

SP Energy Networks 2018/19 Looking Forward Work Plan

Incentive on Connections Engagement (ICE)
April 2018



The following document outlines our Stakeholder strategy and provides an initial draft of our 2018/19 work plan.

This draft plan has been developed through extensive engagement with our connections stakeholders. It comprises of 13 actions that have been developed through this engagement and seeks to address key areas that our stakeholders have highlighted to us.

We will continue to gather feedback from our stakeholders on our proposal and we will publish our final work plan at the end of May 2018.



As a DNO, we recognise the significant economic role that we play in connecting our customers and the wider impact on society. We put customers at the heart of everything we do. Delivering a connection service that supports our customers' needs is our priority.

SP Energy Networks (SPEN) is the Distribution Network Operator (DNO), operating in Central and Southern Scotland, Merseyside, Cheshire, North Wales and North Shropshire. We are unique, as we are the only network operator active in Scotland, England and Wales. We own, operate, and maintain the electricity network within these areas.

The ICE (Incentive on Connections Engagement) aims to ensure that DNO's operate competitively and meet the needs of larger connections customers seeking to connect to their networks. This drives DNO's to strive to improve on the timeliness of connections, enhancing the information they provide and improving overall customer satisfaction.

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are the only network
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Stakeholder Engagement

We place stakeholder engagement at the heart of informed decision making, applying challenge and revealing new insights.

Engagement is fully embedded throughout our business and delivers tangible results for stakeholders and those impacted by our service, setting our direction and driving high quality impacts to benefit our customers.

Our strategy is comprehensive and robust, built upon the globally recognised AA1000 Stakeholder Engagement Standard. At the core of our model are the 3 principles of engagement; inclusivity, materiality and responsiveness and we are committed to delivering on those. We continue to challenge ourselves, and this year we invited AccountAbility, owners of the AA1000 Stakeholder Engagement Standard to conduct a full health check on our performance against this standard.

AccountAbility said

“SP Energy Networks demonstrated a strong performance across the various elements of AccountAbility AA1000SES, 2015...the organisation lies within the Advanced Stage of the AccountAbility Stakeholder Engagement maturity ladder”.

They advised that this is a very strong score, notably for a first time assessment and places us within the top 27% of all companies assessed.

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Our Engagement Process

We carefully plan and tailor all engagements to ensure that the impact is meaningful and right.

We undertake a comprehensive four step engagement planning process, to align our engagement with our strategic issues, identify and prioritise our stakeholders effectively, select the right methods of engagement and turn feedback into real tangible actions.

We align stakeholder engagement activities with stakeholder priorities and our strategic business priorities to ensure that everyone involved gets the most out of our engagement. This ensures we are delivering a service that reflects the needs and preferences of our customers and stakeholders.

Connections Stakeholder Engagement

Our stakeholder strategy is applied in earnest to our connections stakeholders.

Our connections business priority is clear; to help create a competitive market, provide quicker and cheaper connections, and to improve our communication and flexibility for our customers.

Our engagement with our connections stakeholders is focused and continual. We use a variety of methods to engage from a local approach at a District level to our strong engagement programme which includes workshops, videos, conferences and a dedicated stakeholder panel which is part of our core engagement. This means stakeholders can engage with us at a strategic level or on specific areas that are most important to them.

We're confident that our stakeholder strategy is working and allows us to understand what our stakeholders want us to do next. Our 2018/19 ICE work plan takes account of our connections stakeholders current needs and will shape the service we provide.

Our 2018/19 work plan will address the following key areas:

Lands Rights

Our customers have recognised the significant improvements in our Land Rights processes and the information that we provide, however we realise that we still have work to do to improve the timescales and the communication throughout this process.

Stakeholder Panel

We plan to establish a Land Rights Stakeholder holder panel to review our current process. Working hand in hand with our stakeholders, we will use this platform to gather feedback and create an implementation plan for future improvements.

Incorporated Process

We understand that our Incorporated Rights process (available for use by Independent Distribution Network Operators active in our Manweb licence area) can often improve the timescales for securing Land Rights. We recognise that we could do more to support it's up take. It is our intention to publish guidance documentation in relation to this process.

Communication and Information Provision

Website

Our website is the main repository of information for our customers. We have made great strides in improving its content and navigation, but we still want to do more.

We will focus on two key areas of our website, our connections stakeholder pages and extending our interactive process guides.

