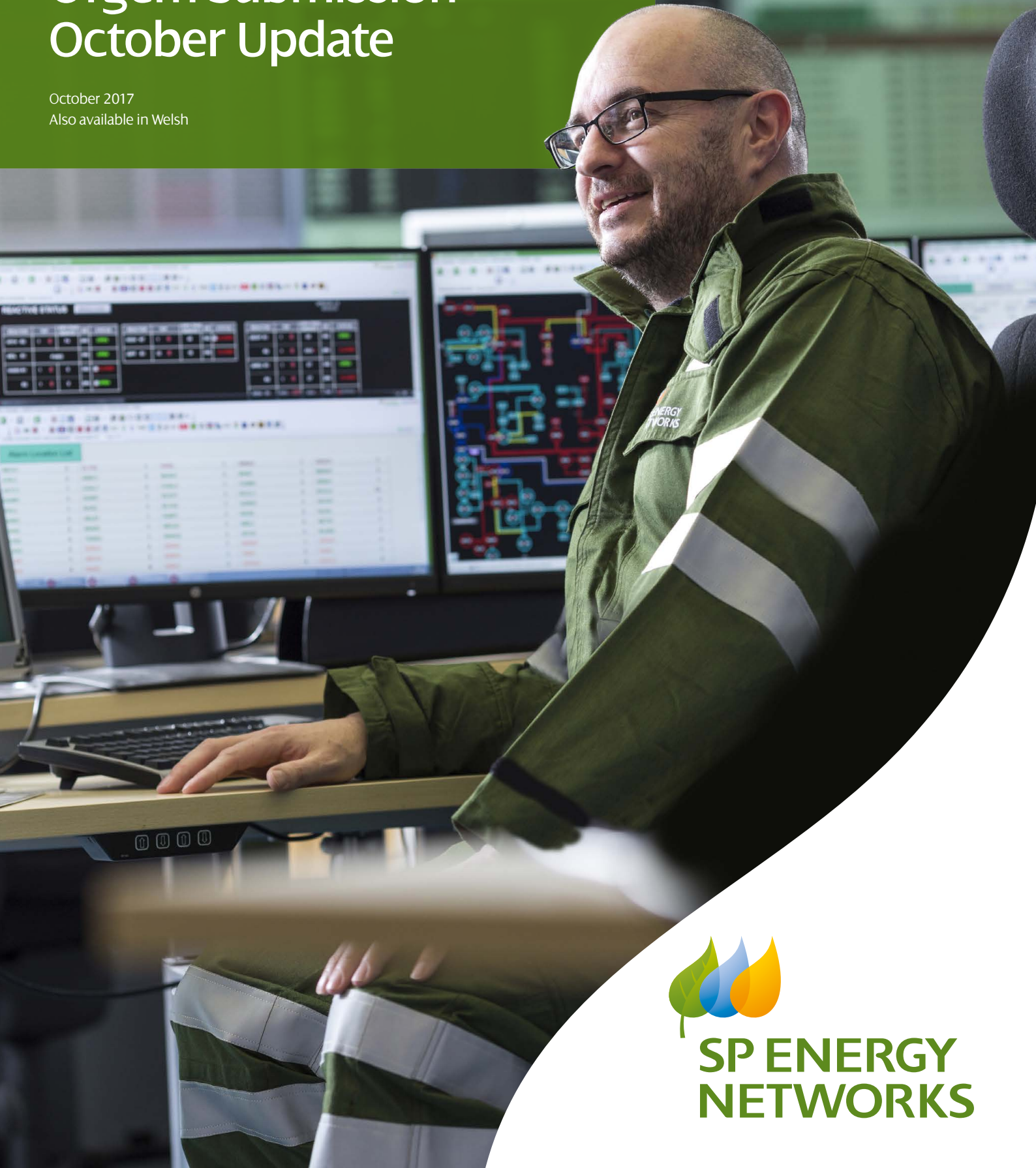


SP Energy Networks

Incentive on Connections Engagement (ICE) Ofgem Submission October Update

October 2017
Also available in Welsh



**SP ENERGY
NETWORKS**

Contents

Introduction

CEO Foreword	3
Our Stakeholder Activities in the last 6 months	4
Key Engagement Activities	5
Our Connections: Stakeholder Engagement in Action	6

Our Progress in Key Areas

Land Rights (Land & Planning)	8
Accelerating Access to Our Network	9
Emergency Response Provision	10

Our Action Progress to Date

Action 2: Communication - External	13
Action 4: Communications - Channels	13
Action 6: Project Management	14
Action 8: Flexible Connections	14
Action 10: Telecommunication Trial	15
Action 11: Network Planning	16

Summary of 2017/2018 Action Progress

Communication - Customer Journey: Action 1	18
Communication - External: Action 2	18
Communication - Website: Action 3	19
Communication - Channels: Action 4	19
Working in Partnership: Action 5	20
Project Management: Action 6	20
Land Rights : Action 7	21
Flexible Connections : Action 8	21
Telecomms Solution - Design & Delivery: Action 9	22
Telecomms Solution - Contestable Trial: Action 10	22
Network Planning: Action 11	23

Summary

26

Introduction: CEO Update

Stakeholder Engagement

Our stakeholders' views are as important to us now, as they have ever been. Right across our teams we are engaging with stakeholders and listening to the feedback they give us. And we're using what they tell us to drive improvements across our business.

