SSEN DISTRIBUTION

Annual Stakeholder Workshops

Virtual Workshops SCOTLAND

Full feedback report

Scottish & Southern Electricity Networks

Table of Contents

INTRODUCTION 3

EXECUTIVE SUMMARY 4

SESSION ONE: DELIVERING STAKEHOLDER-LED PROJECTS 8

SESSION TWO: ADAPTING OUR SERVICES TO MEET CHANGING CONSUMER NEEDS 15

SESSION THREE: SUSTAINABILITY – HELPING THE UK MEET ITS NET ZERO EMISSIONS TARGETS 22

SESSION FOUR: MAINTAINING A RELIABLE AND RESILIENT NETWORK FOR THE FUTURE 28

SESSION FIVE: BUILDING A SMART, FLEXIBLE NETWORK FOR THE FUTURE 36

APPENDIX 1: ATTENDEES 39

APPENDIX 2: WRITTEN FEEDBACK 41

INTRODUCTION

On 24 September and 1 October 2020, SSEN hosted two online workshops aimed at gathering feedback from its stakeholders in its Northern Scotland licence area on the following five topics: delivering stakeholder-led projects; adapting services to meet changing consumer needs; helping the UK meet its net zero carbon emissions targets; maintaining a reliable and resilient network; and building a smart, flexible future network.

The workshops took place online and were hosted on the event platform Speakeasy. Each workshop consisted of five presentations given by SSEN representatives, each followed by discussion sessions in virtual breakout rooms. Stakeholders were also invited to participate in electronic votes throughout the workshops to provide their views on the issues at stake.

SSEN instructed EQ Communications, a specialist stakeholder engagement consultancy, to independently facilitate the workshops and to take notes of the comments made by stakeholders. Every effort has been made to faithfully record the feedback given. In order to encourage candour and open debate, comments have not been ascribed to individuals. Instead, notes have been made of the type of organisation each stakeholder represents.

The full presentation can be found here, with the agenda for the day on slide 7.

EXECUTIVE SUMMARY

SESSION ONE: DELIVERING STAKEHOLDER-LED PROJECTS

The first presentation of the day was given by Graeme Keddie, Director of Corporate Affairs, Regulation and Stakeholder Engagement. He outlined SSEN's five core themes, as informed by stakeholders: driving improvements in core services; delivering in the public interest; enabling the net zero transition; supporting safe and resilient communities; and collaborative action on consumer vulnerability. Under each theme, he outlined specific examples of innovations and initiatives that SSEN had introduced, such as the launch of customer support via WhatsApp under the 'core services' theme, championing Fair Tax and the living wage under 'delivering in the public interest' and supporting local authorities to have greater influence on network development through data sharing and Local Plans under 'enabling the net zero transition'. He then went on to share SSEN's thoughts on how further improvements could be written into RIIO-ED2, and asked for stakeholders' perspectives and ideas on ways to drive this change.

- When stakeholders were asked to vote electronically, the most popular of SSEN's five core themes proved to be 'enabling the net zero transition', with 4.26 out of a possible 5.
- This was reflected in the discussions, where many delegates stated they had attended the workshops to find out more about how they could work with SSEN to drive net zero, with a particular focus on storage, climate resilience and preferential capacity for renewable connections.
- Affordability was a key concern for stakeholders in relation to the net zero transition, and they urged SSEN to represent the voice of its customers in this regard when interacting with central government and Ofgem.

SESSION TWO: ADAPTING OUR SERVICES TO MEET CHANGING CONSUMER NEEDS

Lisa Doogan, Head of Customer Service and Stakeholder Strategy at SSEN, presented the second session of the day, which focused on customer service. She introduced the six guiding principles of customer service strategy at SSEN: consistency; clear communications; making it easy; behaving responsibly; ensuring best practice; and enabling choice for customers. She went on to detail some of the ways in which SSEN had adapted to the Covid-19 pandemic, ensuring the workforce was kept safe and resilient while attending to the changing customer needs precipitated by lockdown.

- Overall, 73% of stakeholders ranked SSEN's customer service between 8 and 10 (where 1 indicates 'very poor' and 10 indicates 'excellent').

- The largest proportion of stakeholders – 50% – went for option 10 (strongly agree) when asked to vote on whether improving customer service should be a priority for SSEN at this time.
- Delegates reported positively on the company's communications in areas such as the Power Track app, notice for planned interruptions and ensuring that digitalisation does not leave older customers behind. When delegates were asked to vote on how important they felt it was for SSEN to ensure that all of its materials meet the standard of Plain English, 67% opted for 'very important indeed'.

SESSION THREE: SUSTAINABILITY – HELPING THE UK MEET ITS NET ZERO EMISSIONS TARGETS

Shirley Robinson, Head of Sustainability Strategy, presented the third session of the day, which focused on the ways in which SSEN is enabling net zero in line with government targets. She introduced the proposed five sustainability core themes, developed with stakeholders over the course of 2019: the net zero transition; enhancing local environments; inclusive service provision; investing in people; and serving the public interest. She went on to explain the use of science-based targets and the development of SSEN's Environmental Action Plan, devised to eradicate carbon emissions across all areas of its business. In all cases, she sought stakeholder feedback on how ambitious the zero carbon targets should be and asked for their views on Ofgem's minimum requirements.

- In the electronic voting, delegates indicated which elements of SSEN's Environmental Action Plan should have accelerated targets. Business carbon footprint was the most popular, with its importance rated at 4.36 out of 5, closely followed by SF6 on 4.35 out of 5.
- Delegates were keen to know how SSEN intended to enact sustainability goals in terms of its own business and support customers to do the same in their own lives.
- Almost half of stakeholders (48%) wanted SSEN to be as ambitious as possible with its net zero targets and sustainability strategy by aiming for 'accelerating net zero', while 45% thought the company should aim for 'achieving net zero'.

SESSION FOUR: MAINTAINING A RELIABLE AND RESILIENT NETWORK FOR THE FUTURE

Mark Kelly, Head of Asset Data at SSEN, introduced the fourth segment. Mark revealed the ranking of resilience and reliability priorities according to feedback from business and domestic customers, which had placed 'restore supply as quickly as possible in the event of a power cut' as the top priority. He went on to explain how SSEN were focusing on ensuring reliability and resilience for the future, reinforcing the network to cater for greater electrification and distributed generation. It was explained

that this approach informs the company's work on investment options, with four different paths which measure increased costs against greater reliability and a network that supports net zero and is fit for the future.

- Restoring electricity supply as quickly as possible in the event of a power cut was the most important priority for stakeholders under network reliability, scoring 8.11 out of 9, where 9 was the most important.
- The priority 'maintain continuous supply as electricity demand increases' came in third, with 7.86 out of 9, reflecting the keen interest in this subject at the workshops.
- Climate resilience came out ahead when stakeholders were asked to rank the factors that would most affect reliability going forward, with an average score of 3.21 on a scale of 1 to 4, where 4 was most important.

SESSION FIVE: BUILDING A SMART, FLEXIBLE NETWORK FOR THE FUTURE

Stewart Reid, Head of Future Networks at SSEN, presented the final session of the day. He outlined SSEN's participation in the Open Networks Project, explaining how collaboration between DNOs and other expert bodies, such as the Centre for Sustainable Energy, was driving the creation of smart networks to enable net zero through technology and innovative services such as flexibility, smart grids, superfast electricity and storage. He stressed that any transition had to be smart and fair, leaving no customers behind, and highlighted areas of the UK where uptake of these services was predicted to be slow. To mitigate this, SSEN intended to propose a market stimulation fund to Ofgem, which would enable investment to create markets for innovative services in specified, targeted areas.

- There was consensus that following the recommendations of the Open Networks Project was the correct approach, and delegates highlighted the critical importance of research, development, unification and collaboration among DNOs in building a smart network.
- Attendees urged wider engagement with other stakeholders on the project, with suggestions from small-scale businesses to local authorities and significant landowners, and advised SSEN to make that engagement as accessible as possible.
- Stakeholders were supportive of a market stimulation fund, and felt it would be best put to use to encourage uptake of flexibility services and incentivise innovation.

WRITTEN FEEDBACK

After the workshops, stakeholders were asked to complete a short feedback form. Some of the key findings are shown below:

- 100% of attendees who filled out a feedback form told us that they found the workshop either ‘very interesting’ or ‘interesting’.
- 90% of stakeholders strongly agreed that they had an opportunity to make points and ask questions, and 100% strongly agreed or agreed that the right topics were covered on the day.
- 100% thought EQ Communications’ facilitation was either ‘very good’ or ‘good’.
- 70% of stakeholders either ‘agreed’ or ‘strongly agreed’ that the online workshop format was accessible and easy to use, while 20% disagreed or strongly disagreed.

SESSION ONE: DELIVERING STAKEHOLDER-LED PROJECTS

SUMMARY

Delegates who attended the Scotland workshops were very keen to discuss all aspects of moving towards net zero, including the smart system transition, connecting renewables, and infrastructure. Many stakeholders, particularly from the utilities and development sectors, wanted to know how they could work more effectively with SSEN to enable the transition to DSO, with a focus on keeping costs low for consumers and protecting the most vulnerable from any negative impacts of the changes. This focus was reflected in the electronic voting, where 'enabling the net zero transition' was ranked as the most important core theme for SSEN to work on, scoring 4.26 out of 5.

Discussing how SSEN could drive improvements in core services, attendees felt that there was often a delay in reporting back to customers post fault, and there was some confusion in terms of how fault report data are used. Others reported generally good service from SSEN following power cuts, but advocated a more targeted use of technology to detect faults in overhead lines. Stakeholders stressed that they would like to see SSEN expand its communications role going forward, whether that be in an advocacy capacity for the changes coming down the line in the move towards net zero, acting as a focal point for customers (generators and end users) in terms of education and advice, or making the process of getting a new connection more accessible. Where stakeholders had already engaged with the company, such as consulting on specific priorities on a new project, the feedback was overwhelmingly positive.

Affordability emerged as a real concern for delegates at the workshops, surfacing repeatedly as they discussed how SSEN could deliver in the public interest and how the company could take collaborative action on consumer vulnerability. The sums involved in getting the country to net zero were described as 'terrifying', and SSEN was urged to actively use its voice in its work with central government, Ofgem and the Department for Business, Energy and Industrial Strategy to ensure that its customers' needs are represented. In addition, others worried that Ofgem were more focused on forcing SSEN to make short-term decisions that would save customers money, which would stymie investment in creating capacity for renewables. Stakeholders reported that a lack of investment was a barrier to unlocking capacity for renewables in relation to the Western Isles Project and many more remote parts of Scotland.

