



Western Power Distribution Stakeholder Workshop:

Newport 31st January 2018

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1 | INTRODUCTION

On 31st January 2018, WPD hosted the second of a series of six stakeholder workshops, held in locations across its region. The workshop took place at the Celtic Manor Resort in Newport.

The purpose of the workshop was to seek feedback from WPD's key stakeholders on a range of proposed actions relating to: the company's current performance; key changes in the energy industry; influencing the company's developing Business Plan; and the impact of the anticipated transition to a DSO. WPD also invited Citizens Advice to present an independent workshop on methods of engagement.

EQ Communications (EQ) was appointed as a specialist stakeholder engagement consultancy to independently facilitate the stakeholder workshop on behalf of WPD and neutrally report back on the outputs.



Each of the workshop sessions began with a short presentation from members of the WPD team or Citizens Advice, followed by roundtable discussions. The roundtable discussions were facilitated by trained EQ facilitators and stakeholders' comments were captured by EQ scribes. In addition, there was a Q & A session where stakeholders were invited to ask senior personnel at WPD questions. After lunch, there were three 'surgery' sessions: Losses and Innovation, Connections and Distributed Generation, and Social Obligations (including Fuel Poverty). The full agenda for the workshop can be found on slide 17 of the presentation, which can be found here: [https://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx](https://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx)

Where possible, verbatim quotes have been noted by the scribes, along with key themes and areas of consensus. Comments are not attributed to individuals to ensure that all stakeholders could speak as candidly as possible.

Over the course of the workshop, stakeholders were asked to vote on a number of electronic voting questions using the individual tablets provided on their tables. Where relevant, these results will be displayed alongside qualitative feedback from the discussions (please note that in some instances, results do not sum to exactly 100%: this may be due to computer rounding or multiple responses).

This report is a recording of the outputs from the stakeholder workshop. A copy of the presentation given by WPD can be found here: [https://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx](https://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx)

2 | EXECUTIVE SUMMARY

The workshop was split into four discussion sessions. The first, second and fourth sessions began with an introductory presentation given by a senior WPD representative, and the third session was introduced independently by a member of Citizens Advice. All presentations were followed by roundtable discussions, with stakeholders then able to give further, quantitative feedback by voting electronically. The four areas for discussion are outlined below, along with a summary of the key points raised:

SESSION 1: WPD'S CURRENT RIIO-ED1 PERFORMANCE

Following an introduction to WPD by Alison Sleightholm, the first workshop discussion session was introduced by Eleanor Sturges, Planning & Regulation and Special Projects Manager. The purpose of the presentation was to give an overview of WPD's current performance within the current RIIO-ED1 framework (2015–2023) and outline how it was adapting to change. Of a possible 76 outputs, Eleanor highlighted gains and achievements in safety, reliability, connections, customer satisfaction and social obligations.

Eleanor concluded by discussing several emerging 'key changes' that had not been anticipated when the current Business Plan was agreed in 2013: WPD's role as a Distribution System Operator; Alternative Connections Offers; Electric Vehicles; Changes in Flood Risk Planning; and Cyber Security.

The presentation given by Eleanor can be found here (slides 20–33): [https://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx](https://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx)

The key points captured in this session are shown below:

- Stakeholders in Newport were keen to discuss the future of energy, prioritising Storage, the Transition to DSO, Innovation and Electric Vehicles as key areas of interest.
- Most agreed that WPD's output categories were outdated and no longer served the current or future needs of the network.
- New categories suggested included 'Business Transformation', 'Change Management' and 'Future Energy Scenarios', and a majority felt that DSO should be its own category.
- Participants were particularly concerned about Cyber Security: some suggested it needed its own category, while others pointed out that it spanned several categories including Safety, Reliability, Social Obligations and Connections.
- This was witnessed in the electronic voting, where stakeholders voted it as the most important issue for WPD to address, receiving an average score of 8.6.
- Stakeholders suggested several measurable outputs, including one for DSO that measured the process of implementation over the next five-year period.
- Voting electronically, stakeholders nominated all the 'key changes' as requiring new measurable outputs immediately, although cyber security earned the most votes, with 82.9%.



SESSION 2: LOOKING AHEAD TO RIIO-ED2

This session began with a presentation given by Alison Sleightholm, Regulatory & Government Affairs Manager. Alison explained the changing focus from outputs to outcomes in RIIO2-ED2, and outlined the core outcomes that WPD believe stakeholders want them to deliver. After introducing the key components of WPD's Business Plan, she outlined the areas currently shaped by stakeholders and asked whether this influence could go even further in RIIO-ED2.

The presentation given by Alison can be found here (slides 45–56): [https://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx](https://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx)

The key points captured in this session are shown below:

- There were mixed views on the objectives for RIIO-ED2: some wanted a focus on smart metering, others wanted to see targets set for cross-sector integration in energy policy, while representatives from the business community stressed innovation in storage as a key outcome.
- There was wide consensus that people needed to be better educated on the challenges faced by WPD heading into RIIO-ED2 before they could have a valuable influence.
- On Innovation, end users and industry participants were seen as key influencers: this was reflected in the electronic voting, where Innovation received the highest mean score – 7.7 – when stakeholders were asked how involved they would like to be in planning RIIO2.
- Some felt that a shorter business plan period would be better suited to adapting to rapid changes in the network.
- Most agreed that consumer bodies, special interest parties and informed stakeholders were best suited to influence uncertainty mechanisms, data assurance and financing.
- This was borne out in the electronic voting, where these component areas scored very low, with financing scoring only 2.9.



SESSION 3: ENGAGING WITH CUSTOMERS AND THE ROLE OF CUSTOMER PANELS

The third session of the morning was an independent workshop introduced by Victoria Pryker of Citizens Advice. She began by discussing the importance of proactive engagement and the different levels of influence that stakeholders and customers could potentially exert over a company's business activities. She also explained the role of Customer Challenge Panels, describing their purpose, remit and level of decision-making power and seeking feedback on how the current model could be adapted in the future.

The presentation given by Citizens Advice can be found on the presentation (slides 67–74). [https://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx](https://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx)

The key points captured in this session are shown below:

- All stakeholders agreed that Customer Challenge Panels are a good idea, with the general feeling expressed that all monopolies needed greater scrutiny.
- This was reflected in the electronic voting, where stakeholders voted in favour of expanding customer oversight, with 68.2% favouring Consult Plus in writing the next Business Plan, and 87.5% opting for Consult Plus during the delivery of the Business Plan.
- When discussing the structure of the panels, participants suggested smaller, 'mini challenge' specialist groups.
- Some recommended basing the selection of the panels on WPD's business plan (i.e. an Environment Panel, a Financing Panel, etc.), and others on location.
- To make it both easier to attend and to engage a younger demographic, some suggested organising additional online meetings.
- Stakeholders were split over panel power: some argued for influence over absolute power, and others stated that participants needed to know from the outset that there are some areas simply not open to negotiation.
- In keeping with this, when voting electronically the majority of stakeholders opted for giving WPD's Customer Panels 'quite a bit' of weight and influence rather than the full weight of influence available.



SESSION 4: TRANSITIONING TO A DISTRIBUTION SYSTEMS OPERATOR

Nigel Turvey, Network Strategy & Innovation Manager, introduced Session 4, explaining the changing role of energy networks and what the transition to a DSO might mean for different customer groups, in particular large energy users, distributed energy providers, smart technology providers, local communities, and vulnerable customers. He concluded by discussing how vulnerable customers could benefit from a smart future, giving the example of the 'last gasp' feature on SMETS2. Following the presentations, there was a short Q & A, during which Nigel answered questions from the floor.

The presentation given by Nigel can be found here (slides 80–94). [https://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx](https://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/180209-WPD-Annual-Stakeholder-Workshops-2018-FINAL.aspx)

The key points captured in this session are shown below:

- There was general consensus that WPD had captured the key customer segments affected by DSO operations, although some felt that small energy retailers and domestic customers were missing.
- Some participants, particularly from the housing and energy and utilities sectors, were concerned that WPD did not plan to invest in storage.
- Stakeholders expressed a high level of understanding of the effects of a DSO transition on smart technology providers and distributed generation and storage providers, scoring 8.2 and 7.4 respectively in the electronic voting.
- Some sounded a note of caution about the benefits of DSO operations being overstated, with a key observation being that expectations of being able to connect 'anything, anytime, anywhere' would need to be managed.
- It was obvious from the electronic voting that stakeholders' understanding of the effects of the DSO transition on local communities and vulnerable customers was very low, with mean scores of 2.2 and 1.3 respectively.
- All participants agreed that customers should be able to customise their power cut alerts and this was reflected in the electronic voting, where 68.3% opted for a fully customised approach.

AFTERNOON SURGERIES

After lunch, stakeholders were asked to participate in one of three informal afternoon surgeries. The subjects for discussion were:

- Losses and Innovation, hosted by Paul Jewell;
- Connections and Distributed Generation, hosted by Tim Hughes;
- Social Obligations (including Fuel Poverty), by Karen McCalman.

These surgeries included presentations on the topics and gave stakeholders an opportunity to ask the three presenters questions. The presentations given at the surgeries can be found here:

- Losses and Innovation: [http://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/Afternoon-surgery-presentation-Innovation-and-Loss.aspx](http://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/Afternoon-surgery-presentation-Innovation-and-Loss.aspx)
- Connections and Distributed Generation: [http://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/Stakeholder-Events-2018-Connections-breakout.aspx](http://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/Stakeholder-Events-2018-Connections-breakout.aspx)
- Social Obligations (including Fuel Poverty): [http://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/Afternoon-surgery-presentation-Social-obligations.aspx](http://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/Afternoon-surgery-presentation-Social-obligations.aspx)

WORKSHOP FEEDBACK

The workshop was attended by a total of 45 stakeholders, representing 38 different organisations. There was a fairly even split, with every category of stakeholder having some representation.