In recent years we have built strong partnerships and collaborations with a wide range of stakeholders. At the same time we are continually developing our engagement strategy, trialling new and different ways to engage. As a result, we are engaging more than ever before, at both local and national level.

During Ofgem's recent ICE Consultation process, there was initially some evidence that DNOs had not responded to elements of stakeholder feedback; had missed KPIs or delivery of commitments; or had not addressed stakeholder issues effectively. We responded to the consultation to outline how we have met – indeed, far exceeded - the minimum requirements set out by the ICE mechanism. So, we were pleased that after considering the evidence, along with further input from stakeholders, Ofgem came to the fair conclusion that we have met our ICE Commitments.

This update will demonstrate how we have listened to the feedback of stakeholders (as part of the consultation, as well as through our engagement strategy), our work plan remains consistent with their feedback

Key Areas of Focus our Stakeholders Continue to Highlight as a Priority

Land Rights – Stakeholders tell us that obtaining the appropriate legal agreements can be a source of frustration and delays. We understand there is a need for us to improve our service in this area, and we are working hard to achieve an easier process that will reduce timescales for our customers. We are engaging with customers across the UK who have experience of Land Rights issues. That means we can identify learnings which we can introduce within the SP Energy Networks licence areas. We aim to have a better process in place over the next 6 months, so our customers can start to see improvements in our service.

Constraints – We understand that information about the capability of our network to accept generation connections is very important to stakeholders. Our heat-maps, which display the network capability and potential connections opportunities, have now been updated.



Emergency Response – As part of our 2017/18 ICE work plan we committed to making Emergency Response Cover a service that we offer to Independent Distribution Network Operators (IDNO's), operating network in our areas. We are pleased to report that we have finalised our first contract to offer this service and are actively engaged in discussions with others operating in our area.

Action Updates

In this update, we are sharing more information than we have ever provided before. We want to increase the transparency of our work plan to allow stakeholders to see how we have acted upon their feedback. That gives them more opportunity to hold us to account for the promises we have made.

You will find an update on the key deliverables for Quarter 2, as well as information on the progress we have made to date on each of the actions, within the plan.

We have continued to survey our stakeholders on a monthly basis, to test that we are engaging appropriately and are focussed on the correct areas. The results from these surveys are positive. As a result, we have decided to maintain a consistent direction in our work plan.

Moving Forward

You will note that many of our actions within the work plan are due for completion before the end of 2017. This is intentional, as it will allow us to quickly implement the actions that our stakeholders have requested, measure their impact and success.

In January 2018, we will also go-live with our new Asset Management System, which will be the largest ever IT implementation within SP Energy Networks. The capability, visibility and efficiency that this new system will deliver will bring great benefit for our customers.

We are excited that our innovation bid to Ofgem to extend our Accelerated Renewable Connection (ARC) project has been accepted. This will greatly benefit customers looking for connections in heavily constrained areas. We will continue to engage with key stakeholders to ensure the highest possible benefit from the funding, and are committed to communicating the improvements achieved with our customers through our regular workshops, panels and webinars.

Our wide-ranging and ambitious work plan is progressing well, and builds on our strong existing engagement with stakeholders.

We are determined to put their opinions and expertise right at the heart of our business.

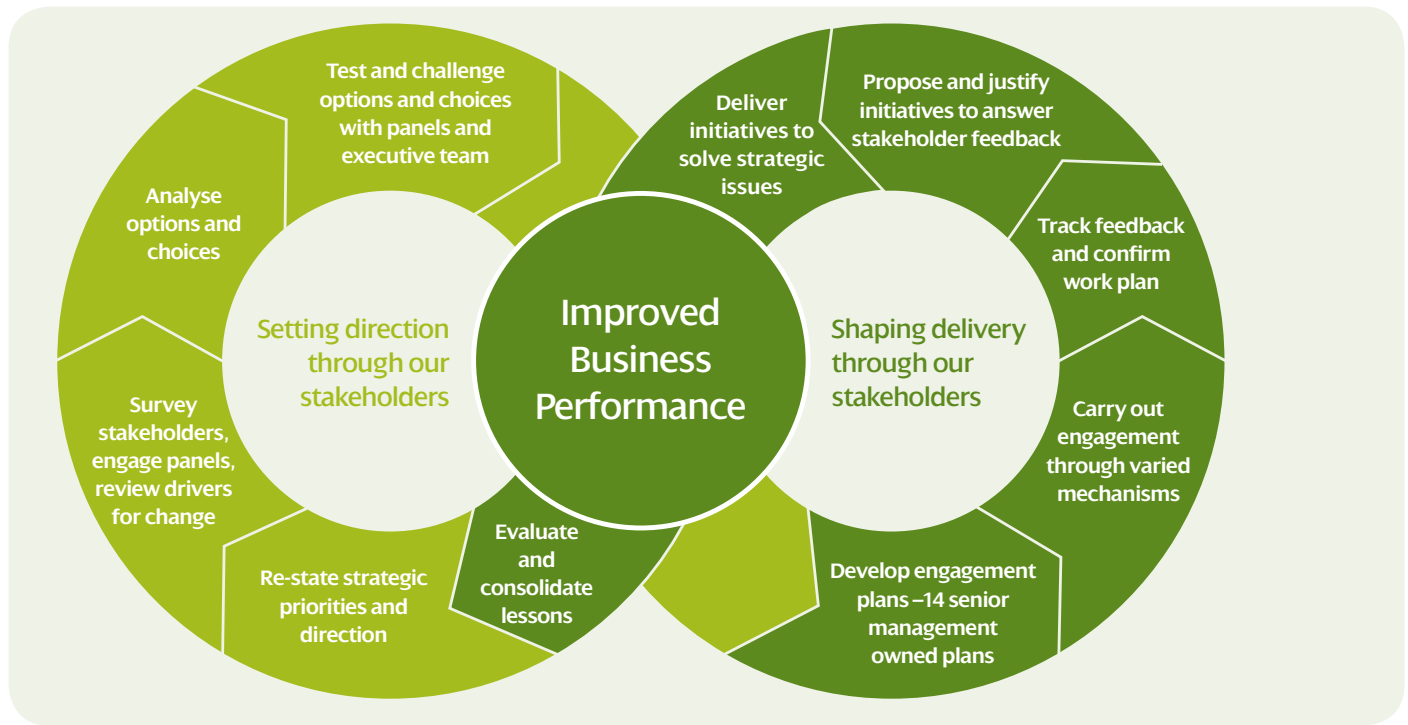
Frank Mitchell
CEO of SP Energy Networks