Similar concerns were raised in discussions on enabling the net zero transition, as stakeholders urged a more localised generation picture, citing cases in Scotland where energy is generated at a huge distance from its end users, increasing reliance on fossil fuels. Delegates pointed to the Shetlands as a good example of a community with a very localised, integrated energy and growth plan, which could be used as a wider model. SSEN was urged to adopt a more flexible and holistic approach to the network, particularly in its connections contracts, enabling it to invest in reinforcement rather than simply compensating users for some levels of curtailment. Some advised the company to go even further by introducing a KPI to prioritise unlocking capacity for renewable connections. Again, the point was made that Ofgem were more concerned with driving down costs than with net zero, which also came up when the discussion turned to the topic of safe and resilient communities. It was felt that upgrading assets and spending more to procure the best-quality product would be the most effective way of ensuring long-term resilience.

1. Why have you attended today?

- "I'm particularly interested in understanding what you and other stakeholders are doing to unlock existing infrastructure in the transition to renewables." Utility
- "Our core interest is in the smart system transition. Particularly from a bottom-up perspective." Developer / connections representative
- "Here to get an understanding of how we can work together to engage better with customers." Utility
- "I'm a utilities sector business development lead. I'm here to learn about how we can help SSEN in the net zero transition." Infrastructure / engineering representative
- "We develop technologies to help connect electronic storage heating. We look to help in areas of constraint by using more renewables." Developer / connections representative
- "We develop and operate new generation projects, particularly involving wind power. I want to find out as much as possible about how SSEN operates so that we can deliver net zero as cheaply as possible for consumers." Developer / connections representative
- "I cover renewables and hydrogen schemes for my company. We supply infrastructure for SSEN's systems and want to be able to work as closely with SSEN as possible. I want to hear about all aspects of SSEN's business and want to know what the direction of travel will be in order to assist me in my work." Infrastructure / engineering representative
- "We're part of an island community with subsea cables. I want to understand how good the coverage of the Priority Services Register is for people we consider to be vulnerable locally." Business representative

2. Driving improvements in core services: what should our future focus be? What type of initiatives and partners should we work with to deliver this?

- "We work with control room north, using one analytic to deal with faults through weather data. We also help with your customer services, timeline strategy to feed back to customers. I have found that there has been a lot of delay and not knowing what the next steps are, what they do with this data." Infrastructure / engineering representative
- "I work from home and it is extremely disruptive to have an unplanned power cut. I'm happy to report that immediately after calling SSEN, someone came out and kept me up to date over WhatsApp. It was fixed extremely quickly. I appreciate that you have to go through a switching process to understand where the fault is, but I wonder if you could improve the digital detection of your overhead lines to work out where a fault is before the repairman comes out. The current system feels very low-tech and 1950s." Business representative
- "We need SSEN to drive improvements in their core services so that my colleagues can feel reassured about the transition to electrified fleets, so that they can deliver their service." Charity / non-profit
- "The future is quite uncertain and understanding all the developments that are going on within the network will be really important for distributors and your customers. What I'd suggest, as an addition to core service, is an advocacy- or knowledge-based role, where distributors can provide a focal point and explain what the DSO transition is, for example. There are quite a lot of things that can impact on customers and there's not necessarily the understanding from those particular populations that these changes are coming, and they will have a material impact." Utility
- "I would like more information provided around connecting to the network. If I connected an electric vehicle to the network, would that be an issue? It would be good to have a database I could search to find out whether my neighbours have taken all the capacity available." Business representative
- "Increased collaboration is key. For example, on a recent project, I was contacted by an SSEN Construction Delivery Manager and we discussed my priorities. That was great, as I felt reassured that my concerns were being addressed early on." Developer / connections representative
- "One of the issues we have is the timescale for connection deliveries. We're getting options for connections that push into the late 2020s. Is there anything you can be doing to work with partners to try and minimise those timescales?" Utility

3. Delivering in the public interest: what should our future focus be? What type of initiatives and partners should we work with to deliver this?

- "We're moving into a period of transition that'll see the greatest change ever in how we produce, supply and consume electricity. I think the idea of affordability gets lost in these discussions. Affordability for every party involved, including the consumer. The figures are already terrifying and we need to talk more about that. I know this is in the hands of Ofgem, the Government, and the Department for Business, Energy and Industrial Strategy, but SSEN have to stay aware of their influence in this." Developer / connections representative
- "Let's look at the Western Isles Project. There are questions about how SSEN are helping projects like these to unlock renewable capacity. You need to talk about your future as an investor, but you need to carefully balance the cost to the consumer." Utility
- "The themes all make sense, but I feel that there is a conflict between all four of them. Delivering in the public interest means low costs for consumers, but enabling net zero means higher costs for them. You cannot go full throttle on everything, and a balance must be struck for consumers." Local authority
- "We want the lowest-cost overall system going into the 2030s, but Ofgem is clamping down on SSEN's spend. This will cause issues for the public in the long term as not everyone will be able to enjoy sustainable energy." Infrastructure / engineering representative
- "I'm worried that Ofgem's short-term attitude to achieving customer savings will cause SSEN investments to plummet. Clean generators will be cut out of the system and there will be fewer sources of green energy for consumers." Infrastructure / engineering representative
- "I feel that there is gap in terms of how SSEN can work with others. For example, if electric vehicle chargers need to install as part of a development, the costs can be crippling. However, energy demands may not have to increase owing to better insulation. SSEN could work as a connection point with local authorities and national governments to ensure that consumer needs are better reflected in planning and statutory obligations." Developer / connections representative

4. Enabling the net zero transition: what should our future focus be? What type of initiatives and partners should we work with to deliver this?

- "I'm pleased to see that this area has now been included and I feel it's a big step forward. However, I'm concerned about how deliverable the aims are based on Ofgem and corporate constraints. SSEN needs to challenge further on this." Developer / connections representative

- “We are often left on the edge. Maybe be more involving in all of northern Scotland. Planned projects we often think can happen in the Outer Hebrides, but SSEN notify us at the last minute that we are not involved.” Business representative
- “A problem you have with net zero is that where the energy is used and where the energy is generated are sometimes very far apart. There’s a huge carbon investment in transporting energy from large generators to communities. In this large generation model, we’re still dependent on coal. We need to work towards a future of localised energy generation.” Business representative
- “In Shetland it seems to be a very integrated yet localised plan. This is a principle that needs to be looked at across the board.” Utility
- “I think making sure there is no gap of technologies that people can access. With smart technologies, people don’t know how to use them, so more partnership roles to make these more accessible and understood.” Environmental group
- “I think it is an extremely important thing that society has to deal with. If you’re going to force everyone to switch to heat pumps and electric vehicles, it’s going to happen in the next 15 years. There are some serious infrastructure issues that need to be addressed before that, otherwise we won’t reach the target. SSE should have a KPI that gives bias to undoing constraints to those renewable energy projects. They can be done a lot more proactively within SSEN rather than externally.” Developer / connections representative
- “SSEN needs to take a wholesale view of the network and be flexible. When reinforcement becomes economically viable, SSEN should put the appropriate contractual frameworks into its network connection agreements that enable it to reinforce, rather than simply keep providing compensation to users for certain levels of curtailment.” Developer / connections representative
- “Ofgem prioritises consumer savings far more than net zero and keeps kicking the can down the road. It will hold us back from building a holistic, long-term approach for hitting net zero.” Developer / connections representative
- “Ofgem ripped the heart out of SSEN’s engineering spend in its draft spending projections. This means that no money can be spent on exploring, which is the best avenue to achieve net zero safely.” Developer / connections representative
- “You should be looking around technology providers to find quality products. Interaction with Ofgem is also key as you can look as what’s on offer in terms of innovation mechanisms. It’s about engaging with a broader set of stakeholders. This way you can have evidence-based progress.” Developer / connections representative

5. Supporting safe and resilient communities: What should our future focus be? What type of initiatives and partners should we work with to deliver this?

- "Resilient communities is the area that chimes with us the most. Hanging complete national resilience required of blue light services on fairly young technology is a massive challenge to us and we need to have 96% confidence in everything that we do, and this is not the case for this new electrified vehicle technology being proposed." Charity / non-profit
- "You shouldn't be putting in assets that will be onerous to maintain in the future." Infrastructure / engineering representative
- "You have to ensure reliability and that any disruptions are minimised. Can you decrease response times or make things quicker to fix? SSEN can be proactive putting generators out for bad weather. What else can they be doing? New technologies can offer more mastery over the network." Local authority officer
- "Is there anything we can do in building resilience in the system? We are encouraging people to go all-electric. A lot of our clients are very nervous about this. Just making it a priority about communicating that." Developer / connections representative

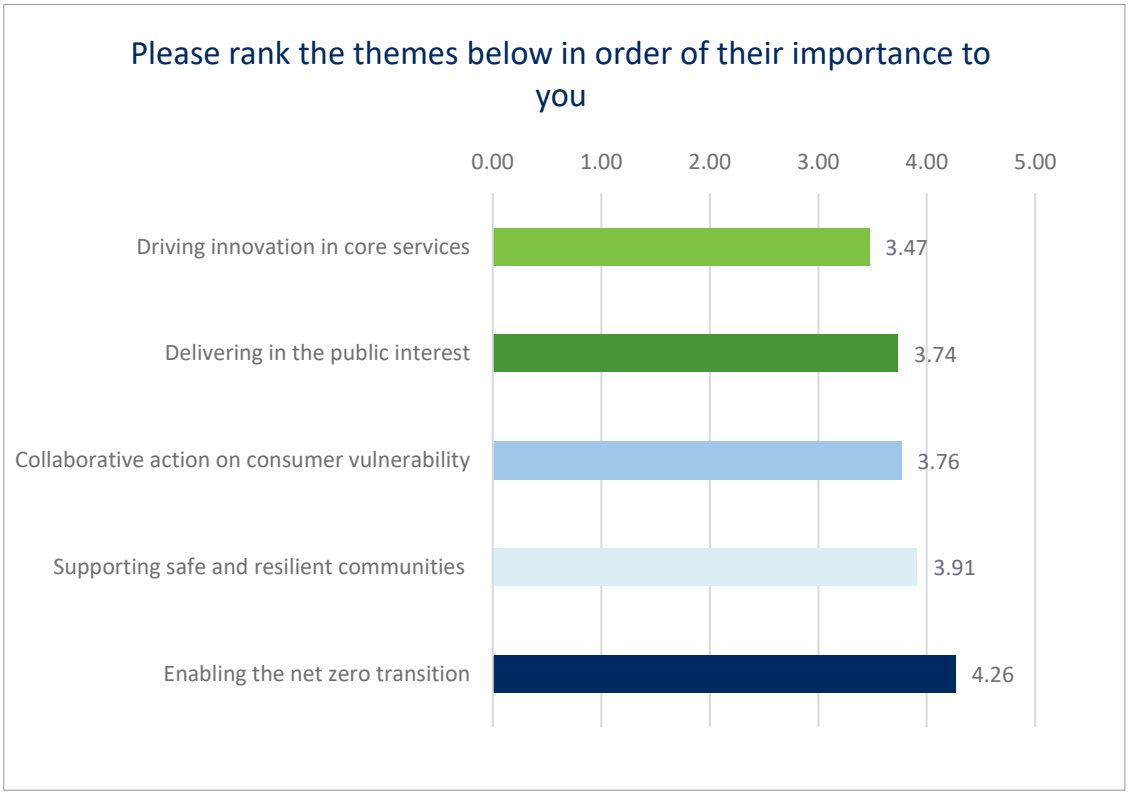
6. Collaborative action on consumer vulnerability: what should our future focus be? What type of initiatives and partners should we work with to deliver this?