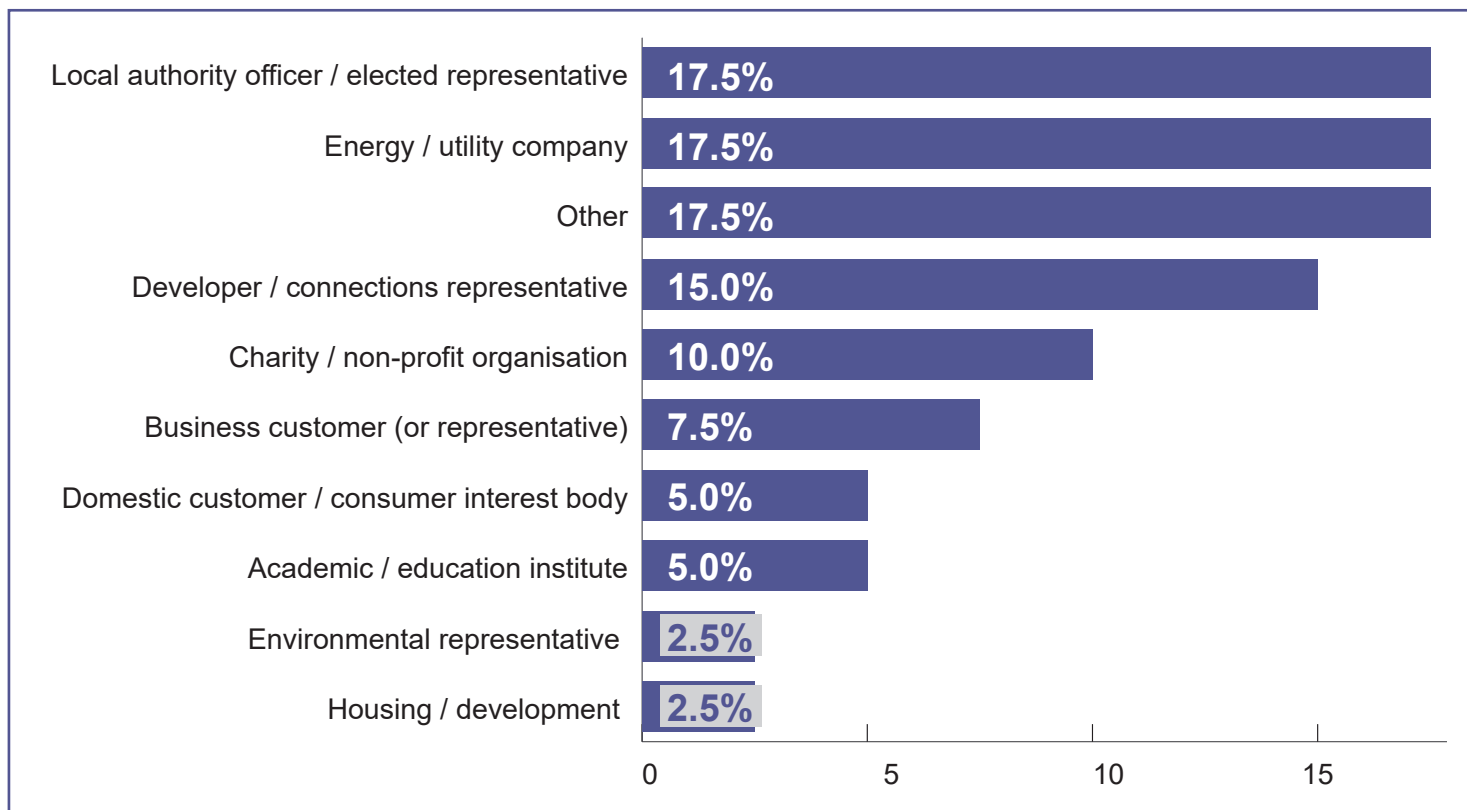
3 | ATTENDEES

The workshop was attended by a total of 52 stakeholders, representing 43 different organisations. There was a fairly even split, with every category of stakeholder having some representation.

- ABP
- Blaenau Gwent County Borough Council
- Caerphilly County Borough Council
- Cardiff University
- Cenin Ltd
- Centre for Sustainable Energy
- Citizens Advice
- CLA Cymru
- Deerhurst Parish Council
- Dwr Cymru Welsh Water
- Ecodev Group Ltd
- Frazer-Nash Consultancy Ltd
- Green Frog Power Ltd
- Groundwork Wales
- IBM
- Llanelly Community Council
- Lucy Electric Ltd
- Melin Homes
- Met Office
- National Grid
- npower
- Pitchcombe Parish Council
- Royal Mail MarketReach
- RSK Group plc
- Schneider Electric UK
- Severn Wye Energy Agency
- Siemens
- SLR Consulting Ltd
- SMS Energy Services
- South East Wales Energy Agency
- SSE
- Tata Steel UK Limited
- Torfaen County Borough Council
- UK Power Reserve Ltd
- Vale of Glamorgan Council
- Wales & West Utilities
- Warm Wales
- Welsh Government



Stakeholders were asked to vote electronically to identify their stakeholder type. Most widely represented were local authorities, energy companies and utilities, and those who identified as 'other', with each of these three groups representing 17.5% of attending stakeholders. The results were as follows:



4 | WORKSHOP ONE: WPD'S CURRENT PERFORMANCE

Summary of the discussion

- The future was high on the agenda for stakeholders across the spectrum in Newport: prioritising Innovation, they stressed Storage, the Transition to DSO and Electric Vehicles as key areas of interest.
- This extended to vulnerable customers, where stakeholders were particularly keen to discuss how they could benefit from a smarter network.
- There was consensus that WPD's output categories, while once appropriate, no longer served the current or future needs of the energy network, and needed to be added to or reworked.
- Some stakeholders put forward a new category called 'business transformation', which was seen as the most important aspect of the future energy network and would house the outputs currently filed under the environment category.
- Other categories suggested all fell within the scope of Innovation, with suggestions such as 'Change Management' and 'Future Energy Scenarios'.
- Others pointed out that WPD's ability to respond effectively to the key changes was cost dependent, and wondered whether there should be a category for 'cost effectiveness'.
- Most stakeholders thought that DSO should be its own category, and discussed the complexity of addressing the transition to DSO as a single output.
- Participants took Cyber Security seriously, with some suggesting it needed its own category, while others argued that it spans several categories: Safety, Reliability, Social Obligations and Connections.
- This was reflected in the electronic voting, where stakeholders deemed it the most important issue for WPD to address, receiving an average score of 8.6.
- Although Flood Risk Planning was not widely discussed around the tables, it was voted as the second most pressing issue for stakeholders, scoring a mean of 7.5 out of 10.
- Stakeholders proposed measurable outputs that included: a measure of the process of DSO implementation over the next five-year period, regular reports detailing the number of cyber attacks, and a target to roll out more EV charging stations with rapid charging facilities.
- When voting electronically, stakeholders nominated all the key changes as requiring new, measurable outputs immediately, although cyber security garnered the most votes, with 82.9%.



1. WHAT ARE THE MAIN PRIORITY AREAS FOR YOU?

Summary:

- Stakeholders wanted to talk about the future, prioritising Storage, DSO, Innovation and Electric Vehicles.
- Stakeholders were keen to discuss how vulnerable customers could benefit from a smarter network.
- Stakeholders from the business and utilities sectors prioritised reliability, power cuts, downtime and future-proofing for greater resilience.
- Stakeholders representing government and local authorities wanted to talk about how Wales could benefit both financially and environmentally from a focus on renewables.
- Some stakeholders wanted to prioritise better interaction and engagement between WPD and bodies such as the LRF and the Welsh Assembly.
- Many wanted to discuss the connections process, urging greater transparency and consistency, and pointing to the need to plan for housing growth.

Verbatim comments:

"I'm interested in innovation: charging will have a huge power demand, and there's lots of ideas of how to get power to cars."

Infrastructure / engineering representative

"I'm interested in the transition to a DSO and storage."

Business representative

"I'm from a university, and from my point of view, I'm interested in innovation. In the next settlement period, what's WPD doing to plug the gap between the technology of suppliers and what's actually in the pipeline?" **Academic**

"As a business, it has to be reliability: power cuts, security, supply..." **Business representative**

"Future-proofing, they're all dotted around but it doesn't look like there's future-proofing, cables going in." **Infrastructure / engineering representative**

"I do energy policy, and I'm here to make sure that Wales gets what it needs in terms of business success." **Local authority representative**

"I'm here to talk about renewables: to reduce our costs and carbon impact." **Local authority representative**

"The key things I'd like to see is WPD engaging more with the Welsh Assembly. We would like more communication and integration."

Infrastructure / engineering representative

"Interaction with the LRF is important to me. Although WPD keep us up to date with any outages, we would like a closer interaction with them to discuss any issues. The consulting side of things with the LRF would be much appreciated. It's not just WPD to be fair, it's all the energy suppliers."

Local authority representative

"I'm a development manager at the Centre for Sustainable Energy. We do lots of different partnership projects with WPD, some are directly where we provide services to people on your PSR, and there are lots of other things through our contact centre, but also innovation. I've found WPD really great to work with from our perspective, and the depth of support they want to provide to vulnerable customers is really encouraging. There is more to be done obviously, but they are doing great."

Charity / voluntary sector representative

"My company make thousands of connections to the WPD network. We'd like to see more visibility of voltage levels, connections capacity and more consistency across Wales, because there's quite a lot of inconsistency." **Energy / utility company**

"I'm looking at the new builds and making sure that there's a connection there." **Housing representative**

2. HAVE WE CAPTURED THE RIGHT KEY CHANGES THAT HAVE OCCURRED SINCE 2013 – ARE ANY MISSING?

Summary:

- The majority of stakeholders agreed that WPD had captured the right key changes.
- Some felt a missing key change lay in enhancing communication between WPD and current users across several areas: in the connections process, during outages and with vulnerable customers.
- Others felt the 'Electrification of Heat' was a key change that had gone unidentified.

Verbatim comments:

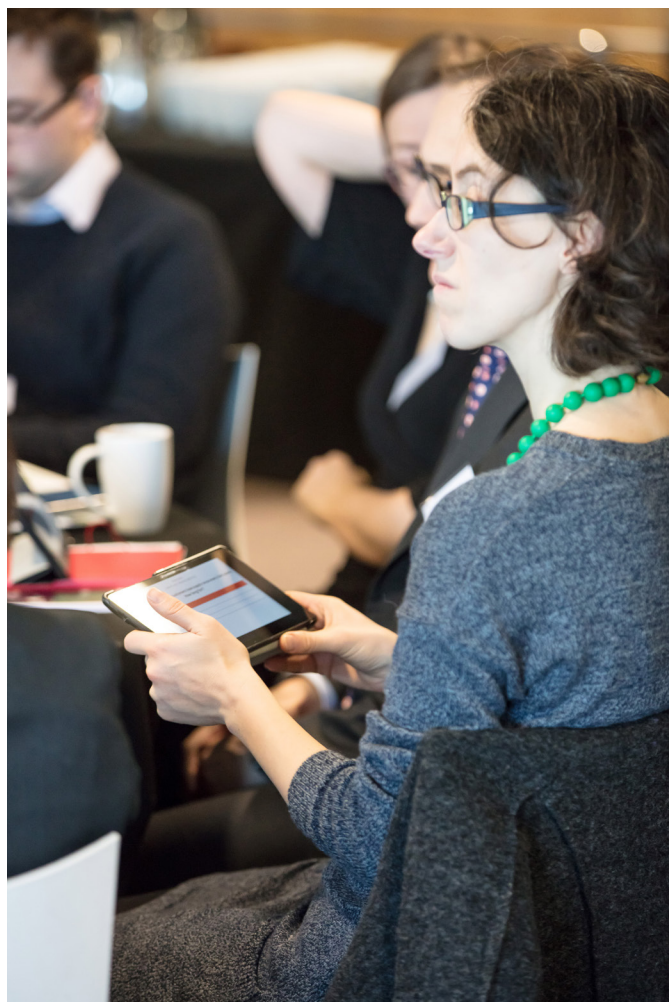
"No, the only thing I didn't notice is there isn't an awful lot around the customer, I noticed there was something about improving satisfaction but not about engagement – customer satisfaction is measured on how easy it is to get in touch with somebody or power outages." **Business representative**

"Those vulnerable people who might be sat at home in the dark not having a clue what's going on because they don't get the email. I'm just thinking about the hard-to-reach." **Business representative**

"We still have a big gap with connections... It's affecting us in the obligation loop... There's no obligation to talk to us. They need to spend more time talking to existing customers... We hear more from the planning applications than WPD itself." **Infrastructure / engineering representative**

"Some sites are deeply embedded within the distribution networks, so it would be useful to be able to discuss options with WPD." **Infrastructure / engineering representative**

"The electrification of heat is missing... it should fall under Technology/Innovation." **Environmental representative**



3. ARE THE SIX OUTPUT CATEGORIES APPROPRIATE FOR THE FUTURE, AND WHERE DO THE 'KEY CHANGES' SIT WITHIN THESE CATEGORIES?

Summary:

- There was consensus that WPD's output categories needed to be added to or reworked to better serve the future of the energy network.
- Some stakeholders put forward a straight replacement for the Environment category called 'Business Transformation', which was seen as the most important aspect of the future energy network.
- This conversation was echoed across the discussion groups, where the consensus was that although 'environment' is an appropriate category, the outputs currently assigned to it belong elsewhere.
- Other categories suggested pursued the idea of Innovation, with suggestions including 'Change Management', 'Future Energy Scenarios' and 'Future Networks'.
- Some felt that WPD's ability to respond well to the key changes was cost dependent, and posed a category called 'Cost Effectiveness'.
- Many stakeholders agreed that electric vehicles should not sit under the Environment category, pointing out that the issue is also a matter of customer satisfaction and reliability, while others thought that electric vehicles were so important they should have their own category.
- Most stakeholders thought that DSO should be its own category: there was widespread concern that having it under a single output would lead to a conflict between commercial drive and WPD's other commitments such as the Environment and Safety, highlighting the challenge of separating out its commercial activity from its social obligations.
- Suggested key changes under a DSO category included alternative connections and electric vehicles.
- Participants were concerned about Cyber Security with some suggesting it needed its own category while others argued that it reached across all existing categories.
- There was disagreement over flood risk; whilst the majority thought it should be in Reliability, one table also split it across Safety, Environment and Connections.