Our Stakeholder Activities in the Last 6 Months

We continue to actively engage with our stakeholders and seek regular feedback to ensure we can be sure our strategy remains relevant, our ICE plan remains appropriate and focussed in the right areas.

We remain dedicated to gathering feedback and staying true to our perpetual engagement loop as shown in the figure below:

Our Perpetual Feedback Loop Drives Relentless Service Improvement



Key Engagement Activities

Monthly Customer Satisfaction Survey

We made the decision to review our monthly survey and ensure that it aligns with the actions that are contained within our work plans. This will allow us to obtain monthly feedback on our service and provide a measure of the impact of our improvement work plans.

This has now been in place for several months and allows us to place a benchmark for each of the relevant actions.

Constraints Workshops

In September, we held our first joint Constraint Workshop with Scottish and Southern Electricity Networks. In this session we tackled four key areas and provided an update on each; Queue Management, Statement of Works, Flexible Connections and Network Planning. This was particularly well received from our stakeholders who appreciated having two DNO's in the room and were able to pose questions and bring challenge.

Due to the success of this session we are keen to provide something similar in our SP Manweb licence area so we are working with Electricity NorthWest to hold a session covering the SP Manweb and ENW licence areas. ENW are attending our Constraints Workshop in November and we hope to host a joint session with them in early 2018.

Stakeholder Panels

In June and again in September we held our Strategic Stakeholder Panels. Our SP Distribution and SP Manweb Strategic Stakeholder Panels bring together representatives from a wide range of sectors and interests, including national government, local government, industry and the third sector. The depth and collaboration in our panels allows a greater understanding of some of the challenges our customers face and allows us to have better informed plans. These panels discuss the key strategic decisions we face as a business and gather valuable feedback and advice to help us strengthen our business.

We have four panels that our Connection stakeholders actively participate in:

- SP Distribution Strategic Stakeholder Panel
- SP Distribution Connections Stakeholder Panel
- SP Manweb Strategic Stakeholder Panel
- SP Manweb Connections Stakeholder Panel

Strategic Panel topics this year have included; Innovation Strategy, Shaping the Regulatory Feedback, Scottish Energy Strategy, Innovation to facilitate generation, DNO to DSO, BlackStart, and Active Network Management in North Wales.

Our Connections Stakeholder members are representative of our Connections customer base and stakeholders, ensuring that all of the Relevant Market Segments are represented by membership. They are prominent figures within the industry, have a detailed understanding of our connections process and bring constructive challenge. This allows us to obtain a balanced view, build our understanding of stakeholder needs and perspectives, use the panel as a 'sounding board' and generator of new ideas and opportunities for collaboration, influencing our plans and proposed improvements.

We recently held our SPD Connections Stakeholder panel. At this session we were able to provide our stakeholder with a progress update on each of our ICE actions. The feedback received at this session will be used to shape how we progress and complete our actions.

In SPM, our Connections Stakeholder Panel is planned for the beginning of December to tie in with the LCNI Conference in Telford to assist with travel for our customers from further afield. We have reviewed our attendance at the panels and have established new members to join the panel. Again, this will provide a great opportunity to check in with our stakeholders and ensure our actions are being delivered in line with our stakeholder requirements.

ICP/IDNO Workshop

We ran workshops for the Alternative Connections Providers who are active in our areas. These sessions allowed us to provide any updates to process however more importantly provided an opportunity for open discussion. The feedback at these sessions have directly led to us focussing on further developing our 'virtual' RADAR system training. We plan to repeat these sessions by the end of the year.

Planned Future Events:

Stakeholder Conferences

We plan to hold a Stakeholder Conference in each of our licence areas, SPD in November and SPM in December. Our Executive team will lead this session and provide a general business update. We will also run a number of breakout session to encourage discussion and to obtain stakeholder feedback. Our Connection Stakeholders will be encouraged to attend this event.