- "I think we're really pleased they extended the deadline for projects in North Scotland. We hope it gets extended to other areas too, I know they've done a lot of work with vulnerability mapping. One area that has concern is that the majority of consumers in Scotland don't actually know about the network. They can't distinguish between distribution and supply, not aware of these services. About making sure that people are aware of the support available to them and encouraging people to consider whether they are vulnerable. People's circumstances have changed as a result of Covid. New vulnerabilities." Charity / non profit
- "I'm pleased to see what is going on with collaboration, but I don't feel that SSEN itself is hugely collaborative. Communication is very late and sprung on people. Changes are made later on and we only find out by chance." Developer / connections representative
- "I don't know whether you could have key people within communities who already have a local platform as a point of contact. Find people who are trusted within communities and make them the bridge." Environmental group
- "I think local authorities and housing associations who are interacting with vulnerable members can highlight them to SSEN. Then SSEN can just make sure these conversations are

still happening. Proactively giving this information out as opposed to waiting for it to come to them. Relying on people to come to digital platforms, need to think about how you push them there." Charity / non profit

- "I also think some advice organisations and suppliers are more aware of this than others. I think SSEN need to just keep partnerships with them." Charity / non profit
- "We are changing our factories to make sure that we can provide carbon-neutral technology to SSEN. However, the catch 22 is if you bring in new technologies, they won't be cheaper. SSEN needs to make sure that the funds are there for this. We all need to work together to ensure that these solutions are hammered out in an economical way and that vulnerable consumers don't end up paying for technology that they will not be using." Infrastructure / engineering representative

ELECTRONIC VOTING RESULTS



SESSION TWO: ADAPTING OUR SERVICES TO MEET CHANGING CONSUMER NEEDS

SUMMARY

When stakeholders voted electronically on how they currently view SSEN's customer service, 73% rated it between 8 and 10 (on a scale from 1 to 10, where 10 is 'excellent'). Some delegates broadly approved of the six guiding principles to customer service, but made the point that the real test lies in the implementation of services and how they are categorised. However, others felt that the categories were too generic, which, in turn, risked a generalised approach to customer service by working under a broad heading that disregards the specific and differentiated needs of different customers.

Delegates were in agreement that customer service should be a priority at this time. This was reflected in the electronic voting, where 89% of stakeholders rated their agreement with this statement between 8 and 10, on a scale from 1 (strongly disagree) to 10 (strongly agree). They felt that, particularly in light of the push for net zero, additional attention and support should be given to customers interested in a new domestic connection for renewable energy generation or purchasing an electric vehicle. Stakeholders also felt that the service that customers currently receive could be enhanced through more proactive communication around outages, perhaps in the form of more SMS messages, as it was stated that it was often quite difficult to get through to someone on the phone. However, many wanted to share their excellent personal experiences of SSEN during outages, and felt that the level of contact they already enjoyed with the company was about right.

Most delegates felt that SSEN was already doing a good amount of work to ensure its communications are clear and accessible, taking into account the generational issues around greater digitalisation and the use of mobile technology. They felt that SSEN was the best in its class at ensuring the website is accessible to people with disabilities and people without English as a first language, singling out the Power Track app as a good example of successfully applying technology to connect SSEN and its customers and improve communication between them. Turning the focus to the company level, however, some delegates felt that communication within SSEN as a business was lacking, and wanted to see much more collaboration and communication between transmission and distribution.

Stakeholders felt that trust could be gained by celebrating and promoting the good work that SSEN were doing to keep communities safe and to keep the power flowing, suggesting a documentary or an education piece to widen that knowledge within the company's customer base. Others felt that WPD and UKPN were able to dedicate more resources to being the best at customer service, and SSEN might

be better placed to win the trust and respect of consumers by excelling at innovation and implementing green technology.

There was consensus that, post-Covid, the working model would irrevocably shift towards working from home. As a result, SSEN would have to reinforce the network in places that were a relatively low priority even a year ago and successfully minimise planned service interruptions, ensuring that everyone has access to a robust, reliable network at home. Furthermore, it was stated that shifting working patterns would also change the ways in which SSEN could interact with its stakeholders, and that the company would have to adapt its engagement practices to reflect this. Others pointed out that with more time spent at home, more customers, when forced to become their own 'office managers', might think about implementing green, renewable technologies domestically, and SSEN should strive to support these shifts and changes to the greatest extent possible.

1. Do you broadly agree with the six guiding principles / is anything missing?

- "The basic tenets are broadly fine and all make total sense. Broadly, you couldn't argue with any of these areas." Developer / connections representative
- "They're pretty all-encompassing. The issue is how they're defined, and what falls within those categories. But as six guiding principles, they're good." Environmental group
- "I think 'behave responsibly' is a tricky one. It's so open for interpretation, you should avoid vague language like this." Developer / connections representative
- "I think the consumer will start driving these changes more than you're projecting. The consumer will play a greater role in the generation and distribution of energy. They will be the recipient of the services and the developer." Developer / connections representative
- "There should be something about understanding the specific needs of particular customers. Generic categorising like this is damaging." Utility

2. Do you think that improving customer service should be a priority for SSEN at this time?

- "I don't think you should ever stop trying to improve customer service. I would hope you're always looking for how you can do things better." Utility
- "Things change all the time and that certainly needs to be considered. Improving your customer service does not have an end, as the requirements are always shifting." Environmental group

- "I think there is a need to get across the importance and benefits of transitioning the energy system. Get that more into people's understanding of SSEN. You need to pass the core messages of why this is beneficial on to the consumers." Business representative
- "As far as connections administration goes, our experience of customer service has been fine. I think net zero should be the focus of your attention and funding." Utility
- "My personal experience of your customer service has been excellent, but I can see that moving forward, there is less space for three- or four-minute interruptions as more people work from home." Business representative
- "If you want to transition to electric vehicles, you need supportive customer services in order to encourage people with uptake." Business representative
- "Messaging on planned outages has definitely improved over the years and people seem quite happy with the level of service they get from SSEN." Charity / non profit
- "In my experience, SSEN have been far more approachable and willing to be creative than SPEN. Our experience has been positive." Charity / non-profit
- "It's fantastic. If anything, it's too good. As someone on the priority services register, I'm inundated with calls and people checking in all the time. It's a little overbearing. I am grateful though." Environmental group

3. What more do you think SSEN could do to enhance the experience their customers receive?

- "The communication. Other companies are looking more proactively at issuing information. So, for things like outages. You don't really get alerts from SSEN sending out information to specific areas. Is there anything we can do about being more proactive when something happens?" Developer / connections representative
- "During a recent experience with a power cut, the service was excellent. One main problem is that it's very difficult to get through to someone on the phone. There are endless automated voice messages and menus. In an emergency, this is a problem." Business representative
- "I think I was given about a month's notice for when the power was going to go off, so good notification in advance is helpful. I don't really need to be in contact with the business much more than that. My experience has been good." Environmental group
- "Orkney is a pretty energy-literate community and we have a large number of energy projects set up here. We tend to find out that things are changing quite late in the day. For example, recently, there were changes to active management rules and trying to find a clear answer from SSEN was difficult. We also feel that we get shunted from department to department, which is frustrating." Developer / connections representative

- "The people that we see at the power station in Kirkwall are incredibly helpful and work very hard. The Hydro team is viewed very positively. There needs to be more visibility throughout the chain, as people mainly get annoyed when things leave the Island." Developer / connections representative
- "I would like SSEN to be more upfront in its updates about delays. We are not told about them and it is frustrating that they don't seem to have that sense of accountability. It means that you can't have a trusting relationship." Developer / connections representative
- "Trying to encourage transmission and distribution to work together for community benefit is not entertained and this damages SSEN's wider brand image, as people don't know the difference between the two parts." Developer / connections representative

4. What more could SSEN do to ensure that their communications are clear and accessible?

- "The Power Track app seems really cool from what I've seen. If you have something that is showing up in the control room that is going to possibly affect fault lines, I don't see why there can't be an automated text to say there is something coming in. That's great communication. The Met Office considered this for a long time with their amber/yellow warning to the public, so I don't feel it is scaremongering." Infrastructure / engineering representative
- "It's up to the individual advisors I believe in making sure that they deliver information clearly and accessibly. They need to make sure the website is accessible for different disabilities. I think SSEN has been the best in this category." Charity / non profit
- "Using social media is a great way to access customer information, but for others, leaflets can be useful for advice on what to do. Everything needs to appear in combination." Infrastructure / engineering representative
- "The general enquiries helpline is very helpful in terms of SSEN's communications. It is important that support is made for people who do not have English as their first language." Infrastructure / engineering representative
- "As a domestic consumer, I'm struggling to think about what experience I need from your website. I would be happy to receive a monthly email with an update of services just to increase your visibility, but anything more than that is overkill." Business representative
- "Obviously, the business is aware of the issue that older consumers may get left behind by an all-scale switch to more modern communication. It seems your organisation is aware of that and is committed to ensuring no one gets left behind, so it seems like you're doing a good job and are conscious of any generational issues that may arise." Environmental group