During the discussion, stakeholders were asked to state their preference for where the key changes should sit under the existing output categories – or whether new categories should be created. The aggregated results across all of the tables were as follows:

Business Transformation	1.00				0.15
EVs	1.00				
Capacity & Connections	1.00				
DSO	1.00			1.50	
Future Networks					
Security					1.00
Social Obligations			0.25		0.40
Customer Satisfaction			0.25		0.15
Connections	1.00	0.25	1.25	3.00	0.15
Environment		0.25	0.25	3.50	0.15
Reliability	1.00	6.25			3.40
Safety		0.25			1.40
	EVs	FLOOD RISK	DSO	ALTERNATIVE CONNECTIONS	CYBER SECURITY

Verbatim comments:

"I think you need a new category called something like 'future energy scenarios'."

Infrastructure / engineering representative

"Business transformation as a category."

Infrastructure / engineering representative

"Where is innovation? It should be added. Because you can be innovative in all of those things, but..."

Charity / voluntary sector representative

"I'd like to see 'innovation and change management' as a category so there is a priority team to actually discuss it. For them to try and understand things from a developer's point of view, and get more engagement and make the process less frustrating and constricting. Everyone's got the appetite but it's not always easy to get through the system."

Infrastructure / engineering representative

"Some of the environment outputs could therefore come under 'business transformation'."

Local authority representative

"Where does cost effectiveness come into it? Everything's a trade-off – you can have 100% reliability if you put X amount of money into it. I'm surprised cost effectiveness isn't in there. Could be an extra category." **Academic**

"Alternative connections are just one small part of managing the flows on the grid. It's limiting the ability of use to connect, but there's smart and storage and the ways of managing that flow, which sit alongside alternative connections. So it shouldn't be in 'environment'." **Local authority representative**

"That's the question – whether WPD has the infrastructure for electric vehicles. The answer is no. So it shouldn't be in environment – it should be in customer satisfaction."

Infrastructure / engineering representative

"I thought EVs would be in a separate category, it's on the car side, down the smart grid, smart innovation?"

Business representative

"I think it depends on how electric vehicles grow; if there's an exponential growth then there should be a category for them." **Academic**

"Electric vehicles is its own target – we need to look at how this is going to pan out from a technical, social point of view. There are so many people you need to engage with even if your network can deliver that to everyone." **Energy / utility company**

"If you have a big rise in electric vehicles, you may want to consider moving electric vehicles to the 'reliability' category. What if people want to charge their cars in the night?" **Parish councillor**

"DSO is such a broad output that it should have its own category." **Business representative**

"I can see Alternative Connection Offers coming under DSO." **Energy / utility company**

"Does the whole issue of DSO mean that the business becomes more commercial? It will start to get involved with training and dealing with external partners, which doesn't fit in any of those categories. So maybe we should have a new category for commercial activities. You're balancing commercial drive vs. safety, environment, etc." **Business representative**

"There are 60 cyber attacks per week in the UK. Cyber security is hugely important."

Charity / voluntary sector representative

"It depends on what context you're referring to with cyber security; if you're referring to data protection, it comes under social obligations, but it also comes under safety and reliability."

Infrastructure / engineering representative



4. WHAT TYPES OF OUTPUT WOULD YOU LIKE TO SEE DELIVERED IN EACH OF THESE AREAS?

Summary:

- Stakeholders suggested a type of output that measured the process of DSO implementation over the next five-year period.
- On Cyber Security, participants suggested an output of regular reports detailing the number of attacks.
- On Electric Vehicles, stakeholders wanted to see a target that aimed for rolling out more charging stations, rapid charging, and others to a 10-year plan to see vehicles able to reverse their energy back into the grid.
- However, others pointed out that a target of more charging points was going to be complicated to achieve when set against the opposing target of trying to reduce annual distribution costs.
- There was a general consensus that there needs to be more charging stations before people will be swayed towards using electric vehicles.
- Some wanted to see a measurable output whereby WPD engaged with local customers and users, and were in favour of improving the customer service metric 'aim to reduce' to something more nuanced.

Verbatim comments:

"My one challenge would be that these are very much focused on strategic operations. I think over the next 5–7 years it'll be important to measure the process of the implementation for DSOs. I think you progress towards the central transformation process."

Business representative

"WPD should give a report and say either 'we've had ten attacks' or 'we haven't had any, and it hasn't affected the system'".

Energy / utility company

"I would want to see more charging stations, and rapid charge... because the household ones are regular charging."

Infrastructure / engineering representative

"Connecting their own cars, being able to flow back into the network ten years down the road."

Business representative

"It would be fine for WPD to roll out charge stations and say we have 100 in Exeter, we're going to put this many in Plymouth. Ultimately the important thing is that Ofgem is trying to reduce the £97 spent a year for customers. If that's going to be met, then WPD shouldn't be responsible for rolling out power stations. You can't spend the money unless you have permission to spend it. If I can't get home because there's only two charging stations on the way then I won't buy an electric car. Someone needs to make a decision."

Business representative

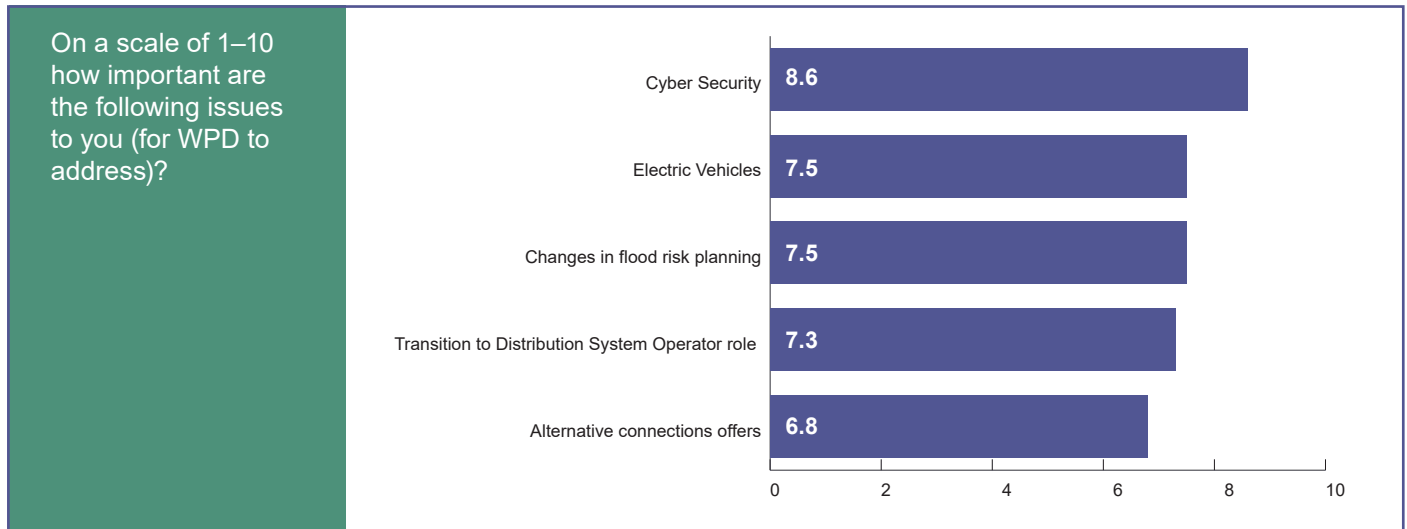
"On the customer satisfaction category, looking at the sub-categories, I'm wondering whether these are possibly outmoded. Do they reflect a more call centre, answering the phone-based system? There's nothing about digitisation, and no numerical targets. Some targets just say 'aim to reduce'. You should include your NPS, or measure if you're routinely getting a 5-star score. To say you're leading is one thing but to have a quantitative number is another thing. I'd like to see some more specific targets than 'aim to reduce'."

Energy / utility company



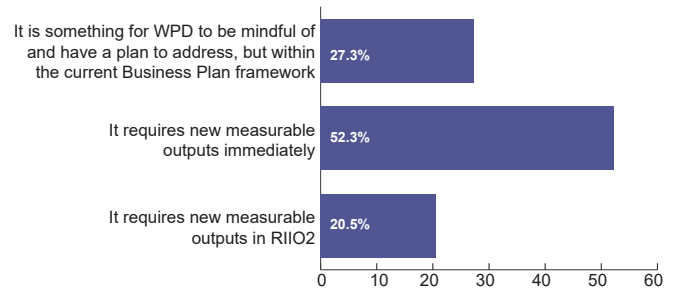
Electronic Voting

At the end of the session, stakeholders were asked to vote electronically on a number of issues relating to the discussions.

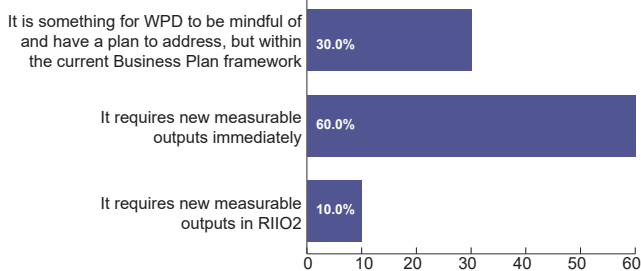


IN TERMS OF BUSINESS PLAN OUTPUTS, HOW SHOULD WPD ADDRESS THE FOLLOWING ISSUES...?

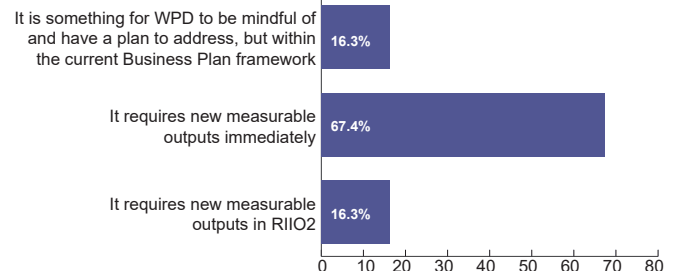
... Transition to Distribution System Operator role?