Our Connections:

Stakeholder Engagement in Action

Connections Stakeholder Panel

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

35+

Account Management

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

8

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+

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

District Days

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

132

Partnership/Customer Meetings

We have conducted over 650 partnership and customer meetings every year across our core and district teams in each licence area, engaging our stakeholders on their specific challenges.

650+

Monthly Customer Satisfaction Survey

Customer survey questions now aligned with the ICE work plan actions ensure we can demonstrate improvements through improved satisfaction.

7.6

For Service - over 600 customers surveyed monthly since 2015

District Stakeholder Days

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

350

Customers

Newsletters

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

100

Social Media

We use Twitter and Facebook to deliver key messages, and have 12,798 Twitter followers.

12,798

Our Progress in Key Areas

We have listened to our stakeholders and there are a number of key areas that they would like us to focus on. In this section we will detail our progress in these areas.

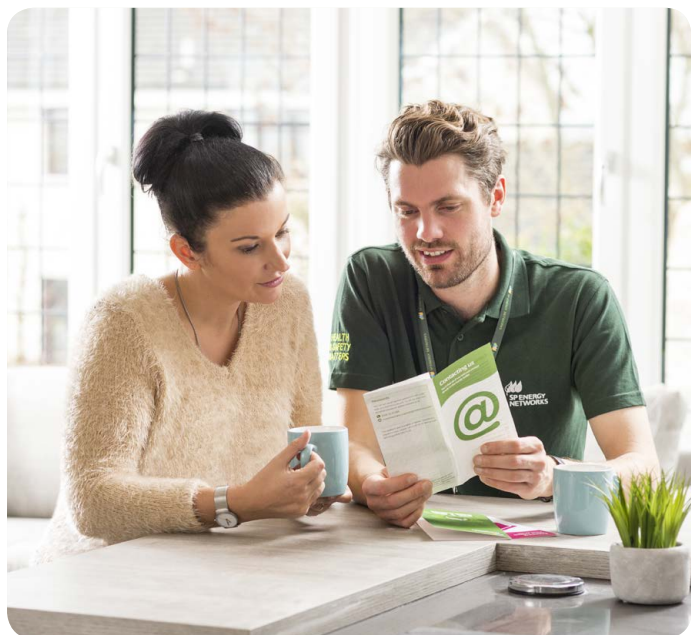


Land Rights (Land & Planning)

We will improve the information within our connections 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 significant risks we will agree the frequency of the updates with customers.



We realise that in order to improve the frequency and accuracy of updates to our customers, we must expand our own internal processes and interfaces. That means incorporating Land Rights in a consolidated connections journey.

In 2016 we integrated our land officers within our district offices, and this has proven to be a driver for enhanced district coordination. We are providing further training and support for internal staff on our approach to Land Rights. This will ensure our business is aligned in providing a considered approach to balancing network security with deliverability, ultimately providing a more flexible approach.

Overall, we are working more closely with our project delivery teams. This means regular internal dialogue in order to ensure monthly project updates will include progress against timescales as well as highlighting any significant risks within the Land Rights process to our customer.

Another area of improvement is to the quality of information we provide on Land Rights. Firstly, on review of the connections offer letter we felt that the Land Rights process was not clearly explained, therefore, we will improve the information within the letter to explain the process for securing Land Rights and provide indicative timescales based on the project type.

Secondly, our web pages for both existing grantors and connections customers is being improved, again, to ensure that relevant information is provided upfront, allowing customers to make informed decisions.

We are committed to continuous improvement. We aim to work more closely with our customers to gather feedback on our approach to obtaining necessary Land Rights and to demonstrate a noticeable improvement in the service we provide.

We have also identified that some of our stakeholders may not be fully aware of the Incorporated Process for securing Land Rights within our SPM area. This process is commonly used and is intended to reduce the timescales for securing rights. We will refresh our communication of this process to our customers, to ensure that our customers can fully take advantage of this process, if appropriate.

Accelerating Access to Our Network

Statement of Works (SoW)

Our stakeholders told us that the current SoW process was no longer fit for purpose and often resulted in delays and increased uncertainty for their projects. We have been leading the industry in developing a new process which will fundamentally change the way in which transmission system impact is assessed. We have been trialling this new process across 4 Grid Supply Points (GSPs), providing our customers with offers detailing the extent of known transmission system works, timescales for their completion and associated charges and securities, all within standard distribution offer timescales. We will shortly be publishing our roll out plan for implementing this trial as business as usual practice across our network areas.

Queue Management

Our innovative Queue Management policy has received praise and recognition from both our stakeholders and wider industry participants. In addition, we have been working hard with National Grid to ensure that their developing policy aligns with our own, ensuring a consistent approach is adopted across our distribution and transmission networks.

We are currently reviewing the status of contracted queues across our networks and will shortly be making contact with the developers of those projects that we believe may have stalled. Our aim is to ensure that, wherever possible, consented shovel-ready projects should be given the opportunity to advance.

Design Approach

Providing access to our constrained network areas has led us to a different design approach. Following publication of our Flexible Connections and Principles of Access Policy, we have received a number of enquiries from customers seeking to connect to our network via a flexible or managed connection. We now have experts firmly embedded across all our districts who understand the many options and complexities available to provide a flexible connection, and are able to take our customers through this approach step by step.