Channels

We appreciate that a single approach to communicating with our stakeholders doesn't work. Therefore we have expanded our 'toolkit' and have been trialling new methods. Our stakeholders have highlighted the areas that they would like more information on such as Connection Offer Expenses (A&D Fees). We will continue to test and develop various methods over the next 12months.

Heat Maps

In the past, the information that our Heat Maps provided our generation customers was seen as invaluable to them. With the changes in technology and the uptake of other Low Carbon Technologies (e.g. Heatpumps and Electric Vehicles), we need to understand what information would now bring the greatest benefit. We will instigate an engagement programme with our stakeholders to understand exactly what their current requirements are now.

Stakeholder Partnerships

Electric Vehicles

Our stakeholders are keen to become involved in the Electric Vehicle agenda on the future network impact. We will use this debate to inform our Electric Vehicle strategy and policy going forward.

Project Management

Our project management capability has been enhanced over the past few years in parallel with the increasing complexity of projects, these improvements will continue across our Districts with the standardisation of project management templates for HV/LV projects and further development of our delivery teams.

Telecommunications Contestable trial

Last year, we provided additional cost and programme information for our customers who require a telecommunications solution for the project. We also explored the feasibility of making elements of a telecoms installation a contestable activity. We would like to apply this to a practical example to fully determine which elements could become a contestable activity. We have already engaged with a number of stakeholders who are keen to participate and over the coming year we would hope to identify a suitable project.

Creating Network Flexibility

We recognise the need to develop smarter, more flexible solutions to meet future demand, seeking out alternative solutions which could mitigate the need for traditional reinforcement and reduce costs for our customers. Our stakeholders need us to be innovative in our approach.

Queue Management - Releasing Network Capacity

We have been at the forefront of the development of a Queue Management Policy and also conducted extensive stakeholder engagement to ensure that our stakeholders agreed with our approach. We will look to ensure consistent application of policy and communicate the capacity being released.

Connection Offer Expenses (A&D Fees) Roll Out

Allowing distribution network operators (DNOs) to charge upfront Assessment & Design (A&D) fees when processing connection requests to the electricity distribution network will help ensure a fairer sharing of costs between customers and help improve the efficiency of the overall connection process. We will introduce Connection Operational Expenses (A&D fees) and implement a comprehensive engagement plan to ensure that our stakeholders are kept informed of this change.