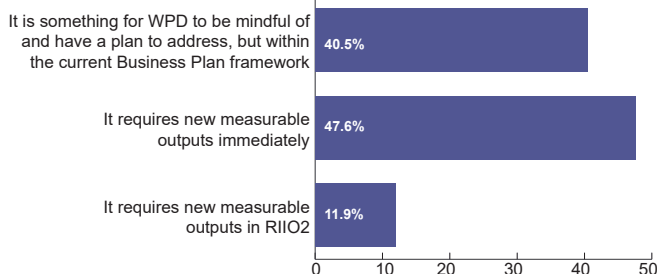
... Alternative connections offers



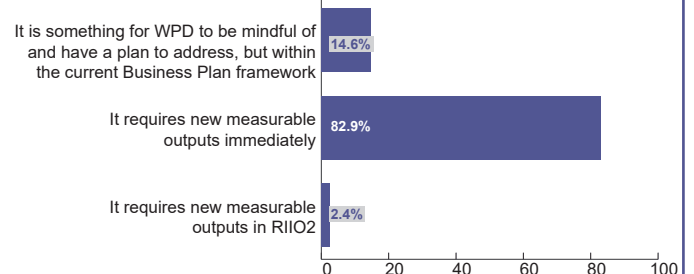
... Electric Vehicles



... Changes in flood risk planning



... Cyber security



5 | WORKSHOP TWO: LOOKING AHEAD TO RIIO-ED2

Summary of the discussion

- Desired outcomes in RIIO-ED2 included 'Innovation in Storage', a 'Focus on Smart Metering', 'Clear Targets for Cross-sector Integration in Energy' and 'Infrastructure policy'.
- Stakeholders agreed that people needed to be better educated on the challenges faced by WPD before they could make a valuable contribution to the next Business Plan.
- There was no consensus on the extent of possible stakeholder influence on incentives: some said that every stakeholder type should have a say, whereas others limited influence to expert stakeholders and specialist interest parties.
- Industry participants stated that their influence could go even further, suggesting they could be involved in the technology needed to drive incentives.
- End users and industry participants were seen as key influencers of WPD's innovation, as it was thought that their opinions and behaviours could be a driver to WPD revising its long-term business plans.
- This was borne out in the electronic voting, where Innovation received the highest mean score – 7.7 – when stakeholders were asked how involved they would like to be.
- Some questioned whether, in the light of this influence and rapid change, it was useful to have a business plan that lasted such a long period, and whether shorter timeframes, and therefore greater flexibility, would be preferable.
- There was general consensus that consumer bodies, special interest parties and informed stakeholders would be best placed to influence uncertainty mechanisms, data assurance and financing.
- This was reflected in the electronic voting, where these component areas scored low in terms of stakeholders' desire to become more involved, with financing scoring the lowest, with 2.9.



1. WHAT OUTCOMES WOULD YOU LIKE US TO ACHIEVE IN RIIO-ED2?

Summary:

- Some participants wanted a focus on smart metering, its impacts on consumers and the ways in which the data is used, safeguarded and analysed as an outcome in RIIO-ED2.
- Others wanted to see clear targets set and opportunities for collaboration in cross-sector integration in future energy and infrastructure policy.
- Stakeholders representing the business and environment sectors were keen to see more outcomes relating to undergrounding replacement cables and protecting AONBs.
- Other stakeholders from the business community stressed innovation in storage was key for them in RIIO-ED2.
- Stakeholders from energy companies and utilities wanted to reappraise WPD's performance measures and make sure they were fit for purpose over the next business plan period.

Verbatim comments:

"I think for me as a supplier, the impact smart meters will have, post 2023, and how different the network will look, from a customer and service perspective. How does that change when smart meters are delivered to consumers?" **Energy / utility company**

"Given the rise in smart metering, what focus is there on security moving forward: is it reactive or is it proactive? Maybe we need to be thinking about how somebody can try and break a network rather than thinking about how can we fix it when it's already broken?" **Business representative**

"I'd be keen that the Welsh government works with you to ensure that the infrastructure plan can be developed in a useful way that fits in with energy and infrastructure policy. That's a huge opportunity for integration – grid, broadband, data at the same time – so how do we get that cross-sector integration for more visibility and flexibility?" **Local authority representative**

"At Wales and West Utilities, the same questions come up. The thing that became clear is, where there's gas veins, you can plug it into the electricity structure. You just need someone to talk to everyone and organise this." **Business representative**

"I know that National Grid are looking at places such as Snowdonia, where some lines are reaching the end of their lives. They're putting the lines underground. You should be thinking 'have we got some lines that go through areas of natural beauty?' and try to get some funding from Ofgem to put them underground." **Business representative**

"I think clearly innovation, looking at alternative ways of storing and generating electricity. Our members have the land on which to put the infrastructure but they are aware that the grid capacity is always going to be an issue. It would be good to start allowing alternatives like storage to be able to be used in a clever way." **Business representative**

"Making sure the measures of performance, especially around customer satisfaction, are fit for purpose going forward over ten years. In terms of digital ways of engaging with companies, and the distinction between customer experience in normal times and after big weather events. Do the outputs/ outcomes capture the two different experiences?" **Energy / utility company**



2. WHAT INPUT/INFLUENCE CAN YOU HAVE – HAVE WE MISSED ANY EXAMPLES?

Summary:

- Before discussing the specific output areas in detail, stakeholders agreed that people needed to be more educated on the challenges surrounding WPD's outputs before they could make a valuable contribution.
- Others highlighted the challenges involved in gathering that influence and the form it would take, with some suggesting panels, focus groups and surveys as potential methods of engagement.
- Stakeholders from the charity and voluntary sectors stressed partnership and collaboration as the key to involving different groups in influencing and informing RIIO-ED2.

Verbatim comments:

"The more everyone can understand the challenges of WPD, the more everyone can contribute. There just seems to be different agendas in different places."

Infrastructure / engineering representative

"You're not going to get loads of end users wanting to engage on all these points. You don't want to bombard people with loads of stuff with a simple survey when they are uninformed but you don't want to exclude them completely either. Maybe you will get some focus groups that you can take through the process of understanding the challenges WPD face and then discuss with them but I wouldn't suggest sending out surveys to the general public. I wouldn't want to comment on lots of the areas there because it's not my profession. I could form a reasonable opinion on a lot of them but wouldn't want to go through and review the entire thing."

Charity / voluntary sector representative

"Someone mentioned education before but getting people involved in those surveys is a great way to get people educated about it." **Business representative**

"You probably still get a lot of people that have little or no knowledge of how the energy companies work. I should be saying consumers should be involved in everything because of where I work, but people have other stuff to be doing, don't they? I used to work for a city farm and we would do a survey for kids about what animals they most wanted to see, and the most popular answer was dolphins."

Charity / voluntary sector representative

"From my side I find it's really productive when we work together on stuff. There's quite a lot going on in the South West working alongside community groups and charities, but you are trying things out in small teams and I think that's where you can test out some interesting stuff and dig into the details of how things can work, and understand the challenges that different groups involved face. Helps to understand what is actually achievable."

Charity / voluntary sector representative

Outputs

Summary:

- Most stakeholders felt that they would like to have some level of influence on outputs, with some pointing out that this was the only logical, ethical outcome as WPD was a monopoly and customers could not 'vote with their feet'.

Verbatim comments:

"Everyone can influence outputs. WPD are saying you can't vote with your feet so that's why we have this workshop." **Energy / utility company**



Incentives

Summary:

- Some said that every stakeholder type should have a say on incentives, whereas others limited that influence to experts and specialist interest parties.
- Industry participants wanted greater influence, stating prospective involvement in the technology needed to drive incentives.
- Some argued end users' influence could best function through consumer bodies.

Verbatim comments:

"I think everybody can influence incentives. If you're talking DSO side, standby generation; it's everybody."
Infrastructure / engineering representative

"As a supplier, it's about new products we could bring to market to help these guys do what they want to do. For example, stations for electric charging."
Infrastructure / engineering representative

"I think it's important to make sure that the incentives meet the needs of all stakeholders, as it's leaning towards the end user. It's about long-term benefits for the end user as well as short-term benefits. At the moment, it's all focused on what it costs consumers today, rather than long-term interests."
Local authority representative

"I can see how expert stakeholders and specialist interest parties can have a strong view on that, less so for industry participants."
Business representative

"I think most of the people to the right of end users could have a useful input on incentives. I don't think end users would have an input though."
Parish Councillor

"I suppose end users could in a block, but that would be through a consumer body, wouldn't it."
Infrastructure / engineering representative

Innovation

Summary:

- Stakeholders saw end users and industry participants as key influencers of innovation, with many stating that their opinions and behaviours could drive WPD to adapt its business plans.
- Many felt strongly that end users, and in particular young people, needed to be better engaged to influence innovation.
- A question arose over the usefulness of a business plan that lasted such a long period, and some asked whether shorter timeframes, and greater flexibility, would be preferable.
- Others argued that end users' innovation interests were limited to EV and smart meters and keeping their bills low: the specialist knowledge simply wasn't there.

Verbatim comments:

"I think it's critical to have the end user involved. I think that with the younger generation coming through, a lot of bodies are made of more mature people, but there are new trends coming through and it's those people that need to be involved."
Energy / utility company

"Is eight or ten years for a business plan too long considering the amount of innovation taking place?"
Infrastructure / engineering representative

"Five-year plans would be more appropriate."
Parish councillor

"If you cut out the end users from innovation, you cut out a lot of potential good ideas. A lot of the best apps start in someone's bedroom, the issue is just how you engage them."
Business representative

"Everyone to the right of end users is purely people with vested interests."
Parish councillor

"I'd say the only thing end users are interested in is smart meters and electric vehicles."
Energy / utility company

"I think maybe the end users might take a more active role but the issue is the practicalities. If you say 'do you want to pay more or less?', they'll say less. They're answering questions without the specialist knowledge."
Energy / utility company

Expenditure

Summary:

- There was spirited debate and conflicting opinions over influence on expenditure: some felt that end users, specialist and informed stakeholders should not be directly involved as they don't have the required specialist knowledge.
- However some participants, particularly parish and local councillors, argued that as expenditure affects all stakeholders, everyone should have a say.
- Others pointed out that for most customers the level of interest would be low: the main priority is simply keeping the lights on.
- Some argued that, in fact, some end users were interested in expenditure, and that there should be an effort to stimulate a change of conversation around what energy is worth.
- In the light of this, stakeholders affirmed that it is important to educate stakeholders and provide a context for discussing and understanding expenditure, which would allow them to participate without necessarily giving advice.
- Stakeholders agreed that consumer bodies play an important role in the conversation around expenditure, and in particular, how any changes or impacts are relayed back to end users.

Verbatim comments:

"The end user still doesn't understand how the whole system works." **Business representative**

"It's difficult because I would say it's for informed stakeholders at best because I don't know how much it's going to cost you to do flood defences, etc." **Energy / utility company**

"For expenditure, end users are best placed to influence... You have to make sure that they are happy.... You can talk about wonderful things, but if bills go up, they could turn on it. That means that you can't make long-term plans." **Parish councillor**

"In these meetings you sometimes discuss whether you increase or decrease expenditure in certain areas, so surely everyone here has influence on this." **Parish councillor**

"The difference is, as an end user, when someone says 1p of your bill was spent on X, that doesn't mean anything to me. There's no context, so there's a need to explain that to people rather than expecting them to have an answer." **Business representative**

"The majority of end users don't really care. As long as you keep the lights on." **Infrastructure / engineering representative**

"On the surface, I think you're right, but when you scratch the surface, I think people are interested. People talk about how expensive it is, not what it's worth. So we need to change the conversation." **Local authority representative**

"The end users have a right to know but not to influence." **Charity / voluntary sector representative**

"Certainly, consumer bodies who represent the less well informed need to make sure a strong spotlight is shone on that area." **Business representative**



Financing

Summary:

- Most stakeholders agreed financing was too high level for most to influence, with many suggesting experts, special interest parties and industry participants as sectors that could potentially have a say.