Building upon our previous and successful implementation of the Quote + process, customers who request a connection within a constrained area of our network, are advised in the first instance of three possible connection solutions. Should a customer request or wish to pursue such a connection option, a detailed Constraint Analysis is then undertaken and provided to the customer as part of their standard connection offering and within existing regulatory guidelines.

Taken directly from stakeholder feedback, we understand the requirement of customers who are considering connecting under flexible terms that we must support them by providing by key information. Over the coming months, we will look to enhance the content of the information provided within our Constraint Analysis.



Emergency Response Provision

In September 2017, we finalised our first contract for provision of fault response services with an Independent Distribution Network Operator (IDNO). This contract provides full fault restoration and repair services and commitment to provide a similar level of service as SP Energy Networks provides to its own customers.

The agreement covers both of SP Energy Networks license areas (SPD/SPM). The service will commence on 20th November 2017.

SP Energy Networks have carried out extensive actions to prepare for the delivery of this service – working closely with the IDNO to ensure a smooth implementation of this initiative. These include updating Scottish Power Company Safety Rules to enable SP Energy Networks staff to work on IDNO networks, IT system changes to facilitate incident management / reporting; as well as extensive communication and training to SP Energy Networks teams to prepare for go-live.

We continue to engage with a number of other IDNO's on the provision of fault response. We have already begun talks with a number of key industry players to provide them with this service. To further increase awareness, emergency response will also be one of the main topics discussed at our next Alternative Connection Provider forums. As part of our website transformation, we will also ensure that we provide information of this service on our web pages.





Our Action Progress to Date

In the following section we will highlight the progress that we have made with some of our key action deliverables from our 2017/18 work plan.



Action 2: Communication - External

A key priority for our stakeholders is being kept informed from design right through to completion of the work. They have told us that receiving regular updates on progress is critical for every part of the process, from design stage to our project managers providing regular land rights updates.

Further to the customer service training we completed last year, all staff have committed to providing regular updates to each of their connections customers. Any follow up requirements from these updates are recorded as part of our overall connections process. This enables us to review communications with our customers and highlight any areas where further training or support is required.

With this in mind, we have redesigned the monthly customer satisfaction survey to include specific questions on design, delivery and land rights communication. The feedback from these surveys has enabled us to set a benchmark and measure ongoing success and improvement from specific customer feedback.

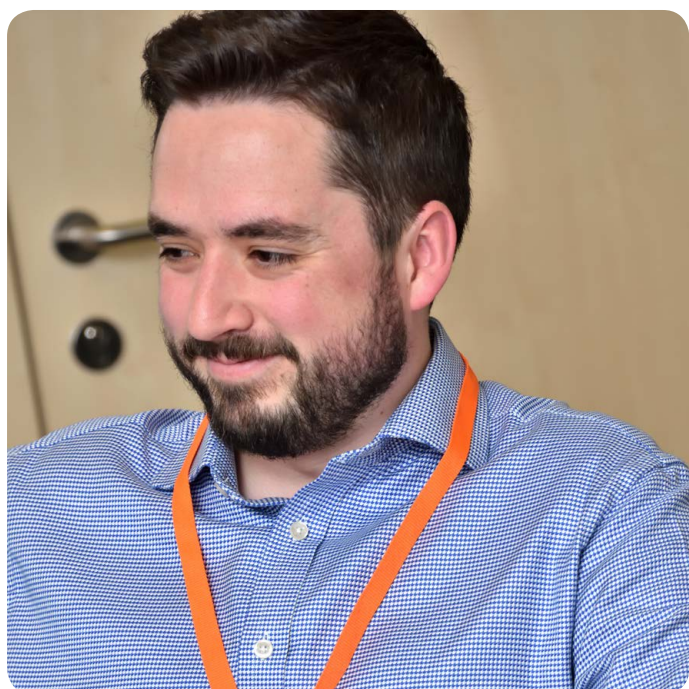
We will continue to measure the success of our communications through these monthly customer satisfaction surveys and we are committed to incorporating any further improvements into business as usual for all staff when dealing with our customers.

Action 4: Communications - Channels

We decided to record our recent Constraints Workshop, which was held in conjunction with Scottish and Southern Electricity Networks in September. We then produced video excerpts of the salient points of the day.

These videos are now available on our website for our stakeholders. We will be recording similar videos from the SPM DG Constraints Workshop and these will be available on the website by the end of December.

Our next step is to look at RAdAR and consider if we can produce 'virtual training'. We will also continue to utilise stakeholder feedback to identify topics which they would like more information on. We will explore the best method to provide this information to our stakeholders. We have therefore completed our Q2 deliverable and are on track to complete this action as we work through various communication methods and measure their success.



Action 6: Project Management

Our stakeholders told us that they would like to see an improvement in the consistency of project management discipline applied across our connections delivery, with specific focus on improving communication at the start of projects.

The connections process is complex with numerous “touch points” into other business processes, many of which have long lead times for services which may be required to execute the project. These lead times (e.g. switchgear, telecoms services, outages) can impact the delivery timescales. It is important that these are set out, and that customers’ expectations are appropriately managed.

A vital element of this is effective communication at the outset, which confirms expected timescales and durations for project tasks, key milestones, requirements for customer delivered actions and key risks to the project.