5. What other steps do you think that SSEN, as a utility provider, could take to gain customers' trust?

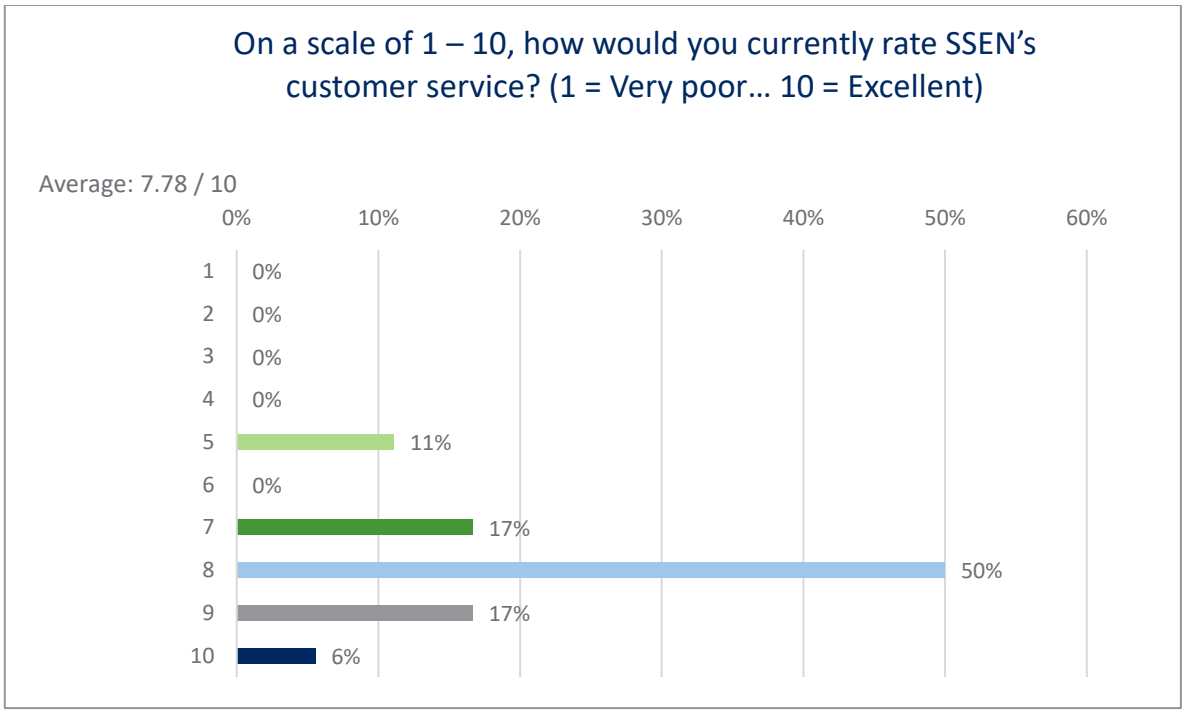
- "I don't feel like you communicate many of your positive things. I think if customers were aware, then that would keep them interested." Business representative
- "SSEN needs to keep being open, honest and engaging in its interactions with stakeholders, and its workers must embody these characteristics. SSEN's representatives have always been very good at this and it has helped us to trust them." Government / government body
- "The general public doesn't appreciate what is done to make the electricity network function. A documentary or education piece about how electricity is produced would be great." Developer / connections representative
- "In Shetland they're having problems with the Viking energy project and breaches to some of the protection measures. I think if you're open as soon as things start going wrong and you communicate at this point, I think that's where trust builds." Business representative
- "If I could be slightly facetious, I would say that WPD and UKPN are chasing to be teacher's pets and are always after the top prize. It would be hard for SSEN with its relative resources to achieve this. SSEN could grab the mantel of being the best DNO in terms of innovation and green technology use." Developer / connections representative

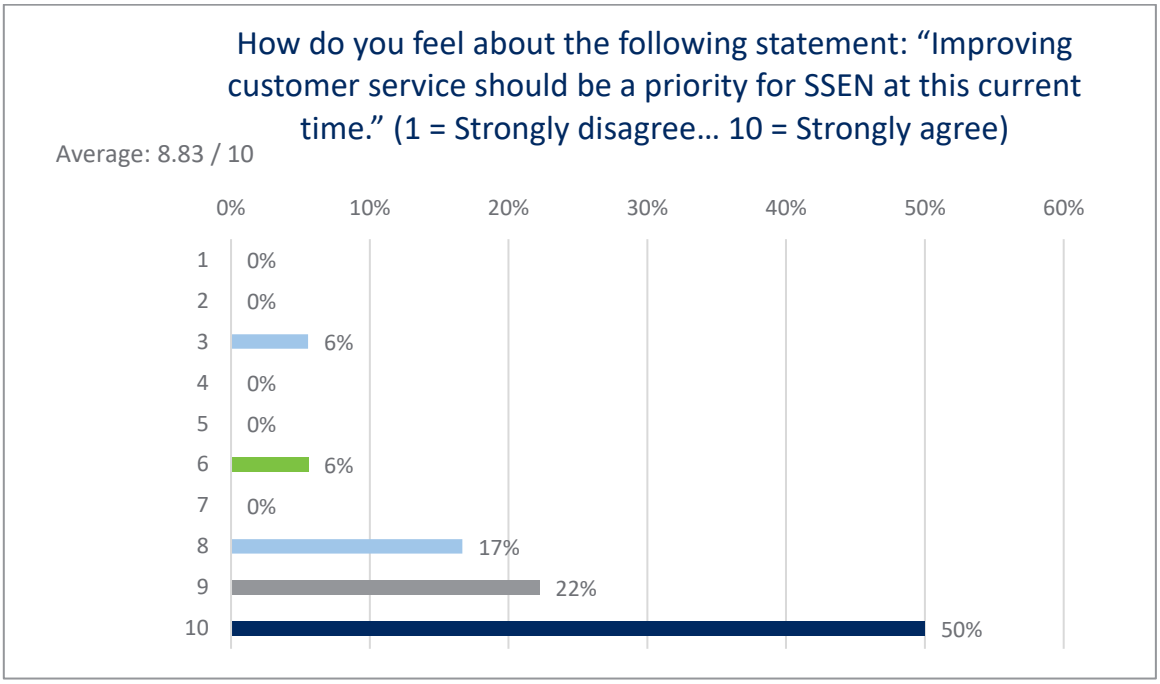
6. How do we need to change the service we provide for our customers in response to the Covid-19 pandemic?

- "If we know it could be a tricky winter with freak weather and Covid, then what can we take to prepare ourselves? The more communication you give, the better. It would give people comfort to know what you've been putting into action." Business representative
- "People are now working from home en masse and have embraced flexible working. It will be difficult to go back from that. This means that ensuring that northern Scotland in particular has a reliable network has become even more important." Developer / connections representative
- "There will need to be bigger servers and broadband racks due to the combination of increased working from home and smart technologies used on the network in future. This will also mean that the areas of reinforcement on the network will need to change." Infrastructure / engineering representative
- "Maybe people might decide to add some greener technologies to their homes as a result of spending more time there." Developer / connections representative
- "Temporary outages are less and less appealing with things how they are now. Battery assets will need to play a bigger role to resolve potential crises." Developer / connections representative

- "Assuring people of security of supply is important. This would carry quite a bit of weight coming from you." Developer / connections representative
- "Covid has also changed the way you interact with stakeholders." Developer / connections representative

ELECTRONIC VOTING RESULTS

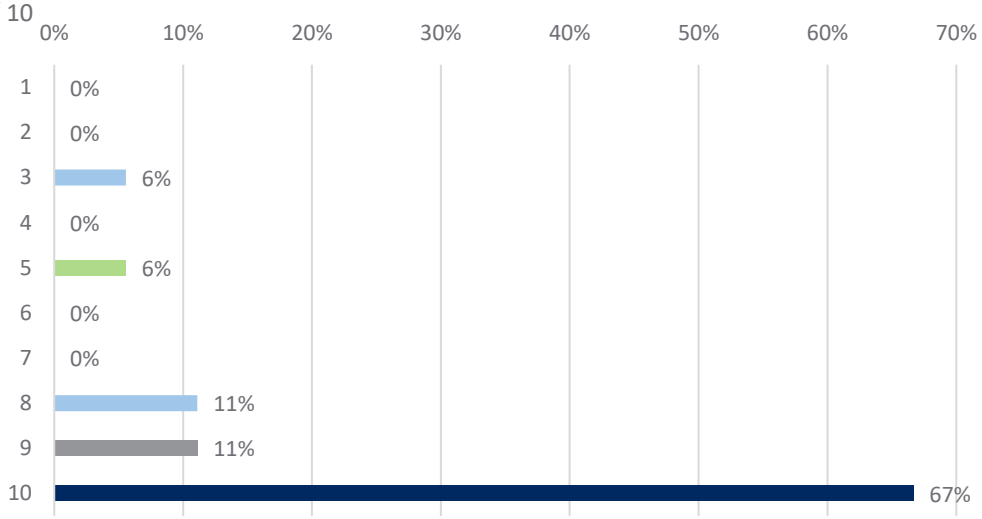




Scottish & Southern Electricity Networks

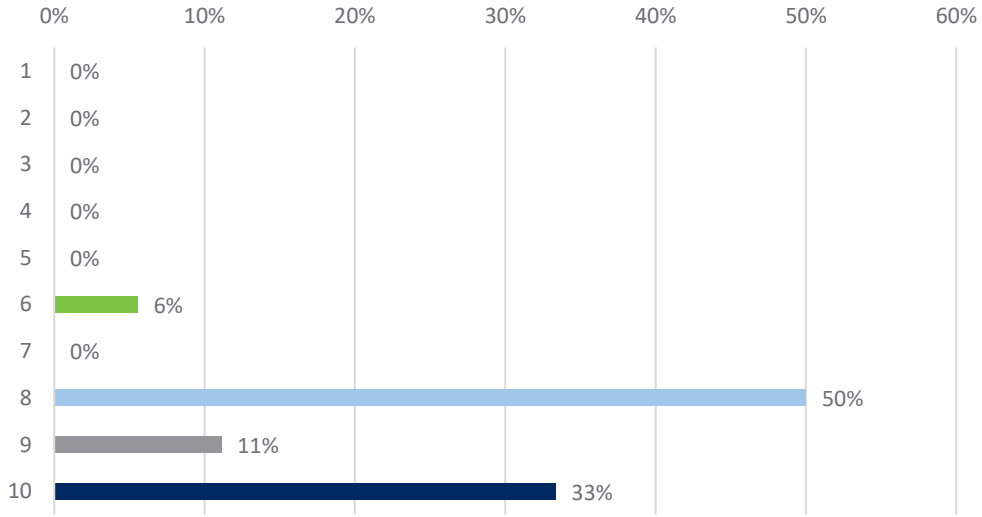
On a scale of 1 to 10, how important do you think it is that we ensure all of our materials meet the standard of Plain English? (1 = Not important at all… 10 = Very important indeed)

Average: 9.00 / 10



On a scale of 1 to 10, how important do you think a customer service training programme is to help ensure a consistent level of service? (1 = Not important at all… 10 = Very important indeed)

Average: 8.67 / 10



Scottish & Southern Electricity Networks

SESSION THREE: SUSTAINABILITY – HELPING THE UK MEET ITS NET ZERO EMISSIONS TARGETS

SUMMARY

In the electronic voting, opinions were quite evenly split on which features of SSEN's Environmental Action Plan should receive the most focus. Business carbon footprint finished ahead, with an average of 4.36 out of 5 (where 5 was the most important), closely followed by SF6 on 4.35 out of 5. The least important was deemed to be visual amenity, with 3.82 out of 5.