Verbatim comments:

“Realistically, how many people in this room understand those financing questions. I’m not sure informed stakeholders are involved in this.”

Business representative

“I’d be the last person to input into finance, but I can see that some of the biggest issues sit around that. Government policy is in a position to put some money behind it as well, and they put money into projects occasionally but they don’t put much in.”

Business representative

“Maybe special interest groups because you might have someone who is an expert in finance.”

Local authority representative

“Expert stakeholders, special interest parties, industry participants; not consumer bodies.”

Business representative

Data assurance

Summary:

- Stakeholders agreed that data assurance is for consumer bodies, special interest groups and expert stakeholders.

Verbatim comments:

“This should be only the experts.”

Energy / utility company

Uncertainty Mechanisms

Summary:

- Most agreed that consumer bodies, special interest groups and informed stakeholders should influence uncertainty mechanisms.
- Some wanted to see uncertainty mechanisms focus on issues like flooding and climate change, rating the influence of experts in this area as crucial.

Verbatim comments:

“Informed shareholders, yes; it’s more likely to go to the regulator to ask for certain things.”

Energy / utility company

“We would like to play a role: mechanisms in place for Ofgem and National Grid. There is no place for consumer bodies currently.”

Charity / voluntary sector

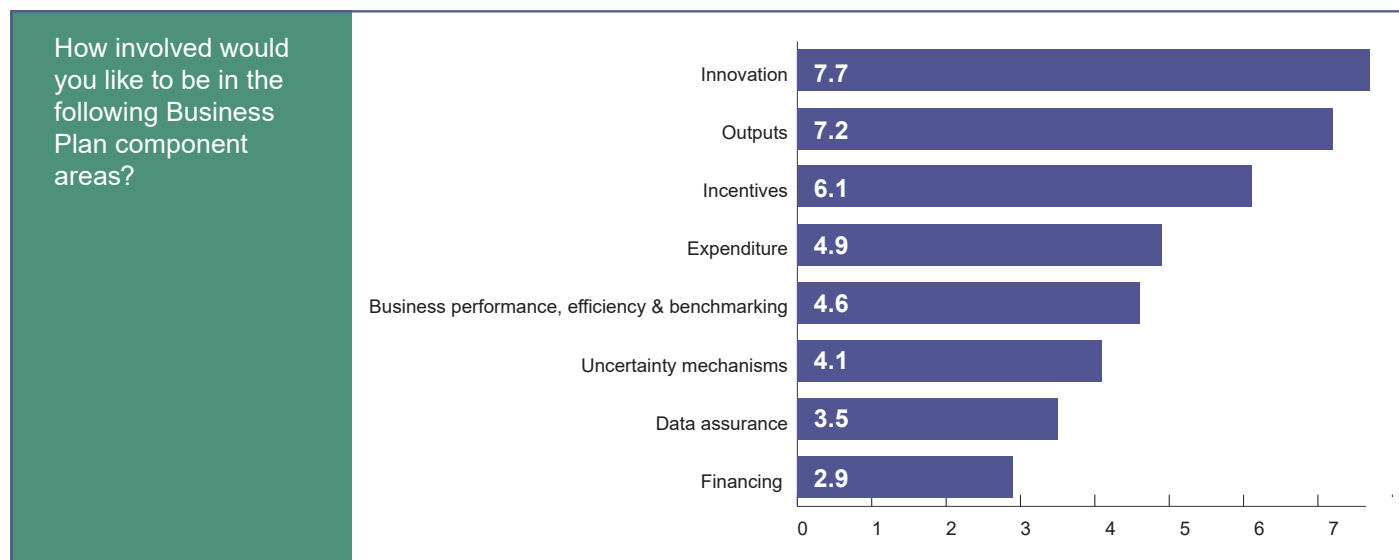
“The ‘specialist interests’ category relates to flooding, which will be a major uncertainty in the next few years due to climate change... Your performance targets for reconnections can be blown out of the water due to four or five incidents in a year. Having experts in place to deal with that can have an impact.”

Parish councillor



Electronic Voting

At the end of the session, stakeholders were asked to vote electronically to provide some quantitative data to support the workshop discussions.





6 | WORKSHOP THREE: ENGAGING WITH CUSTOMERS AND THE ROLE OF CUSTOMER PANELS

Summary of the discussion

- All stakeholders agreed that Customer Challenge Panels are a good idea, positing that any scrutiny is useful and ethical in a monopoly.
- This was reflected in the electronic voting, where 68.2% of stakeholders, who were asked to vote on the level of influence they wanted to exert favoured 'Consult Plus' in writing the next business plan, and 87.5% voted for Consult Plus during the delivery of the business plan.
- Stakeholders discussed the challenges of having broad representation on the panels, and making sure certain voices and agendas weren't privileged over others.
- Participants suggested smaller, 'mini challenge' specialist groups, some recommended basing the selection of the panels on WPD's business plan, and others on geographical clusters.
- Stakeholders suggested meetings could take the form of both face-to-face and online sessions, both to make it easier to attend and to engage a younger demographic.
- There was general consensus that people should be incentivised to join the panels, whether by a donation being made in their name to charity, or expenses.
- Stakeholders were very clear that the panels had to have a clear mandate to create clear and frank challenges for senior management.
- There was consensus that transparency was key: any outputs needed to be coherently explained, even if that explanation was to say that no progress had been made.
- Some argued for stakeholder influence, rather than power, and others stated that the panel's voices should form part of an overall picture, stressing that there are some areas simply not open to change or negotiation.
- When voting electronically, the majority of stakeholders opted for giving WPD's Customer Panels 'quite a bit' of weight and influence, but, tellingly, not the maximum influence available.

1. CUSTOMER CHALLENGE PANELS MIGHT PLAY AN EVEN GREATER ROLE IN THE NEXT ROUND OF ENERGY NETWORKS' BUSINESS PLANNING. WHAT ARE YOUR VIEWS ON THIS CONSIDERING THE VARIOUS OPTIONS OF CUSTOMER ENGAGEMENT THAT EXIST?

Summary:

- There was consensus that Customer Challenge Panels are a positive way of ensuring scrutiny in the industry.

Verbatim comments:

"I think it's a good idea. It's important to get people's views, but if you do generic engagement a lot of people will rush through it or don't understand the challenges, whereas with a Customer Challenge Panel you could work with them so they understand both sides of it."

Charity / voluntary sector representative

"Scrutiny is a good thing at any level."
Local authority representative



2. HOW DO YOU THINK CUSTOMER CHALLENGE PANELS SHOULD BE DESIGNED AND RUN?

Panel Membership

Summary:

- It was good thing have broad representation on the panels, in order to ensure certain voices and agendas didn't drown others out.
- Some suggested making the panels 70–500 strong, so single-issue campaigners don't become the loudest voice.
- Participants suggested basing the selection of the panels on WPD's business plan (ie. an Environment Panel or an Innovation Panel) and others on geographical location.
- Some proposed creating smaller off-shoot 'mini challenge' specialist groups.
- Stakeholders emphasised the importance of the panels being well informed and including representation from domestic customers.

Verbatim comments:

"What you need is more grassroots representation, not the CEO of Citizens Advice Bureau, which seems to be so remote. But it's a good idea. However, they could become political and move away from what needs to be done." **Business representative**

"The biggest problem is trying to understand the complexities of it. Everyone on the panels are customers and stakeholders but it's still difficult to get everyone well informed – a lot of people go there with a personal agenda."

Infrastructure / engineering representative

"It's a positive thing to have domestic customers because they are the experts on that."

Infrastructure / engineering representative

"You've got to make sure they are well enough informed that they understand what they're being asked."

Energy / utility company

"Generally, numbers would ensure that the Panel is independent. If single-issue campaigners are among a panel of 70 or 500 people, they don't become the loudest voice. So it's about self-organising."

Local authority representative

"We have a lot of sector panels, in advertising them, we have had some panels that have had invitations, but getting the right mix, having the people who are there with an agenda, big issue. If it's challenge for the sake of it, mini challenge areas as well to keep it specific, the smart grids. So, specialist groups. And inviting different sets of individuals and building those together." **Business representative**

"As a DNO, you've got a range of customers, from a city tower block to farmers in the middle of nowhere. You can do different clusters, or a small expert panel, or some form of social media."

Business representative

"You may base the selection of your panel on your Business Plan. Some customers have good ideas on the environment, and others on other areas such as data."

Local authority representative

"Our democratic process and scrutiny groups are based around our corporate priorities."

Local authority representative



Panel Meetings

Summary:

- Stakeholders suggested online meetings to make it easier to attend and to engage a younger demographic.
- Further to this, some suggested staggered timings to aid attendance, thereby thinking carefully about the different needs of different panel members.
- It was generally felt that meetings should be incentivised, whether by a donation to charity, or expenses.

Verbatim comments:

“We use a mix of face-to-face and online. We have a Facebook group for our people’s panel, yesterday we had a face-to-face engagement – we use a range of different methods.” **Local authority representative**

“Online will be a way of engaging with younger people.” **Business representative**

“It’s the timings – we stagger events so that people can attend; some in the afternoon, some in the evening, etc.” **Energy / utility company**

“I’m sure there’s a digital way of doing it in a more focused way, and you might get a better response.” **Local authority representative**

“When we did our smart forums, we incentivised people by saying we would make a donation to charity on their behalf, or they’d get paid, or get reimbursed for expenses.” **Energy / utility company**



Remit of the Panels

Summary:

- Stakeholders insisted the panels had to have a mandate to create challenges for senior management.
- Stakeholders also insisted that the challenge had to be meaningful, and lead to real change: if it were just a performance, it would be an empty exercise.