In order to improve performance in this area, we have committed to producing project templates which can be used for two purposes:

1. To provide customers with indicative timescales for project delivery. These templates will be published via the SP Energy Networks webpage and will give customers a reasonable idea of the duration to deliver different types of project.
2. To ensure our project managers have a suitable tool which details the key tasks in delivery of what can be complex projects. The templates can be refined based on the project details and used by the PM to manage the project and also update the customer.

It was decided to focus initially on the three more complex project categories:

1. 33kV generation
2. 33kV point of connection
3. 11kV generation

We held a workshop to put forward our templates proposal and to ensure that we had appropriately addressed stakeholders’ requirements. These templates are being adapted and web friendly versions will be published on our website at: www.spenergynetworks.co.uk.

Further project categories will be considered in due course.

This action will also seek to highlight key dependencies on project delivery and where appropriate target issues for improvement which negatively impact project management and customer service.

Action 8: Flexible Connections



Active Network Management (ANM)

In response to stakeholder requests, we have published details of those network areas where ANM is currently possible. We will shortly be supplementing this with details of our roll out plans for wide scale ANM enabled areas in addition to offering local ANM solutions. The first network area to be fully ANM enabled will be Dumfries & Galloway, an area currently severely impacted by transmission network constraints.

Action 10: Telecommunication Trial

Our stakeholders have told us that they would like accurate telecommunications information as early as possible in their application process, in terms of cost and the technology being deployed. We understand that this assists our stakeholders in their financial decision making.

They would also like to have more choice and flexibility in the process and expand what works that they can undertake themselves and can be deemed 'contestable'.



At the outset of this action we identified the need to determine, what 'telecommunications' actually means. We also identified the need to determine the scope of 'non-contestable'; again what contestable boundaries should be considered.

In order to determine what our stakeholders want us to consider under this trial, we recently held a meeting with one of our key stakeholders who influenced the inclusion of this action. At this meeting we shared our proposals and received feedback that will ensure that we are progressing in line with our stakeholder requirements.

1.

Definition of Telecommunications

Telecommunications means a number of things to different people. This term is used to cover both the use of voice telecommunications but also data communications. We utilise the data to both take information on the sub-station back to the control systems to allow us to monitor and control the network. We also use this data as part of the electrical protection requirements to ensure that the network is safe under fault conditions.

2.

Defining the Non Contestable Elements

The telecomms non contestable work is the protection equipment, fault recorders and RTUs that connect to the telecommunications system.

The elements that are being considered as contestable include the media used such as fibre, pilots or radio.

3.

Seeking Stakeholder Feedback

We have already engaged with the key stakeholder who influenced the inclusion of this action. We will be seeking further stakeholders to work with us in partnership and identify projects where we can assess contestability.

4.

Next Steps of the Trial

The next steps of the trial will be to commence 2 projects and develop these on a desk-top basis. This will allow us to refine the interfaces, develop answers to any specific issues as they arise and ensure that we have a policy in place to address both parties in managing the telecommunications in the most effective way. Once the desk-top trial has been completed, we will then take the projects and implement the resultant learnings into the actual projects. Finally, once the projects are completed, we will amend any policy as a result of this. We will publish all learnings.

Action 11: Network Planning

Our stakeholders have told us that they would like to see more information about our plans to work on our network, and how long this work will take. That way they can plan and prioritise their own projects.

We have different networks arrangements across both our licence areas, which impacts on how we manage our network and the amount of information we have available for each licence area.

We committed to providing greater visibility of our outage plans across both licence areas. This has been achieved by slightly different methods for each of our SPD and SPM licence areas.



In SPD, we have committed to holding tailored sessions biannually for our stakeholders to meet with our outage planning staff and discuss any plans on the network they are connected to.

We held the first of these sessions in August this year, which proved very useful for our key stakeholders. We are committed to hosting further events on a regular basis to provide our stakeholders with as much information as possible about their connections.

In SPM we have expanded our Interested Parties List to include all connected customers at 33kV and above. Customers registered on this list are issued with a 6 Month Look Ahead Report on a weekly basis. This report provides information on any outages planned on the specific part of the network to which each customer is connected. As this report is issued weekly, each customer holds up to date, accurate information for the following six months that will enable them to have greater visibility and make better informed decisions regarding their own connections to our network.

New connections customers at 33kV or above who have made a formal application to our network can also register for the Interested Parties List and receive the same 6 Month Look Ahead Report for the part of network they are making an application to connect to. This will help our new connections customers make more informed decisions on the financial viability of their project during the application process.

Our website has been updated to allow customers to register to become an interested party. We are also offering one to one meetings with the relevant account manager and control room planning team for any customer that is interested in further information.

Following on from the success at the SPD DG Constraints Workshop, the SPM DG Constraints Workshop in November will include a session on network planning. Going forward, customers will have the opportunity to meet our network planning team on a regular basis at these workshops.

Summary of 2017/2018 Action Progress



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**

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.

Our Action

We will develop an interactive tool on our website that will provide clear guidance on our customer connections processes.

