wished to discuss a project with us at any time in the process   |
| DG                                | Distributed Generation; this is the connection of generation to any point of the distribution system, from 230V up to 33,000V in Scotland or 132,000V in England & Wales  |
| DNO                               | Distribution Network Operators, responsible for owning operating, and maintaining the electrical network in their licensed geographical area  |
| DOCO                              | Distribution Owner Connection Offer, Scottish and Southern Electricity networks offer to connect a embedded generator to the distribution network   |
| DSO                               | Distributed Systems Operator responsible for facilitating effective and well-functioning distribution markets, which give options to customers to choose the best connection provider and allow connection providers to offer options and services best tailored to connection customer needs.                    |
| Dual Offers                       | These are formal offers which facilitate the acceptance of either the full works or just the non-contestable works, with the contestable works completed by a Lloyds accredited ICP of your choice  |
| DUoS                              | Distribution Use of System Charges  |
| ENA                               | Energy Networks Association is the voice of the networks, representing the 'wires and pipes' transmission and distribution network operators for gas and electricity in the UK and Ireland.   |
| Export Management/ Limited Device | These are devices which seek to manage the local demand alongside any generator, essentially restricting export to our network  |
| Feasibility Study                 | A feasibility study is a chargeable service to run a number of network models and advise what capacity is available where on parts of our network. This does not facilitate a connection offer, and does not carry any contractual link to a formal connection offer  |
| Flexible connection               | A transitional solution may be available for your connection, we will engage with you to discuss flexible contractual terms. depending on the circumstance, may allow connection ahead of the required reinforcement works.   |
| Formal Connection Offer           | A formal Connection offer facilitates a contract between us and the applicant to accept our offer and progress the construction works with the connection   |
| Full Metering Settlement Option   | Enables clients to share a point of connection without a boundary meter. The point of supply is separated on the customer side of the connection providing 2 or more customer meters with full settlement(e.g. shared connection for community and commercial pv site / shopping centre with multiple outlets).   |
| G59                               | G59 is the industry standard for generators greater than 16 amp per phase   |
| G83                               | G83 is the industry standard for small scale embedded generators for connections up to 16 amp per phase, 3.68kw single phase connection or when multiple generators are to be connected   |
| GRP Enclosures                    | 'Glass Reinforced Plastic' enclosures. Our traditional solution for a substation which requires a battery set is a brick building, GRP solutions utilise glass reinforced plastic technologies (GRP) to provide substation enclosures that can provide similar environments to brick-built substations            |
| GSPs                              | A Grid Supply Point is the point at which electricity enters the distribution network, leaving the transmission network   |
| Heat-maps                         | These are maps of our HV network, colour coded based on the available capacity on any given circuit   |
| ICP                               | Independent Connection provider   |
| IDNO                              | Independent Distribution Network Operators develop, own, operate and maintain local electricity distribution networks   |
| IFI                               | Innovation Funding Incentive (IFI) was introduced by OFGEM to encourage Electricity Distribution, Electricity Transmission Network Operators to apply technical innovation in the pursuit of investment in and operation of their networks. It will be replaced by the Network Innovation Allowance (NIA) in 2015 |
| Intertrip                         | An intertrip will automatically disconnect a generator or demand from the network when a specific event occurs  |
| JOA/SRS                           | Joint Operational Agreement/ Site Responsibility Schedule these are required for users connected at HV/EHV.   |
| Joining                           | Joining is a method of connecting two sections of cable together  |