Stakeholders' views on the proposed sustainability core themes were fairly mixed, with some stating that the language could exclude some people and lacked detail. Others wanted to see a stronger commitment to climate resilience, and a vocal contingent argued that there were discrepancies between SSEN's own corporate sustainability ambitions and the company's efforts to enable its customers to achieve their own low carbon targets. Most felt that following the science on net zero targets was the right approach, although some were rather more pessimistic, saying that using externally mandated targets meant there was always someone else to blame if something went wrong. Others felt these targets were in constant motion, and that the real challenge was ensuring that all net zero projects across the region were aligned to the same goal.

In terms of the Environmental Action Plan, there was consensus that SSEN should demonstrate leadership and set ambitious targets across all its areas, even if that meant a loss in profit, and a note of caution was sounded regarding affordability for customers. On business carbon footprint, it was reiterated that SSEN should strive to be as ambitious as possible with its targets, particularly as this would encourage and mandate similar behaviours throughout the supply chain. Delegates wanted to see SSEN take a stand against any suppliers with damaging or questionable environmental ethics or practices, again setting an example for others in the industry. They also wanted to see high levels of ambition with regard to removing SF6, and suggested that this would be a great news story once achieved. Given the sheer scale of coastal erosion in Scotland, flood resilience was seen as a top priority, with stakeholders suggesting that additional consideration be given to wildfire resilience.

Conversations around the Environmental Action Plan confirmed that stakeholders firmly believed that action around net zero should be as ambitious as possible. This was reflected in the electronic voting, where 48% of attendees nominated 'accelerating net zero', the most ambitious approach, as their preferred option for SSEN's sustainability strategy. Although affordability was still a caveat, and it was

generally acknowledged that targets would inevitably be tempered and affected by politics and funding, the consensus was that SSEN should provide strong, decisive leadership in this area. Option 4, the most ambitious path to net zero, was seen as the most idealistic route, and many saw option 3 as a more realistic direction of travel. Some stakeholders wanted to see a more detailed financial breakdown setting out the differences in costs before deciding between the two.

There was broad agreement that while Ofgem's targets might be lacking in ambition, SSEN had the necessary leverage to influence Ofgem to set more challenging statutory targets. However, some pointed out that it might be more sensible to leave 2045/2050 as the statutory obligation and set any earlier dates as stretch targets, which might allow for more flexibility in terms of innovation and partnerships and allow time for projects to take root and lessons to be learnt, without the encumbrance of a legal deadline.

1. What do you think of SSEN's proposed sustainability core themes?

- "The commitment to no further degradation is relevant to our business. SSEN already manage a lot of infrastructure that can have a significant impact. An issue will be quantifying the value of that in order to convince Ofgem for funding." Infrastructure / engineering representative
- "The terminology can exclude some people. There are a lot of buzzwords that sound impressive but don't mean anything." Business representative
- "There is definitely a gap in policy between SSEN's own aims for sustainability and how it can help its own stakeholders." Developer / connections representative
- "There isn't a core theme of practising resilience in the face of current climate change issues such as flooding. Keeping the lights on is SSEN's only responsibility. Climate resilience is the only thing SSEN should be looking at as far as sustainability goes." Utility
- "How does SSEN view its responsibilities in enabling stakeholders to meet these aims? How will SSEN empower others to move towards net zero? How can it get others to go the extra mile?" Developer / connections representative

2. Does your organisation have science-based targets and, if so, do you think they are the right approach?

- "When using science-based targets, there's always someone to blame if things go wrong." Business representative
- "As a council we're looking at what our own environmental targets should be. If you're looking for quantitative data, the only option is to follow the science." Local authority officer

- "Science-based targets are interesting. I'm a great supporter of them, but we live in cash-strapped times and it's a constant struggle to get investment for research on green energy when there are huge maintenance issues that are holding us back now." Charity / non-profit
- "We have our own targets, but there is no point with one group going ahead of the others. We need to do this collectively and work together. There is so much knowledge around the world that can be pooled together in order to create improvements. Incremental improvements are better, and we should commit to making them happen." Business representative
- "People might not like increased costs, but if you show the science behind them, they will get on board as most people want to achieve net zero. It's all about framing the message correctly and improving communications again." Developer / connections representative
- "We're aligned with the 2030 Scotland overall target. 2045 is based as an average across Scotland. Should targets be different for specific areas?" Local authority officer

3. How far do you think SSEN should go on the following areas of their Environmental Action Plan? Do you have ideas for any other projects they should do?

- "SSEN should show a leadership role across all of these areas. I'd promote that SSEN should be setting an example for others. You should set ambitious targets and accept that meeting them will incur severe impact to your profits." Infrastructure / engineering representative
- "Affordability will always remain important and SSEN shouldn't lose sight of that. At the same time, SSEN has done well in the past to show ambition in innovation, such as with SF6. I'd like to see the same level of ambition in other areas." Developer / connections representative

Business carbon footprint

- "Because other people reducing their carbon footprint is dependent on yours, you need much more ambitious targets." Business representative
- "Possibly you should be more ambitious than those 2050 targets." Business representative

Fluid-filled cables

- "I don't think a general replacement of all filled cables is currently justifiable. Your approach to this needs to be delicately targeted otherwise you'll cause unnecessary disruption." Business representative

Supply chain management

- "Nobody would want to buy stuff from a supplier that you knew was involved in polluting or damaging the environment in another country. You need to be seen to be making a stand against bad environmental practice across the whole supply chain." Business representative

SF6

- "We need to get rid of this stuff as quickly as we possibly can. It's something that has hit various news articles. It would be brilliant both for visibility and your customer support to be able to promote that you've got rid of it all." Business representative
- "Be as ambitious as possible." Infrastructure / engineering representative
- "I would expect reducing not just leakage but overall usage to be a top priority." Business representative

Flood resilience

- "I've seen the impact the rise in flooding has had. The community damage is worse than people know, especially in the disruption to utilities. In this area you should be going far beyond the Ofgem minimum requirements." Business representative
- "You need to consider accelerating coastal erosion. This will be an increasing issue, especially in Scotland. Increasing wildfires might also be worth factoring into your plans for resilience." Infrastructure / engineering representative

Biodiversity and / or natural capital

- "Biodiversity is one that we'd be particularly keen to see SSEN being ambitious on. Level 4 at least. The difficulty will be supplying some form of tangible evidence and data to supply to Ofgem about your efforts. I would encourage SSEN to be as ambitious as possible on this topic." Infrastructure / engineering representative
- "We're living in a biodiversity crisis in the UK and we're still erecting denigrating wind turbines in biodiverse areas." Business representative

4. How ambitious do you think SSEN should be in terms of its sustainability strategy and net zero targets?

- "I think the more ambitious, the better. Taking into account those costs, so there has to be a balance." Business representative
- "This drive towards net zero and the potential investments involved are a great opportunity, as this industry has been chronically underfunded. SSEN should spend the money on upgrading the network to hit net zero targets, but it needs to show its customers that their money is being spent carefully." Business representative
- "I think that SSEN quite often seem to be leading the way and that is fantastic. However, some people will not be quite as concerned with the green agenda, as they will focus on keeping a roof over their heads and feeding themselves. You don't want to turn sustainability into a luxury concept, so be careful not to go too early on this." Government / government body

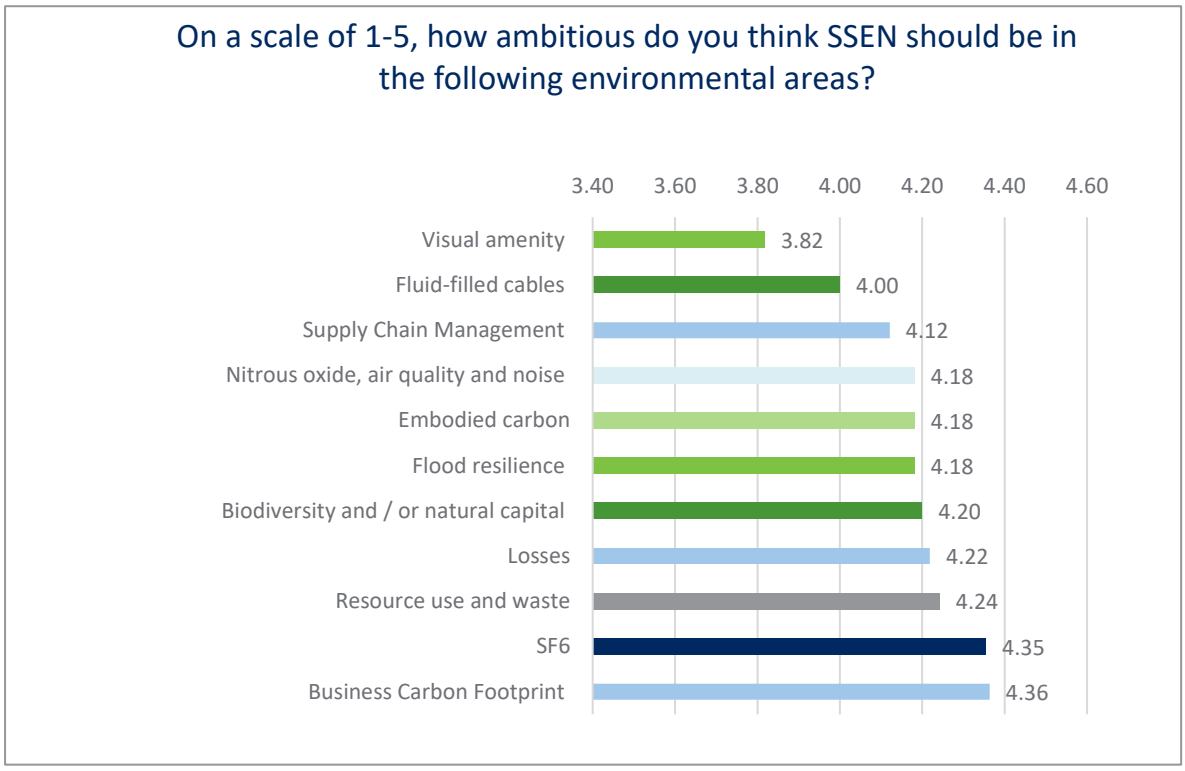
- "I think SSEN should be leading rather than lagging. They should be setting their own goals. Clearly, they will be tempered by costs and politics." Developer / connections representative
- "You can't properly answer this until we have an idea of cost. If the difference between level 3 and 4 is small, then of course. It's easy to say level 4, but how can we make a call on that without a proper financial breakdown?" Business representative
- "In an ideal world, you would push for 4. Considering the stage we're already at, it's realistically best to be pushing for 3." Developer / connections representative
- "The bare minimum ambition should be 2045–2050 and others can be set contextually." Local authority officer
- "I support sustainability, but affordability also applies to your funding model in addition to customers. You cannot afford to advance on all fronts and be overly ambitious as you may fall short." Business representative