Measuring our Success

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



Quarter 3 deliverable
December 2017



Satisfaction strategy area



DG, unmetered and metered sector

Action Progress

We are streamlining our customer journey and will make it applicable to all of our connections customers. This simplification will assist our first time customers, who rely on this information. Our interactive journey with related supporting material - intended for use before a relevant ICP journey has been developed - has been well received by the Connections Stakeholder panel. They have made some improvement suggestions. We are currently finalising our test platform's wording before our new website goes live at the end of the year (Q3).

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**

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.

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.

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

Action Completed

We have created a robust and detailed process for communicating externally with our customers. We already have an established design process and expected minimum touch points for our customers. Internally this has been reiterated, with clear guidance that the frequency of communication should be mutually agreed with customers. Monthly updates are being established for projects being delivered. This monthly update will also contain an update on Land Rights. This new process will be piloted in two districts to determine how best to get the level of training required and the positive impact on our customers' measures prior to roll out across the remaining 9 districts by the beginning of 2018 (Q4).

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

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.

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 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 for 3 months.

Q3

Quarter 3 deliverable
December 2017



Satisfaction strategy area



DG, unmetered and metered sector

Action Progress

We are working through the content on our website, conducting industry benchmarking and identifying how best to arrange our content, to ensure that our users can easily find and navigate to the information they are looking for..

This is on track and is currently in our test environment. We presented our proposals at our recent Connections Stakeholder panel. This was well received and suggestions made will be fed to the development team. We are on track for this to go live at the end of the year(Q3).

Communication - Channels: Action 4

Our Stakeholders Told Us...

Their key priorities are:

- 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.

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 SP Energy Networks hosted webinars.

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.

Q2

Quarter 2 deliverable
September 2017



Satisfaction strategy area



DG, unmetered and metered sector

Action Progress

We decided to record our recent Constraints Workshop, which was held in conjunction with Scottish and Southern Electricity Networks in September. We then produced video excerpts of the salient points of the day. These videos are now available on our website for our stakeholders. We will be recording similar videos from the SPM DG Constraints Workshop and these will be available on the website by the end of December. Our next step is to look at RADAR and consider if we can produce 'virtual training'. We will also continue to utilise stakeholder feedback to identify topics which they would like more information on. We will explore the best method to provide this information to our stakeholders. We have therefore completed our Q2 deliverable and are on track to complete this action as we work through various communication methods and measure their success.

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**

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 Action

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

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 alignment with stakeholders needs.

Q3

Quarter 3 deliverable
December 2017



Satisfaction strategy area



DG, unmetered and metered sector

Action Progress

Currently SP Energy Networks are working on developing new full partnerships with several new stakeholders / stakeholder groups. In both our SPD and SPM licence area we have also identified a number of parties that would bring mutual benefit. We recently met with the Solar Trade Association and are keen to build a close relationship and understand the impact of our Constrained Network can have on this group. We also see real benefit in working in partnership with our Local Authorities in all of our Districts. We also recognise the need to build a close relationships with Land Owners, we have begun a journey of developing this relationship through our Young Farmers partnership National Farmers Union and see this as another key partnership. We have also recently joined the Cheshire Energy Hub and are working on an overall investment strategy for Cheshire and Warrington LEP to include demand, generation, storage and heat network developments.

Project Management: Action 6

Our Stakeholders Told Us...

Their key priorities are:

- **To have regular accurate updates on the details of the project and the progress towards the key milestones, in a frequency and media that meets their expressed needs.**

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.

Our Action

At the outset of each project we will agree key milestones and a delivery programme which reflects both the customer's and SP Energy Networks 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 agreed project management templates.

Q3

Quarter 3 deliverable
December 2017



Satisfaction strategy area



DG, unmetered and metered sector

Action Progress

We have been working to drive consistency of how the project management discipline is applied across our connections delivery. The initial output to this action was to produce project templates for delivery of our more complex projects. We have produced templates for three categories, 33kV connections, 11kV generation connections and 11kV Demand. These have been developed and are now being rolled out internally for use on these types of projects. We have also developed more customer friendly templates which are available to view on our website.

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**

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.

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.

Q3 Quarter 3 deliverable
December 2017

Satisfaction strategy area

DG, unmetered and metered sector

Action Progress

We are currently reviewing the information within our quotation letters and considering the best options for inserting potential timescales and Land Rights costs. We also recently discussed this at our recent Connections Stakeholder Panel session to ensure we are aligned to our stakeholders requirements.

It has come to our attention that some of our SPM stakeholders are not fully aware of our Incorporated Process, so we will be communicating this further in Q3.

Flexible Connections: Action 8

Our Stakeholders Told Us...

Their key priorities are:

- **They'd like to be informed of where active network management (ANM) is available on our network**

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.

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 seek feedback from our attendees and measure success.

Q3 Quarter 3 deliverable
December 2017

Satisfaction strategy area

DG, unmetered and metered sector

Action Progress

We have published information on the areas that Active Network Management is available. We have exciting plans to continue the development of these zones which we are on track to share by the end of the year(Q3)

Telecomms Solution - Design & Delivery: Action 9

Our Stakeholders Told Us...

Their key priorities are:

- They'd like a telecommunications quote early in the application process

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.

Our Action

We will ensure our customers receive an approximate estimate of costs for their telecommunications solution at the design stage of their project.

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.