Verbatim comments:

“One of the main ways it would be valuable is to provide a frank and challenging situation for senior representatives of the business. Unless they’re representing the business in a select committee, very rarely will they get that challenge. By definition they’re always speaking to people junior to them. If it’s set up well and gets the balance between constructive and challenging, it can be very valuable. But is it a show or does it lead to change?” **Energy / utility company**

“We have research, consumer research, and we ask, would you like to be involved? So, asking, inviting, on specific consumer areas, and specialist areas. I think it’s working out what the objective of the panel is, is it just there to challenge for the sake of it.” **Energy / utility company**



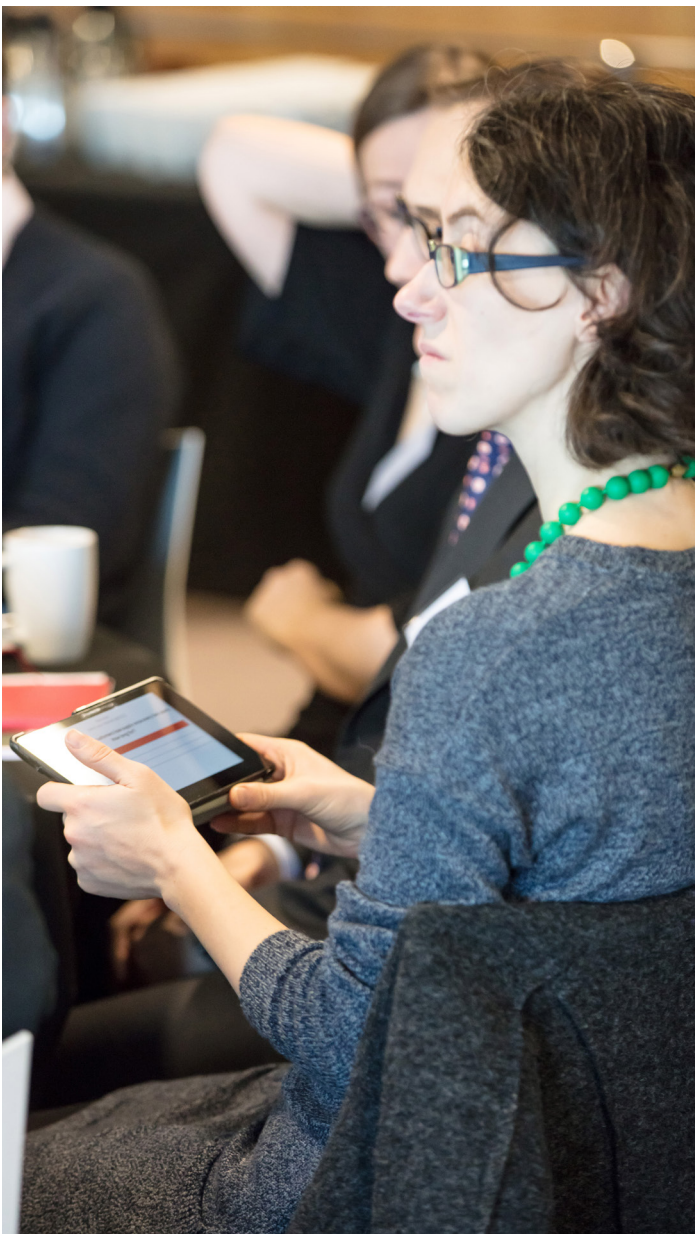
Output of the Panels

Summary:

- A key feature of any outputs should be transparency with coherent explanations, even if that was to say: 'no progress has been made'.

Verbatim comments:

"I run a customer forum. It's not always easy to say 'here's what you said, here's what we did.' There's not always a clear line you can trace from feedback to an action. To be able to hold something up and say this changed. Sometimes it's in the very early stages, sometimes within 95% of being done. You need to be able to explain it. Even if you've made no progress, you need to say 'we haven't made progress and here's why'." **Business representative**



Decision-Making Power of the Panels

Summary:

- Stakeholders agreed that stakeholders need to feel, first and foremost, that their views do count: how far those views count was debated.
- Many opted for influence over power, stressing that there are some areas simply not open to change or negotiation.

Verbatim comments:

"If the group wasn't listened to, then attendance would tail off fairly quickly. They need to be made aware that their views count." **Business representative**

"Doesn't sound like they have much power – more like influence." **Energy / utility company**

"It'll be good for WPD if they agree with what WPD want to do – if they disagree with WPD, that will be where it will be difficult." **Energy / utility company**

"It's more likely to be supported if there is one. It can bring people together to get a consensus." **Infrastructure / engineering representative**

"They should form part of an overall view. Part of the whole stakeholder engagement package." **Energy / utility company**

"It's worth being clear what's negotiable and what's not, because some things can't change." **Local authority representative**

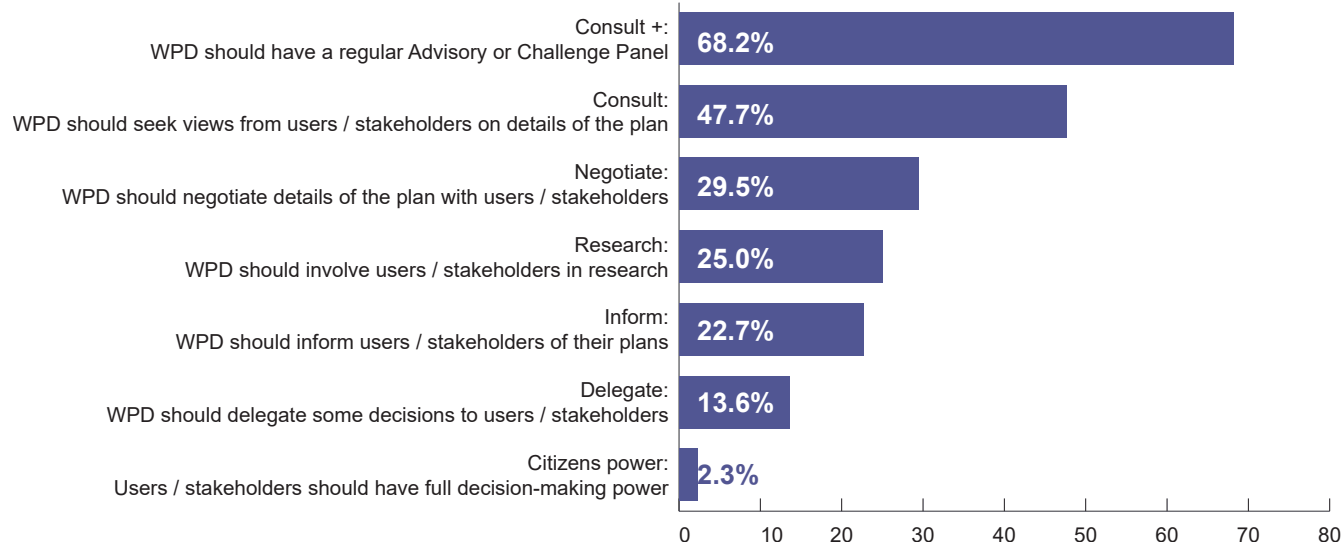
"We have statutory responsibilities, so things we can't stop doing. What we can engage on is that we have to deliver a service, but it's the degree of services that can be influenced. So there's still degrees of engagement you can undertake." **Local authority representative**



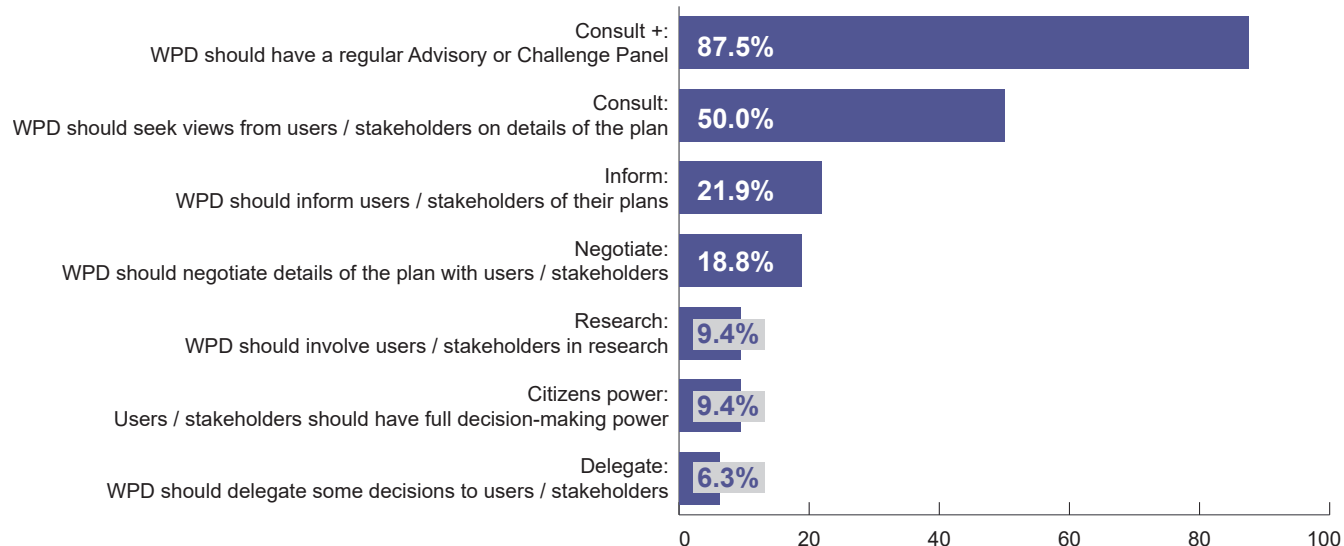
Electronic Voting

At the end of the session, stakeholders were asked to vote electronically to provide some quantitative data to support the workshop discussions.

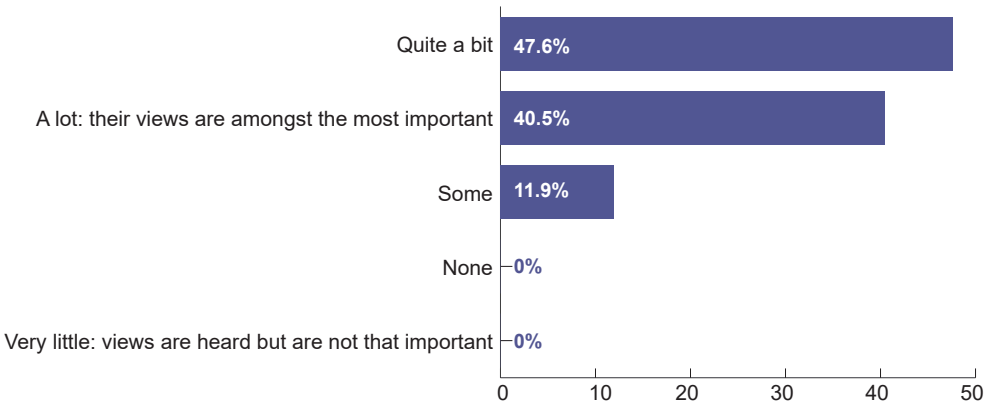
When writing the next Business Plan, what level of power should users / stakeholders be given by WPD? (multiple responses possible)



During the delivery of the Business Plan, what level of power should users / stakeholders be given by WPD? (multiple responses possible)



How much weight should WPD give to the voice of its Customer Panel? (pick one answer)



On what level would you be willing to engage with WPD on their next Business Plan?
(multiple responses possible)



7 | WORKSHOP FOUR: TRANSITIONING TO A DSO

Summary of the discussion

- Most stakeholders agreed that WPD had identified the key customer segments affected by the DSO transition, namely: Large Energy Users; Distributed Energy and Storage Providers; Local Communities; and Vulnerable Customers. However some felt that small energy retailers and domestic customers should be included.
- As an extension to this, stakeholders from the business community thought that WPD needed to consider those customers that are producing electricity as well as consuming it.
- Some participants were concerned that WPD would not invest in storage, with some, particularly from the housing sector, feeling that a potential benefit of the DSO transition might be turned into a negative impact if the issue of storage was not taken forward.
- Stakeholders from the utilities, engineering and business sectors were excited about the services they could provide a DSO: innovations such as reactive power control and digitisation of real-time data.
- In general, stakeholders had a strong understanding of the effects of a transition to DSO on smart technology providers and distributed generation and storage providers: in the electronic voting they scored 8.2 and 7.4 respectively.
- Some stakeholders cautioned the benefits of DSO operations being overplayed, warning that people's expectations of being able to connect 'anything, anytime, anywhere' would need to be carefully managed.
- It was clear from the electronic voting that stakeholders' understanding of the effects of DSO operations on local communities and vulnerable customers was very low, with mean scores of 2.2 and 1.3 respectively.
- All stakeholders agreed that customers should be able to customise the times of day they received power cut alerts, and this was reflected in the electronic voting, where 68.3% opted for a fully customised approach.