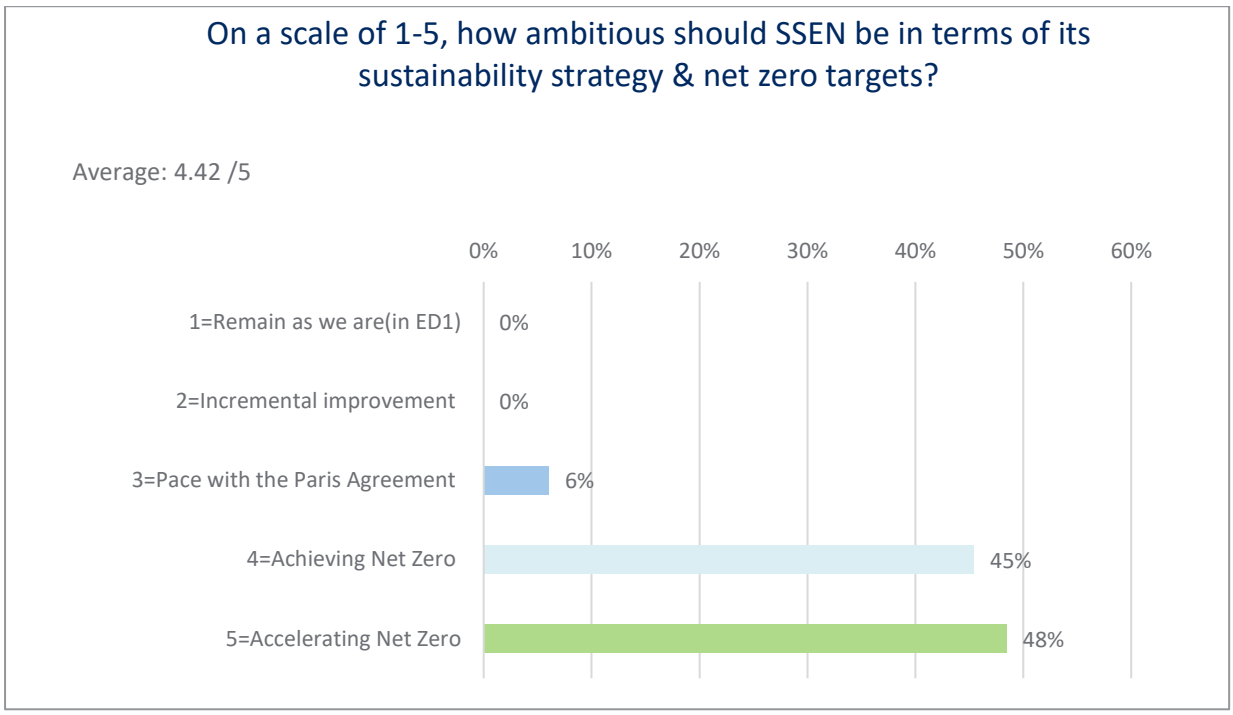
5. What is your view about Ofgem's minimum requirements?

- "SSEN need to show ambition across the board. You have the ability to drive initiatives as well as the debate with Ofgem." Developer / connections representative
- "SSEN should be lobbying Ofgem to get it to lift certain restrictions, as it is holding back sustainability projects. Consumers want to achieve net zero, but the regulator is standing in the way!" Developer / connections representative
- "One of the problems with Ofgem itself is that they're looking more at the economics than what is required for the environment. I think environmentally we do need to be more ambitious. It's where the funding is going to come from if we do try and take it along the lines that SSEN want to be in front of Ofgem and the Paris targets. I would worry that a lot of the work that's gone on recently has been with private companies, and is that investment still going to be there after Covid as subsidies reduce on wind farming and so on." Business representative
- "2030 sounds great, but you could just continually bring things forward. If there are easy wins with net zero, then do that. But in terms of statutory obligations, 2045–2050 is the right timescale. The ambition should be the stretch target, but without the statutory obligation." Local authority officer
- "The problem is that the Ofgem target may change in a few years. You can try to base things off good science, but there are social targets as well. You need to support people in fuel poverty, for example. You could decide to provide incremental support to people in need. That way, your available funds can get diverted. This can have a positive reputational impact." Business representative

- "I think their role as a regulator is to set minimum requirements, I guess it's then for DNOs to decide whether you want to get the minimum or push further forward." Environmental group

ELECTRONIC VOTING RESULTS





SESSION FOUR: MAINTAINING A RELIABLE AND RESILIENT NETWORK FOR THE FUTURE

SUMMARY

The majority of stakeholders agreed with the order of priorities as ranked by domestic and business customers under resilience, with the prevailing view that maintaining a continuous service and keeping the lights on are the lifeblood of DNOs and represent their primary purpose. This was reflected in the electronic voting, where 'restore electricity supply as quickly as possible in the event of a power cut' came out top, with 8.11 out of 10. Some stakeholders were surprised that safety had not been ranked more highly by customers, as they felt that safety should be guaranteed, while others hoped that it didn't feature more prominently on the list of priorities because SSEN's strong safety record meant that it simply was not an issue. Delegates also felt that reinforcing the network would become more of a priority as we become more reliant on electricity in the move towards net zero. In addition, there was some consternation that digital tools and data were relatively low on the list, with some pointing out that these would also increase in importance in the transition to DSO.

Delegates reasoned that it was relatively unsurprising that strengthening the network in places where customers currently experience more frequent power cuts fell outside the top five priorities in the list. This is because, whilst stakeholders at the Scotland workshops expected that rural areas of Scotland were more likely to suffer faults than areas in SSEN's network in the south, they felt that customers from those areas might be underrepresented and SSEN should address this. Others pointed out that the question was inherently political, asking how much customers from urban areas should be asked to support rural customers in terms of resilience as currently all costs are socialised in Scotland irrespective of geography.

There was a divergence of opinion on SSEN's current reliability performance, which was perhaps a function of geography. Some felt that the reliability picture was very good, and others reported that even though they represented island communities with a fragile supply, SSEN's swift, supportive approach to outages and back-up generators did much to mitigate any bad feeling in these communities. Others, however, felt that more urgent action was required in terms of connecting new infrastructure and preparing the network for greater strain from the electrification of transport and heat, expressing real concern that if, for example, HGVs went fully electric, it would simply 'knock out the lights'.

This focus on adequately preparing the network for decarbonisation was echoed in the discussion around investing in the network for future reliability, with many stressing that reliability would become critically important as demand for electricity grows. Climate change and an increasing need for domestic resilience as a result of more homeworking post-lockdown were also cited as reasons to urgently invest in reinforcing the network. However, some delegates felt strongly that it wasn't their role to demonstrate the need for greater investment; rather, it was for SSEN to present an evidence-based case predicated on the best value for money for their customers.

Stakeholders considered options A–D in terms of investing in reliability, and there was clear consensus that options A and B, which focus on investing for today's reliability, were untenable in terms of the future demands on the network. Most favoured a hybrid of options C and D, which promote investment for future reliability and supporting net zero, with some stating that if SSEN aimed for D and ended up at C, it would still be a positive outcome. Some delegates wanted to see SSEN focus more on local networks with a view to reducing stress on the wider grid, while others stated that they needed more transparent data on the costs associated with each option – in both carbon and sterling – before they could come to an educated decision.

1. Do you agree with the order of priorities? Why/why not? Which are the most important ones for you?

- "I can't object to it. It looks about right. Further north we're used to having power cuts and have made adequate precautions, but in the south the average household isn't individually prepared." Business representative
- "Restoring service should be number one. The second one is keeping power on, which is similar in nature. This reflects that people are increasingly reliant on their networks." Infrastructure / engineering representative
- "I agree with the ranking. As someone who deals with resilience and the impact of combined harvesters coming into contact with power cables, I would place safety messaging higher. Broadly speaking, I agree though, particularly with the top two, as DNOs would be nothing without them." Government / government body
- "I cannot disagree with any of them. As an emergency service, we would put safety and resilience slightly higher." Charity / non-profit
- "Reinforcing the network is important due to the roll-out of heat pumps and electric vehicles for travelling, so we will need to have a resilient supply." Charity / non-profit
- "I'm surprised 'safety' only makes it to number five. I assume it's because safety is not an issue." Utility

- "Having spent 37 years in the industry, I'd expect safety to be completely guaranteed. It should be a given of any company." Business representative
- "I'm surprised digital tools and data was so low. Because surely that contributes to the top four." Infrastructure / engineering representative
- "I don't think consumers fully understand all of this. Especially in the development of the network. You need to bring consumers with you and prepare them." Charity / non profit

2. 'Strengthen the network where customers currently experience more frequent power cuts' was not included in the top five priorities by either domestic or SME customers. As a stakeholder, do you agree with this?