Q3

Quarter 3 deliverable
December 2017

£

Cost strategy area

✓

DG and metered sector

Action Progress

Improving our designers' knowledge of costing projects is key to providing our customers with the accurate information they need. We are currently developing a number of project case studies with various scenarios and with appropriate costings. These will be rolled out to our designers to help improve accuracy. We have worked with our telecommunications partner and identified ways to enhance the visibility of the delivery programme. We recently held a meeting with one of our key stakeholders who influenced the inclusion of this action. At this meeting we shared our proposals and received feedback that will allow us to progress. This is on track for a Q3 delivery

Telecomms Solution - Contestable Trial: Action 10

Our Stakeholders Told Us...

Their key priorities are:

- They'd like more choice should a telecommunication solution be needed for their 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 as provision and installation of fibre.

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 of any proposed changes

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 outcomes, and publish an improvement target.

Q4

Quarter 4 deliverable
March 2018

£

Cost strategy area

✓

DG and metered sector

Action Progress

At the outset of this action we identified the need to determine, what 'telecommunications' actually means. We also identified the need to determine the scope of 'non-contestable'; again what do we actually mean.

We recently held a meeting with our key stakeholders who influenced the inclusion of this action to discuss this and seek clarity. We now have a clear steer and recognise the need to engage with an ICP who would be a willing participant in this trial. We are now actively seeking an appropriate partner with a project that would enable us to test contestability.

Network Planning: Action 11

Our Stakeholders Told Us...

Their key priorities are:

- They'd like a telecommunications quote early in the application process
- Then, once the project is accepted, they'd like more cost certainty

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.

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 projects

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.



Quarter 2 deliverable
September 2017



Satisfaction strategy area



DG sector

Action Completed

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 (SHETL). 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. We have also began meeting with our larger demand and generation customers on a one to one basis to discuss our outage plans. These meetings have been well received as customer are able to seek clarity and we are able to explain any impact on an individual basis. We also included Network Planning as a topic at our recent Constraints Workshop in Scotland and will replicate this in November in our South areas.






In our SP Manweb licence area we have expanded our Interested Parties List to include all connections customers above 33kV. All registered connected customers will receive a weekly update of all planned outages over the next 6 month period. Any customer with a formal application can request the same 6 month look ahead to be included in their formal quotation offer.

Customers can register for this service on our website.







Subject	Action	Key Strategic Objective	Key Performance Indicator	Timeframe (Regulatory Year)	Relevant Market Segment	Source
<p>1 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 Interactive tool available on our website Monitoring web traffic trends, 3 months after implementation Monthly survey conducted, website satisfaction score</p>	<p>Q2 Q3 Q4</p>	<p>DC, Unmetered, Metered</p>	<p>1 2</p>
<p>2 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. We will focus on our communication at design, delivery and our land rights project stages, as these are identified as our stakeholders' priorities. 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 Monthly survey conducted, communication satisfaction score for Design, Delivery and Land Rights aspects Benchmark established Improvement target agreed with stakeholders and published</p>	<p>Q2</p>	<p>DC, Unmetered, Metered</p>	<p>1 2 3</p>
<p>3 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 Interactive tool available on our website Monitoring website traffic trends, 3 months after implementation Monthly survey conducted, website satisfaction score</p>	<p>Q2 Q3 Q4</p>	<p>DC, Unmetered, Metered</p>	<p>1 3</p>
<p>4 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. 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"> • RADAR webinar • Flexible connections, online tutorial • DSO, webinar • Land Rights, online tutorial • Electric / battery storage webinar 		<p>Delivery of key information/messages via alternative communication methods Session held every 2 months, prioritised by stakeholder feedback Feedback from attendees and satisfaction measured</p>	<p>Q2 Q3 Q4</p>	<p>DC, Unmetered, Metered</p>	<p>1 2 3</p>
<p>5 Working in Partnership</p>	<p>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.</p>		<p>Publish a quarterly progress update to our wider stakeholder group Seek endorsement from our key stakeholders following the first quarterly progress update to ensure continued success Agree a partnership with all interested parties that approach us, provided we can determine a benefit to our wider stakeholder group Proactively seek out a minimum of 4 new partnerships with customers/community groups/stakeholders across our licence areas</p>	<p>Q3 Q4</p>	<p>DC, Unmetered, Metered</p>	<p>2 3</p>

<p>6 Project Management</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>1 2 3</p> <p>Q2 Q3 Q4</p>
<p>7 Land Rights - Information</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>1 2 3</p> <p>Q3 Q4</p>
<p>8 Flexible Connections</p> <p>We will publish the location of our ANIM 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>2 3</p> <p>Q2 Q3 Q4</p>
<p>9 Telecommunications - Design and Delivery</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>2 3</p> <p>Q3 Q4</p>
<p>10 Telecommunications Trial</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>2 3</p> <p>Q4</p>
<p>11 Network Planning</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>2</p> <p>Q2</p>
<p> Time</p> <p> Satisfaction</p> <p> Cost</p> <p>1 Monthly & Annual Survey</p> <p>2 Specific Stakeholder Feedback</p> <p>3 Panels, Workshops, Conferences</p> <p>Q1 Quarter 1 (April - June 2017)</p> <p>Q2 Quarter 2 (July- September 2017)</p> <p>Q3 Quarter 3 (October - December 2017)</p> <p>Q4 Quarter 4 (January - March 2018)</p>



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