1. HAVE WE CAPTURED THE KEY CUSTOMER SEGMENTS THAT MAY BE AFFECTED BY DSO OPERATIONS?

Summary:

- There was consensus that WPD had captured the key customer segments affected by DSO operations.
- Some felt, however, that small energy retailers and domestic customers should be taken into consideration.
- As an extension to this, stakeholders from the business community thought that WPD needed to consider those customers that are producing electricity as well as consuming it.
- Stakeholders from the energy and utilities industries thought the gas network had been missed as a key segment.

Verbatim comments:

"I think it covers everyone." **Energy / utility company**

"It could be because there are a lot of smaller ones, so it might be worthwhile getting their views as well."
Local authority representative

"It could have an impact on the cost of energy, so that would be relevant to domestic customers." **Academic**

"If we're thinking about DSO for the next regulatory period, 2023 onwards, one of the key things is thinking about customers as producers as well as just consumers. This is only going into commercial providers. With automation it means these customers are going to be able to engage in these markets. If everyone has to be given opportunity, then you need to think about how they are going to engage with the DSOs as well." **Business representative**

"The gas network should be on there."
Energy / utility company

2. WHAT ARE THE KEY BENEFITS/IMPACTS FOR YOU (AND STAKEHOLDERS SIMILAR TO YOU)?

Summary:

- Stakeholders anticipated benefits in cost savings, flexibility, and efficiency.
- Participants from the housing and utilities sectors expressed concern that WPD did not intend to invest in storage, with some feeling that a potential benefit of transitioning to a DSO might turn into a negative impact if not addressed correctly from the outset.
- The utilities, engineering and business sectors were enthusiastic about the services they could provide a DSO, mentioning innovations like reactive power control and digitisation of real-time data.
- Some stakeholders were worried the benefits of DSO had been overplayed, and that expectations of being able to connect 'anything, anytime, anywhere' needed to be managed.
- Those representing the charity and voluntary sectors saw potential benefits for customers with data from smart meters, but others worried they would see price increases for vulnerable customers.

Verbatim comments:

"It's real-time information and data: over and above the more passive role. It would be useful in managing the system as a whole. Perhaps managing local scenarios, communities that are more well-off, storage capacities." **Local authority representative**

"I think the comment that it's not the responsibility for storage is wrong. We develop homes and build for the open market and Housing Associations, and we've found some sites we can't connect; we're trying to build innovative homes and can't connect to grid." **Housing representative**

"We would like as much flexibility to be entered into any system, and obviously visibility. At the end of the day, our members have the bare essentials to accommodate storage capacity on their land." **Business representative**

"It's efficiency full stop. Utilising the capacity we've got." **Infrastructure / engineering representative**

"We're a supplier of services primarily for National Grid, and we see the DSO as providing opportunities to provide those services. We're building resources for particular purposes at the moment, and we would like to build them for the DSO. Things like reactive power control will be a bigger issue in the future. We want to understand that better by having a dialogue with the emerging DSO about the services they want to procure, how much they're prepared to pay, etc." **Business representative**

"As a supplier, moving into the digital age, can we provide you with more data so you can look at the assets, etc. – can we diversify? The next buzzword is digitisation, it's all about collecting and managing data." **Infrastructure / engineering representative**

"I think it's one of the risks – that everyone is expecting so much from this DSO thing, but the physics of the grid won't change, so what we want is a lot more complex than what the DSO transition will accomplish. How we manage expectations is important. People are expecting to be able to connect anything, anywhere, immediately." **Local authority representative**

"Once the rollout gets under way, we will have data on domestic customers that opens up the door for lots more innovation that's not possible at the moment." **Charity / voluntary sector representative**

"The response by electricity providers is to give them meters that cost more for vulnerable people." **Business representative**



3. SPECIFICALLY WHAT DO YOU THINK ARE THE KEY IMPACTS FOR 'VULNERABLE CUSTOMERS' AND 'WIDER COMMUNITIES'?

Summary:

- There was widespread agreement that despite high expectations, smart technologies are not a cure-all for vulnerable customers and could disadvantage them.
- Some pointed out that while words like 'dynamic' and 'flexible', often used in conjunction with DSO, were exciting prospects for tech-savvy consumers, they simply did not apply to many vulnerable customers.
- However, others saw potential benefits in cost savings, cheap power and meter readings.

Verbatim comments:

"It won't be vulnerable people who are more likely to get the benefit first. They could be left behind."

Infrastructure / engineering representative

"It's an opportunity for vulnerable customers to be further disadvantaged."

Local authority representative

"The most vulnerable and the poorest are most likely to be unable to change their usage."

Local authority representative

"If you use the word 'dynamic', that will mean different things to different people. It won't make a difference to vulnerable customers, but it will to businesses like me." **Business representative**

"Potentially there are a lot of benefits for vulnerable customers, such as not needing someone to come round to read the meter if you can't access it yourself. Also there are those signals of when to save money."

Charity / voluntary sector representative

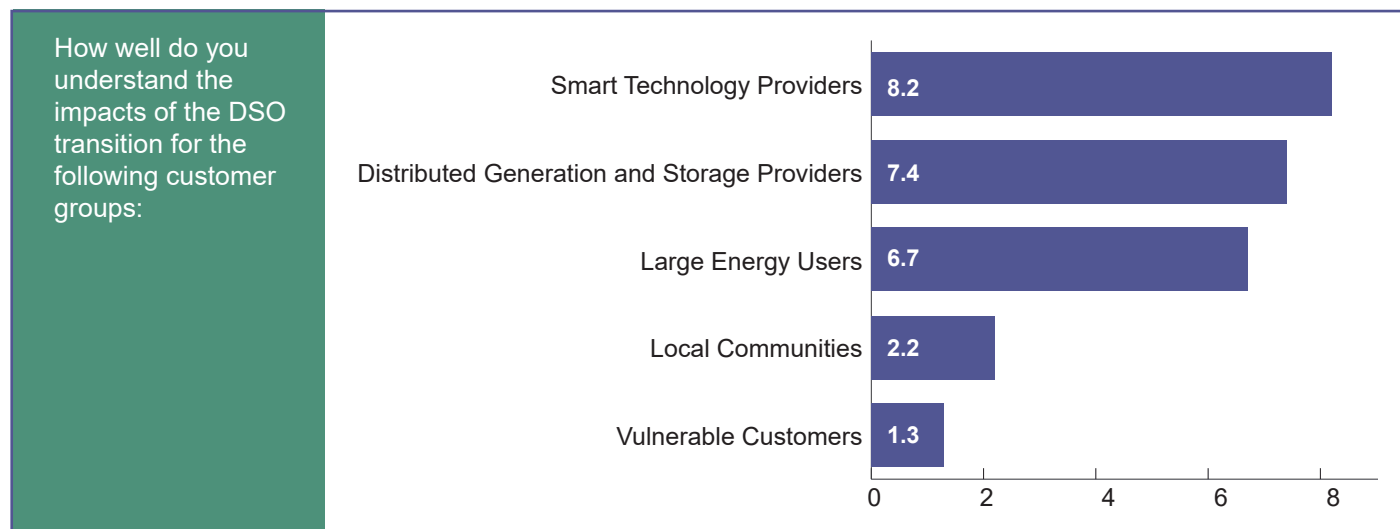
"WPD are going to be managing the system so they're not looking at billing, they're looking at the peaks and flows of what's going in and out of the network. So they can advise people, for example, if you want cheap power, here's the time to do it. There are trials in Bethesda where Co-op Energy are providing a tariff that people can sign up to, then they're netting off local supply from a hydro plant then giving local customers a signal of when is the best time to use it."

Charity / voluntary sector representative



Electronic Voting

At the end of the session, stakeholders voted electronically on their understanding of the impacts of the DSO transition for different customer groups. The results were as follows:



4. SHOULD WE ENABLE CUSTOMERS TO CUSTOMISE WHAT TIMES OF DAY THEY RECEIVE POWER CUT ALERTS?

Summary:

- All participants agreed that customers should be able to customise their power cut alerts.
- Some further options were discussed, such as receiving a text rather than a phone call, or nominating a specific person to receive the alert rather than the vulnerable person.

Verbatim comments:

“I think it should be 24 hours if you want.”

Business representative

“Or just sending a text rather than a phone call.”

Local authority representative

“90% will say 8 a.m. – 8 p.m. is fine, 10% will say no. You might be able to use an automated solution anyway.”

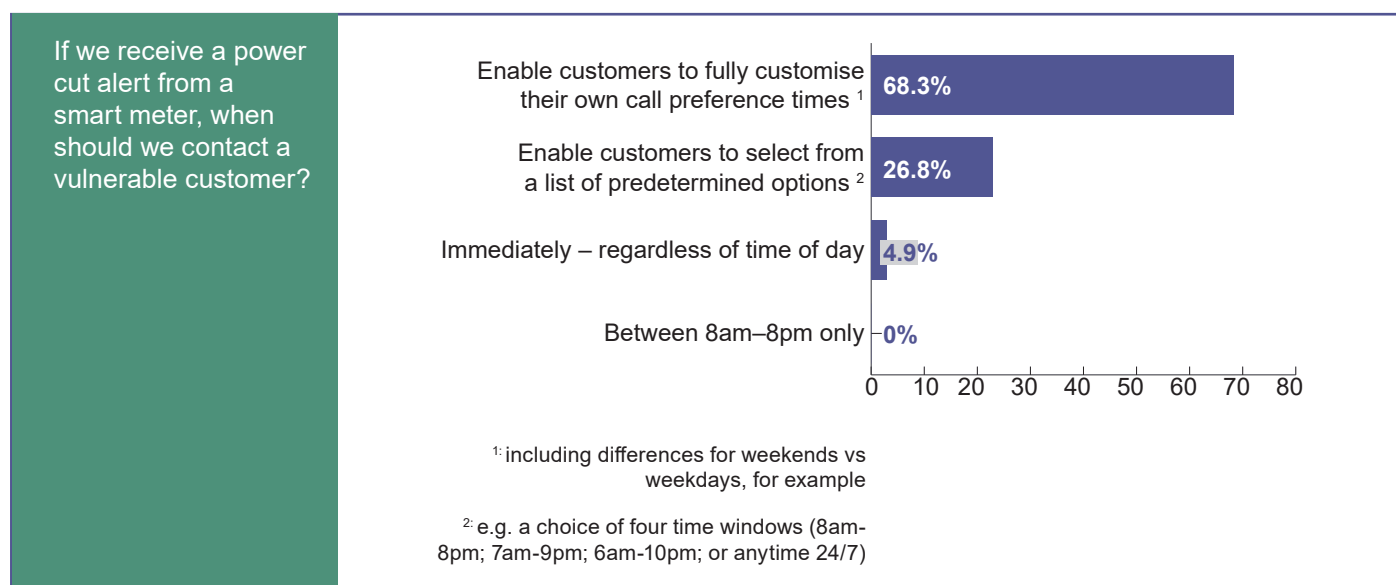
Business representative

“Maybe you should contact someone in the middle of the night if he or she is a vulnerable person?”

Parish councillor

Electronic Voting

At the end of the session, stakeholders voted electronically on their preferences around power cut alerts. The results were as follows:



5. SHOULD WE CONSIDER WAYS IN THE FUTURE OF LOWERING DISTRIBUTION CHARGES SPECIFICALLY FOR FUEL POOR CUSTOMERS?

Summary:

- Where discussed, there was some general, if muted, support for lowering distribution charges.