- "Should a postage stamp cost the same throughout the UK? How much should urban areas be supporting rural areas, it's a much broader political question." Business representative
- "I think it's a good thing that it's not a high priority as it's obviously not seen as problem. Not happening as regularly, but it may happen more often if we don't look after the distribution network." Elected councillor
- "It probably ranks lower because there are more people in the area where the power is good, but then there are less people in the areas that would prioritise having good power. They are outnumbered and their voice is lost. So, if you asked people in the places where the outage is quite bad, then the answer would be completely different." Developer / connections representative

3. Does our current reliability performance meet your expectations as stakeholders?

- "It's been five years since I can remember a power outage of note. It more than meets my expectations. Keeping the expectations we now all have is going to be tough going forward." Business representative
- "I'm really happy with SSEN. I work with island communities with fragile supply. Where there are long lines, there's no alternative routing and trees will hit them. Mitigating power cuts, responding quickly and ensuring back-up generators are available are critical. You do your best and communities understand that they cannot always have reliable supply." Local authority officer
- "I don't think SSEN is meeting my expectations, sadly. SSEN needs to help us with the transition to infrastructure that has still not been fully designed. If HGVs of the future are going to be electrified and these gobble up a lot of charge, I'm confident that if we lump the load from electric vehicle charging points for our fleets, we will knock out the lights." Charity / non-profit

- "We get a lot of reports of street lights going out. A surprising number of times, this is due to faults on the SSEN network." Local authority officer

4. How important is it for you to be investing in reliability now for current and future performance, and why?

- "It's not for us to demonstrate. You've got to look at a whole energy system to deliver net zero. Then it's up to SSEN to put a case of this system, but at the lowest cost possible to us. Ofgem will look at short term, not giving much care about delivering net zero. So, it's on the network company to give the evidence. Then we will all jump onboard with this if we can see evidence." Developer / connections representative
- "It's going to be more important than ever. The electrification of heating in particular makes network resilience more important than it has ever been." Business representative
- "SSEN have a good reputation for reliability. Storms are a particular problem in Scotland. You should plan for more storms due to global warming." Developer / connections representative
- "In view of more homeworking, continuous electricity supply is more important than ever." Environmental group
- "As we move to a bottom-up transition, reliability is going to become more and more important. If you aggregate 1,000 homes that are generating, consuming and storing energy, then a network failure could be hugely damaging. Without question, reliability will be more important than ever in the future." Developer / connections representative
- "I think SSEN reliability is pretty good anyway. When there is a problem, it is resolved and repaired extremely quickly. We're looking at trying to generate power at a local energy level, which will make us less reliant on a wider network. This kind of approach to energy would negate the need for a more resilient network. Consider this going forward." Utility
- "I think the focus has to be on smart grid and net zero. Reliability will become less and less important as the grid become smarter and we transition to localised community energy." Utility

5. We have outlined an options-based approach that will inform our investment in network reliability. Do you think this approach is the right one? Why/Why not?

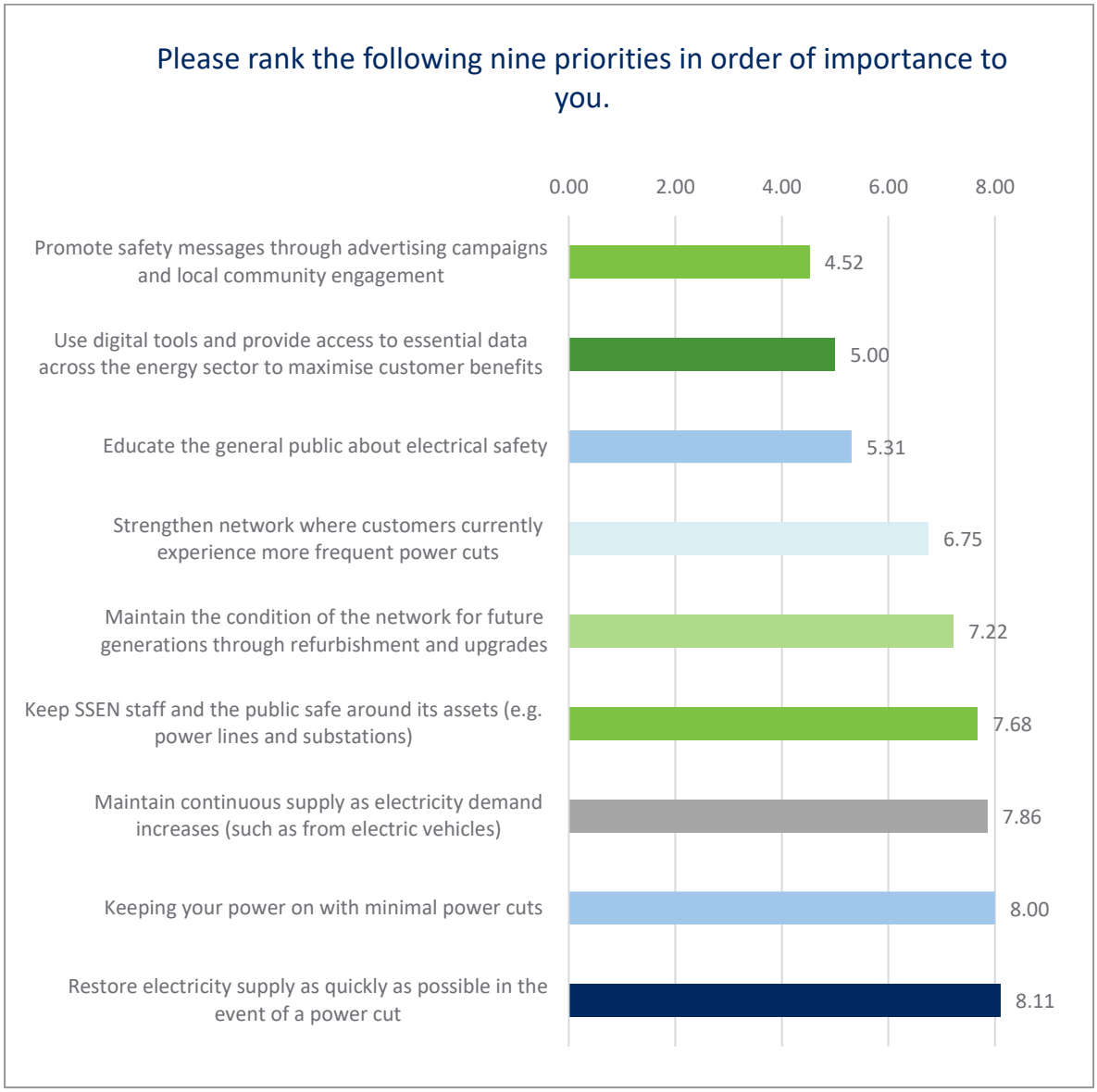
- "We need to think about reasonable worst-case scenarios, reasonable evaluation and managing cost. It needs to be a hybrid of C and D. It has to be seen as either an investment for you or as a cost required to meet a target. Aim for D and if you get to C, you'll have achieved what you're looking for." Charity / non-profit

- "It's all very well saying let's go with approach D, but we don't know how much that's going to cost. We need much more detail in how much carbon and cost will be required to implement these approaches." Business representative
- "Options A and B are just unrealistic. The world will change around you. It'll hit you from the side when people are plugging into things that your network is not prepared for. The minimum one is C. But then you are always going to be on the back foot." Developer / connections representative
- "At the moment, due to coronavirus, there is an exodus from big cities. There's an enormous amount of effort to get electricity to these big cities, but the future might be more rural than we expected. We need to move to a more localised energy network in order to have the resilience to handle these changes." Business representative
- "There needs to be more realistic, honest and open dialogue and publicity about the direction of travel. If SSEN can normalise the idea of paying additional costs for upgrading the network now, people will come round to accepting it." Government / government body

6. We outlined some other key considerations: innovation, efficiency, data, transparency, transport decarbonisation, heat decarbonisation, climate resilience and post-Covid societal changes. Which of these factors do you think are the most significant? What other factors should we be considering?

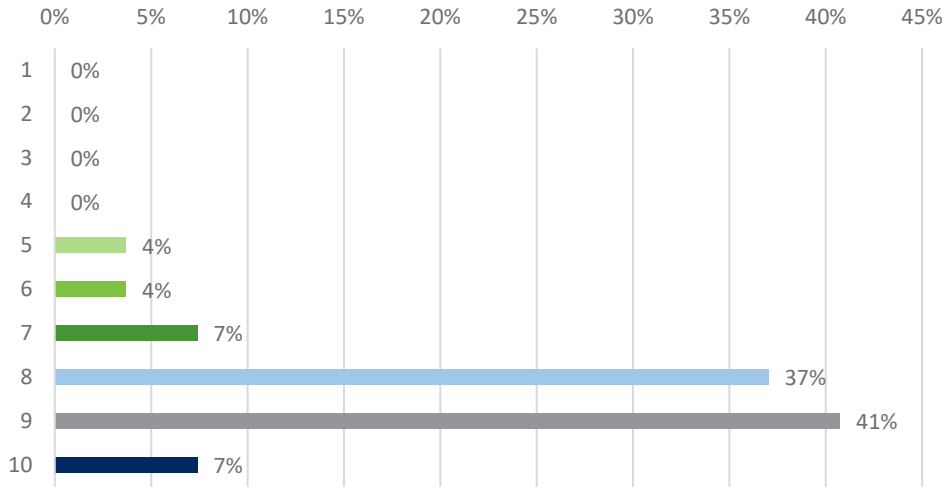
- "Transport is the most important." Business representative
- "Cyber security is the most significant change to society." Business representative
- "Heat decarbonisation is rapidly increasing in importance." Developer / connections representative
- "Demand on public spaces has depleted, but domestic demand has hugely increased due to homeworking." Government / government body
- "Our carbon footprint will hugely increase, as my house is far less efficient than my office." Charity / non-profit
- "I agree that housing efficiency will become a huge issue and it could drive people to finally make their homes more energy efficient." Developer / connections representative
- "SSEN could play a leadership role here and show what can be done with better heating systems and better insulation." Developer / connections representative