Subject	Action	Key Strategic Objective	Key Performance Indicator/Output	Timeframe	Relevant Market Segment
1 Land Rights — Stakeholder Panel	We will seek to establish a Land Rights Stakeholder Panel to examine our Land Rights processes from a customer perspective, with the aim of identifying any opportunities for improvement.		Identify and establish partnerships Partnership events held Feedback, findings & implementation plan for any future improvements reported to Stakeholder Panel Monthly survey conducted; website satisfaction score	Q3	DG, Unmetered, Metered
2 Land Rights — Incorporated Process (SPM Only)	We will communicate our Incorporated Rights process available for use by Independent Distribution Network Operators, active in our SP Manweb licence area and will publish guidance documentation in relation to this process.		Materials presented to Stakeholder Panel Process and related communications published Measure volumes of project undertaking this process Monthly survey conducted; Land Rights satisfaction score	Q3	DG, Unmetered, Metered
3 Communication — Website	We will focus on the stakeholder area of our website and enhance the information provided to ensure our stakeholders are aware of the depth and breadth of engagement across SPEN and provide the opportunity for stakeholder participation. We will introduce a SPEN stakeholder event calendar providing details of all events. We will also improve the information on the completion of our ICE improvements by introducing a timeline of key activities linked to the relevant information.		Endorsement from our Stakeholder Panel prior to implementation Introduce SPEN wide Events Calendar ICE timeline introduced with relevant links to action information Monitoring web traffic trends, 3 months after implementation Monthly survey conducted, website satisfaction score	Q4	DG, Unmetered, Metered
4 Communication — Metering Process	We will develop an interactive tool on our website that will provide clear guidance for metering. This guidance will seek to clearly explain the roles and responsibilities at each stage of the process.		Develop an interactive tool for metering process Endorsement from our Stakeholders Panel prior to implementation Monthly survey conducted, metering satisfaction score	Q3	DG, Metered
5 Communication — Channels	We will continue to use alternative communication channels to deliver key messages and updates. This will include channels such as online tutorials and SPEN hosted webinars. Based on Stakeholder feedback, topics will include: <ul style="list-style-type: none">• DSO• Connection Offer Expenses (A&D Fees)• Owner/Operator forums• Fault Response• Land and Planning• Newsletter - Quarterly SPD & SPM		Delivery of key information/messages via alternative communication methods Session held every two months, prioritised by stakeholder feedback Feedback from attendees and satisfaction measured	Q4	DG, Unmetered, Metered
6 Project Management	We will continue to monitor and assess our customer communication throughout the lifecycle of a project. Following the development of project templates and governance for our large major projects, we will look to establish similar templates and processes for smaller HV/LV projects. At the outset of each project we will agree key milestones and a delivery programme which reflects both the customer's and SPEN's project commitments. Furthermore, we have also recognised the need to enhance the project management skills within our delivery teams and therefore will look to establish further training for those staff delivering our connections projects.		Publish templates on our website for typical LV/HV projects, reflecting indicative timescales for each milestone Internal Project Management training delivered Monthly survey conducted, communication satisfaction score improvement for Design, Delivery and Land Rights aspects of project management	Q4	DG, Unmetered, Metered
7 Partnerships Working — Electric Vehicles	We will seek to establish key partnerships with stakeholders to inform of our Electric Vehicle strategy and policy going forward. This will include local and national government as well as private sector organisations.		Identify and establish 2 key EV partnerships Feedback sought from stakeholders and satisfaction measured Number of initiatives/learnings will be taken forward by our business	Q3	Metered
8 Telecommunications Solutions Trial	Following our feasibility study carried out in 2017, we will investigate the potential of making the provision of telecommunication solutions a contestable activity. Over the next year we will start to conduct trials with identified partners which will determine the feasibility and scope of future contestable telecommunications works.		Publish the projects and stakeholders participating in the trial Publish a progress update in our October ICE submission Conduct, publish findings and outcome of trial	Q4 (subject to project timescales)	DG, Metered
9 ICP/IDNO Interface	To assist with the uptake and adoption of the Code of Practice, we will review our internal processes and systems to support the delivery of the code. We will establish a working group of internal/external stakeholders to undertake this review		We will establish a internal/external working group We will identify and publish recommendations from this group We will publish an update in our October ICE submission	Q4	DG, Metered

Subject	Action	Key Strategic Objective	Key Performance Indicator/Output	Timeframe	Relevant Market Segment
10 Heat Maps — Next Generation	We are developing the next generation of heat maps to address the uptake of Low Carbon Technologies (e.g. Heatpumps and Electric Vehicles) and will engage with our stakeholders to understand exactly what their future requirements are. This engagement will help us identify the enhanced functionality required and allow us to implement the changes efficiently and in a timely manner.		Heat Map Webinar Held Stakeholder feedback gathered via various workshops/events New requirements/functionalities agreed and communicated Implementation plan developed and communicated	Q3	DG, Metered
11 Queue Management — Releasing Network Capacity	Measure the impact of our queue management policy being applied to new and previously accepted projects and demonstrate that capacity is being released when projects are identified as non-progressing as per policy.		Identify and measure that capacity is being released as per our queue management policy. Freed up capacity / changes the queue communicated to our stakeholders	Q4	DG, Metered
12 Flexibility Tenders	It is our responsibility to develop smarter, more flexible solutions to meet future demand, seeking out alternative solutions which could mitigate the need for traditional reinforcement and reduce costs for our customers. We recognise that connected distributed resources could provide services to assist our distribution networks in key areas that have specific challenges during periods of network constraint. This action will therefore seek to explore additional markets for flexibility with customers who are able and willing to control how much they generation or reduce their demand.	 	Issue tender for Flexibility Communicate developments until contracts are successfully agreed	Q3	DG, Metered
13 Design Assessment Fees	We will implement Connection Offer Expenses (A&D Fees) and communicate this to all internal/ external stakeholders. As a minimum we will inform of the commencement date, fee structure and any exemptions. Any resultant impact and improvement in quotation cost, quality and timescales to be determined and communicated to the stakeholders.	 	Communications rolled out to all internal and external stakeholders Any resultant improvements identified and communicated Feedback on impact to stakeholders assessed via the monthly survey	Q2	DG, Metered



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