Verbatim comments:

“Is it going to make a difference?”

Business representative

“Someone has to pay.”

Business representative

“It needs looking at.”

Energy / utility company

8 | AFTERNOON SURGERIES

After lunch, stakeholders were asked to participate in one of three informal afternoon surgeries.

The subjects for discussion were:

- **Connections and Distributed Generation**, hosted by Tim Hughes;
- **Social Obligations (including Fuel Poverty)**, hosted by Karen McCalman;
- **Losses and Innovation**, hosted by Paul Jewell.

These surgeries included presentations on the topics and gave stakeholders an opportunity to ask the three presenters questions. The presentations given at the surgeries can be found here:

- Connections and Distributed Generation: [http://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/Stakeholder-Events-2018-Connections-breakout.aspx](http://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/Stakeholder-Events-2018-Connections-breakout.aspx)
- Social Obligations (including Fuel Poverty): [http://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/Afternoon-surgery-presentation-Social-obligations.aspx](http://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/Afternoon-surgery-presentation-Social-obligations.aspx)
- Losses and Innovation: [http://www.westernpower.co.uk/docs/Stakeholder-info/2018-\(1\)/Afternoon-surgery-presentation-Innovation-and-Loss.aspx](http://www.westernpower.co.uk/docs/Stakeholder-info/2018-(1)/Afternoon-surgery-presentation-Innovation-and-Loss.aspx)



SURGERY SESSION ONE:

CONNECTIONS AND DISTRIBUTED GENERATION

TIM HUGHES

Key Themes and Issues Raised

- It was comment that legals always cause headaches and that greater transparency could only improve the connections process.
- It would be useful to have information on where the connections applications are, and the volume of them.
- SPEN give better information on tracking connections application: the radar system. (Caveat: there's nothing else they do better!)
- There's too much information on the website – it's a learning curve trying to make the best use of it.
- WPD always come back very quickly on queries and offers – it's good to have that direct communication and contact.
- On phased connections agreements and offers: how do you incentivise customers to pay for long-term projects, and prevent them overreaching on their applications?
- On the ethics of the connections queue: is it fair and how do you arbitrate? For example, often it's the biggest companies that can afford to just sit on the banked capacity.
- On Offer Letters: UKPN send you all over the place. You should send a document with all the details of the offer, enabling you to be able to answer, essentially: 'should I accept'? Often there's a standard document sent out that has something qualitatively different from the standard offer buried in it and it can take ages to find. Can you highlight that difference from the outset? Use a summary, appendix, etc. Different colour boxes? Format? Graphics?
- On the EKV charging methodology: can you use a different format to the other DNOs?
- Frustration expressed over Statement of Works.
- 2018/19 ICE priorities are still appropriate and if you add more, you dilute the purpose and good work already done.
- The Owner/Operator Forum is a big help for planned outages – knowing when they'll be, especially as you do more flexible connections. Will EVs really pick up? If so, outages will become more important and impactful.
- The first payment you make reserves capacity; trying to get your second payment and sorting the programme out often adds time and is opaque. Is there a mechanism for managing the contact between first and second payment for those customers who want to get on with the process?
- WPD should say: I'd like a kick-off meeting in the first two months of acceptance. Once you accept, the cost is included for this meeting and if you'd like more contact and support, then you'll have to pay more. Outline your expectations a little better, and help your customer get from A to B a little better.
- On cost visibility on non-contested works on telecoms: how do I (as a connections developer) know I am getting good value for money? It is hard to get minimum cost solutions, and visibility and transparency are needed. Another DNO used an outsource provider for all their telecoms. Should you be investing in comms alongside me, as you'll make use of it as well? I've had a project where the comms cost was more expensive than the build.
- How about treating reinforcement works as contestable as well?

SURGERY SESSION TWO:

SOCIAL OBLIGATIONS (INCLUDING VULNERABILITY & FUEL POVERTY)

KAREN MCCALMAN

Key Themes and Issues Raised

- If you are on the PSR, and withdraw consent, do WPD have anything in place to try and point out that the customer might want to remain on the Register? Stakeholder felt this was important.
- Questions asked about the cost of referrals from WPD to a partner agency.
- Stakeholders felt that it was important the outcomes of all referrals were logged. Maybe a code could be attached to the referral to indicate what the outcome was?
- Change of habit could be monitored? WPD could explore benchmarking tools that measure impact down the years. Make sure that what WPD do at the start has a long-term effect and changes customers' behaviours.
- It's a customer who defines whether they need help – financial or otherwise – and stakeholders were happy with this approach.
- Power Up Health misses the involvement of the suppliers. They should be on board with this project and there should be better cross-industry working and co-operation.
- Timely intervention is clearly the key in any such project.
- Should be looked to be rolled out to dialysis patients, etc.
- Stakeholder felt that people should be contacted earlier – indeed as early as possible – to ensure that customers didn't fall into fuel poverty.
- Stakeholder felt that there should be different timings depending on the time of year, ramping up to the winter period.
- Targeting savings over so many interventions can be an issue.
- Not all approaches to targets and savings are appropriate. Some people may be using less energy for a reason.
- Stakeholders were keen that customers must be surveyed on a regular basis to ensure follow up is monitored and wellbeing is maintained.
- Stakeholders suggested drop-in events for MPs and Welsh Assembly Members to highlight how many people in their areas were not on the PSR.
- Maybe work could be done on a 'Neighbourhood Watch' type approach to get people on to the PSR?
- Need to check if agencies were happy to be on WPD's website.
- More should be done to drive people to the website to sign up to the PSR.
- Stakeholder asked that the GDPR be considered and that WPD are armed with the information to make it does not impact on their service and that of partners.

SURGERY SESSION THREE: LOSSES AND INNOVATION PAUL JEWELL

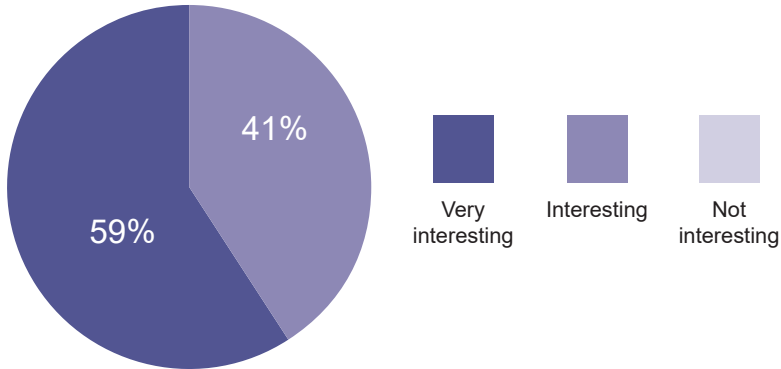
Key Themes and Issues Raised

- WPD should do more with suppliers for three phase cabling.
- Storing electricity in cars/liaising with car parks but how will you introduce it?
- More needs to be done to stop tampered meters.
- When creating a smart system, how do you support homes without driveways or garages?
- How do you digest more renewables joining the network and what about harmonics?
- Can you use forecasting data for future design modelling of network?



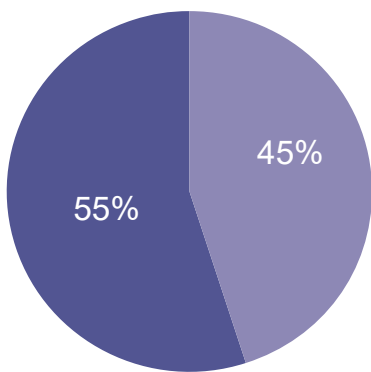
9 | WORKSHOP FEEDBACK

Overall, did you find the workshop to be:



No comments given

Did you feel that you had the opportunity to make your points and ask questions?



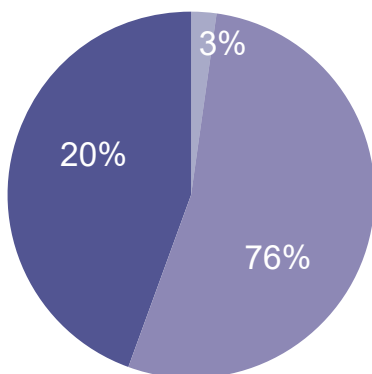
Good use of facilitation to enable input.

Well managed.

Good group interaction.

Not enough time for proper debate.

Did we cover the right topics for you on the day?

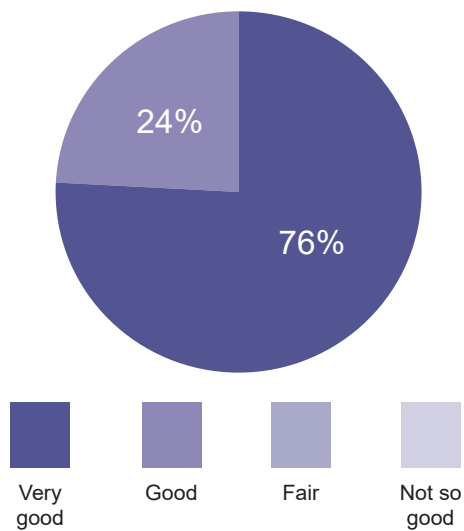


More content on engagement with the resilience community, e.g. LRFs including energy supply risks as detailed in the government's national risk register of civil emergencies.

Would like to have heard about demand side response.

Great. More information on DSO future and what you think it looks like.

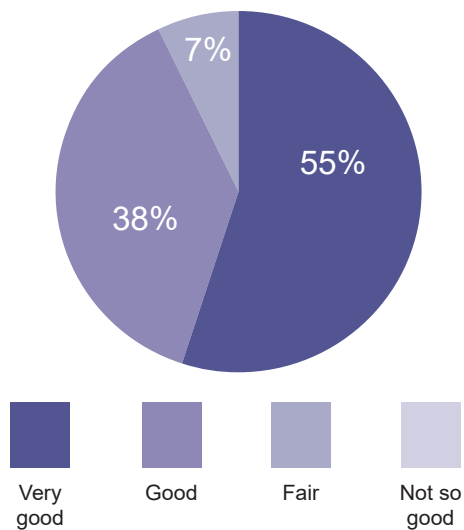
What did you think of the way the workshop had been facilitated?



Facilitator was very good and inclusive.

Good use of facilitation to enable input

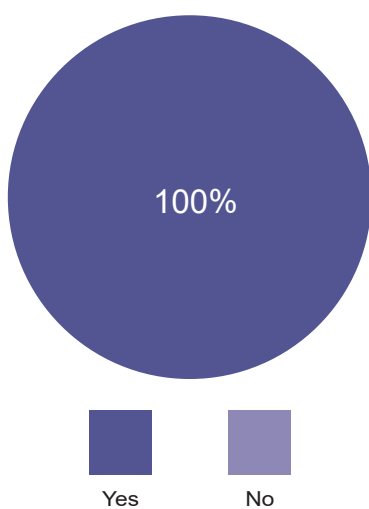
What did you think of the venue?



Big place, difficult to find your way around.

Not very far into Wales considering WPD area stretches to Fishguard.

Would you be interested in attending future workshops on this subject?



No comments given

Do you have any other comments?

Voting sessions, some questions warranted a 'don't know' options, especially final session.

Very good to understand and have the ability to contribute.

Would like to have understood what WPD are doing to help Wales change to decentralised energy and how they are working within the future generation act.

Thank you, great event, appreciate the hard work.