|  |  |
|--|--|
| KPI                                      | Key Performance Indicator  |
| LCNF                                     | Low Carbon Networks (LCN) Fund was established by OFGEM as part of the electricity distribution price control that runs until 31 March 2015. The fund offers capital to support projects sponsored by the Distribution Network Operators (DNOs) to try out new technology, operating and commercial arrangements |
| LIDAR                                    | Light Detection And Ranging, a surveying technology that measures distance by illuminating a target with a laser light   |
| Link boxes                               | A link box provides a point of isolation at the interface of an IDNO (Independent Network Operators) and DNO network   |
| Meter Point Administration Number (MPAN) | A 21-digit reference used in Great Britain to uniquely identify electricity supply points  |
| Market Segment                           | This is the regulatory terminology which defines DGLV and DGHV   |
| Metering                                 | This is the mechanism for settlement to ensure your generation receives the correct rates for your tariff and is a key part of the balancing and settling arrangements, which are laid down in the Balancing and Settlement Code (BSC), and is administered by ELEXON  |
| NERS                                     | National Electricity Registration Scheme, perform technical assessment of the service providers who elect to be assessed for accreditation for contestable works associated with the installation of electrical connections.   |
| NGET                                     | National Grid Electric Transmission - Deal with all aspects of the contracts for the connection to and use of the electricity transmission system throughout the UK  |
| Non-Contestable                          | Where we talk about on-site works, these are typically within either the customers land boundaries or the CDM boundary within which a Principle Contractor operates  |
| On-Site                                  | On-site works are typically within either the customers land boundaries or the CDM boundary within which a Principle Contractor operates   |
| PPA                                      | Power purchase agreement, is a contract between two parties, one which generates electricity (the seller) and one which is looking to purchase electricity (the buyer).  |
| Pseudo MPANs                             | enables clients to sub-meter behind a single point of supply making individual bills available (e.g. shared connection for community and commercial pv site / shopping centre with multiple outlets). This option requires a common meter operator and a boundary meter.   |
| POCs                                     | Point of Connection for the electrical network   |
| Quote+                                   | Quote+ provides options for our customers quickly whilst maintaining queue position  |
| RAAdAR                                   | Register of Adopted Asset Requests; this is our current IT system utilised to manage CIC enquiries where a Lloyds accredited ICP of your choice is being employed to complete the contestable works  |
| RIIO ED1                                 | (Revenue = Incentives + Innovation + Outputs) price control set the outputs that the 14 electricity Distribution Network Operators (DNOs) need to deliver for their consumers and the associated revenues they are allowed to collect for the eight-year period from 1 April 2015 to 31 March 2023.              |
| SoW                                      | The Statement of Works process should be followed when it is identified that a generator seeking a connection to a DNO's network may have an impact on the transmission network  |
| Substation                               | A part of our network where DG is connected and we transfer power across boundaries, either by voltage level or a customer's point of common coupling  |
| TSO                                      | Transmission Systems Operator – responsible for facilitating effective and well-functioning transmission markets, which give options to customers to choose the best connection provider and allow connection providers to offer options and services best tailored to connection customer needs.                |
| Wayleaves                                | This is the process which secures the legal right for apparatus to be installed on any given location and secures the connection to your site for a defined period of times  |
| Webinar                                  | Web conferencing   |
| Witness test                             | Witness testing' is where we, the distribution network operator, attend the site of your generator to witness your commissioning engineer test the protection systems associated with your generator and ensure they operate correctly.  |



# Summary of Relevant Market Segments

| Term                                | Definition   |
|-------------------------------------|--|
| Metered Demand Connections          | <p>Low Voltage (LV) work: LV connection activities involving only LV work, other than in respect of the Excluded Market Segment.</p> <p>High Voltage (HV) work: LV or HV connection activities involving HV work (including where that work is required in respect of connection activities within an Excluded Market Segment).</p> <p>HV and Extra High Voltage (EHV) work: LV or HV connection activities involving EHV work.</p> <p>EHV work and above: extra high voltage and 132kV connection activities.</p> |
| Metered Distributed Generation (DG) | <p>LV work: low voltage connection activities involving only low voltage work.</p> <p>HV and EHV work: any connection activities involving work at HV or above.</p>  |
| Unmetered Connections               | <p>Local Authority (LA) work: new connection activities in respect of LA premises.</p> <p>Private finance initiatives (PFI) work: new connection activities under PFIs.</p> <p>Other work: all other non-LA and non-PFI unmetered connections work.</p>  |





**SP ENERGY  
NETWORKS**

**SP Energy Networks**  
Ochil House  
Hamilton International Park  
Technology Avenue  
Blantyre  
South Lanarkshire  
G72 0HT

[spenergynetworks.co.uk](http://spenergynetworks.co.uk)