ELECTRONIC VOTING RESULTS



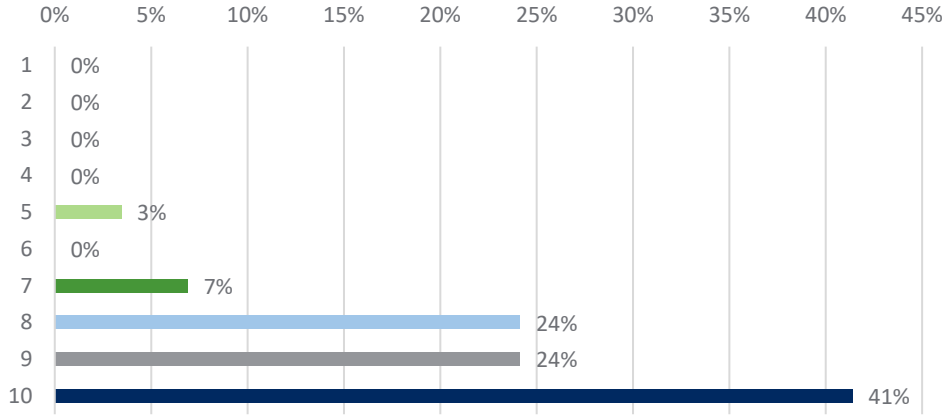
Please rate SSEN's current reliability performance. (1 = Not satisfactory at all, 10 = Excellent)

Average: 8.30 / 10



How important to you is it that we invest in reliability now? (1 = Not important at all, 10 = Very important)

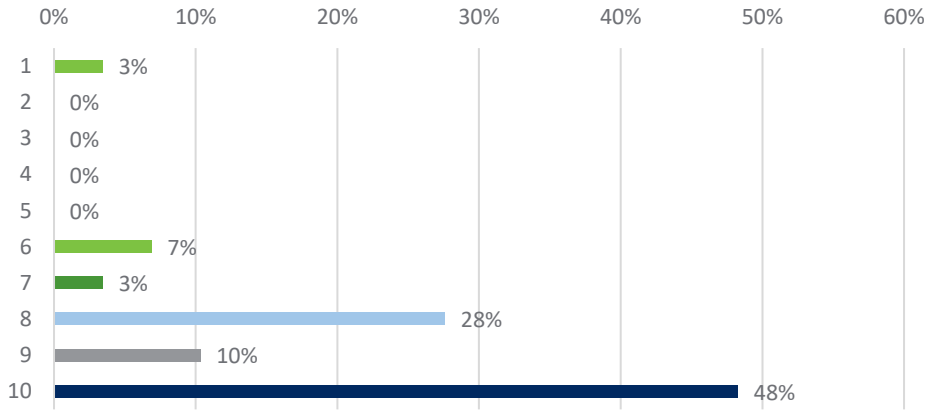
Average: 8.90 / 10



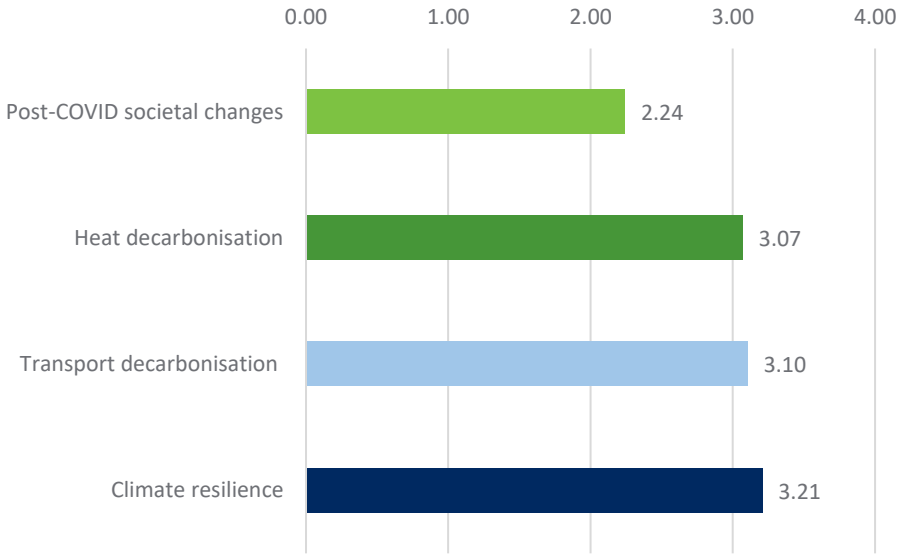
Scottish & Southern Electricity Networks

How important is it to you that we invest in reliability in the future? (1 = Not important at all, 10 = Very important)

Average: 8.66 / 10



Please rank these external factors in terms of the impact you think they will have on network reliability (1 = least important... 4 = most important)



Scottish & Southern Electricity Networks

SESSION FIVE: BUILDING A SMART, FLEXIBLE NETWORK FOR THE FUTURE

SUMMARY

Delegates mostly agreed that the approach of following the recommendations of the Open Networks Project was the right one, with a coordinated strategy, collaborative working and the open, transparent sharing of best practice, research and development all seen as huge positives. However, some stakeholders felt that the issues at hand were too complicated for them to understand or take a view on, raising concerns over how this complexity would affect consumers in a new energy marketplace, particularly in relation to flexibility services. To mitigate this, delegates urged more simplified messaging and encouraged SSEN to emphasise the ways in which flexibility might make consumers' lives easier.

Attendees felt that more stakeholders should be consulted on the Open Networks Project, with a real focus on the local, including community energy groups, local authorities, SMEs, charities and local businesses. Others put forward significant landowners and representatives from the construction industry, particularly in Scotland, as important stakeholders to consult moving forward. Some delegates at the workshops had previously engaged with SSEN on the Open Networks Project, with some aspects of the process described as 'labyrinthine'. Stakeholders suggested that the project will need to be simplified and made more accessible if a greater number of representatives are to participate.

While most stakeholders agreed with the principle of proposing a market stimulation fund to Ofgem, some sounded a note of caution over the potential contradiction between being a neutral market facilitator and stimulating, or influencing, that market. There was broad consensus, however, that if the process were handled well, DNOs could influence the market positively, although some felt that it was imperative to explain this to customers, as consumers simply could not see their bills rise while SSEN created more profit for its shareholders. Most delegates felt that any extra funding would be best used to stimulate innovation and drive uptake in flexibility services, and that working more closely with local energy groups and communities would not only help to successfully broker these projects and services, but also gain vital trust.

1. Do you agree with the approach of following the recommendations and outputs of the Open Networks Project?

- "It definitely sounds like the right approach. It's working across different sectors and gathering views, which I strongly support." Developer / connections representative
- "It's such a complicated issue that it's difficult to envisage any other approach. There needs to be greater unification that accounts for political implications." Business representative
- "People would be incentivised to embrace flexible services if the messaging is framed in a way that will make their lives easier. This would build up trust towards companies that are often not trusted very highly." Business representative
- "I'm a fan of community ownership where that's possible. So, I do think collaboration across other network providers, and community groups should be involved to change that notion of how things might be more sustainable and localised, or to get a good balance of local and global ownership." Charity / non-profit
- "I must confess it is a bit over my head." Environmental group
- "The one question I have is how this is going to affect consumers in terms of making the marketplace more complex for consumers?" Environmental group

2. Are there any aspects of this project that you think warrant additional engagement? If so, which ones?

- "Are local communities on there? I think they're becoming increasingly important. For example, the Local Electricity Bill that is potentially gaining traction. Local solutions becoming viable going forward too. So, I think getting down to a really local level and engaging with them about the particular issues and how to support them is needed." Charity / non profit
- "I was wondering whether SMEs, charities and small businesses should be considered too. They are not on the list." Business representative
- "It talks about the national parliament, but I don't see much on local councils. Especially in terms of planning consensus and development. From my perspective, it's getting consent for projects." Utility
- "I didn't see large landowners, some of these have a potential input to it. Especially in Scotland." Developer / connections representative
- "The important thing is broader engagement. One of the gaps I see in the list of stakeholders here today is representatives from the construction industry." Developer / connections representative
- "We're in the LEO project and have found it pretty hard to get alignment within SSEN to get behind this responsive flexibility project. The engagement process is pretty labyrinthine and needs to be simplified." Developer / connections representative

3. Do you agree with our proposal to ask Ofgem for a market stimulation allowance? If so, what types of activity do you think this could/should fund?

- "I think my initial thought is the role of the neutral market facilitator and influencing the market are going to be viewed as contradictory. I'm not saying it's a bad idea, but I think they have to be careful about how they go about this. I am also very conscious that the flexibility market is immature. I guess that will change once the market becomes more developed. But I'm not sure how that will be viewed, to be honest with you." Charity / non profit
- "At the moment, markets rely on specific players to build assets, and I think it's all well and good in particular places, but when you get down to substation level, there will be an expectation for charities and small businesses to deal with the stimulation. All about the availability of capital to invest in these too. I think there is a potential for DNOs to influence the market in a helpful way." Charity / non profit
- "Your job will be to communicate the benefit to the bill payers. You can't be seen to be increasing your profits whilst bills to end users increase." Business representative
- "Ofgem is providing useful market stimulation allowances, but its processes are holding us back." Developer / connections representative
- "I do think it's a good idea and I had experience in a previous job working with oil and found that a number of suppliers set up a joint venture company, which I felt was quite ahead of its time then, and made me think differently about how things work. To get the best deal on social and economic fairness, we do need to test ourselves to do something differently. An innovation fund can only be a good thing." Charity / non-profit
- "I'm sure that there are a lot of groups out there where the benefit of the funds will drive innovation. To be able to broker the changes, it would be good to do with academia." Charity / non-profit
- "We would always welcome more money for engaging with communities. It's not my area of expertise, but we do have projects working on community renewables through Local Energy Scotland, and we have colleagues at work trying to support district heating schemes. I think when there's a crossover, it's important to have support. I think people are always nervous of large organisations. Need to gain their trust." Environmental group

APPENDIX 1: ATTENDEES

A total of 84 stakeholders attended the workshops, representing 68 organisations. The organisations represented at the events are shown below:

Aberdeenshire Council

Aggreko

ALIenergy

Argyll and Bute Council

Babcock

Balfour Beatty Power T&D

BAM Nuttall

Bellrock Technology

Caithness Renewables Ltd

Citizens Advice

Citizens Advice Scotland

Clackmannanshire Council

CNE Siar

Connected Response

Crown Estate Scotland

CSA Catapult

DC Energy Consulting Ltd

Deaf Scotland

EDF

EDF Renewables

EMEC

Eneida.IO

Energetics

Energy Saving Trust

Energyline Ltd

Ennoviga Solar Ltd

European Marine Energy Centre

Flotation Energy

Fred. Olsen Renewables

Galbraith

Highland Senior Citizens Network

Highlands and Islands Enterprise

Hilti GB Limited

Humphrey Clarke Consultants Ltd

iPower UK

LSTC

LUC

Moray Council

Morgan Sindall Construction and Infrastructure

Mott MacDonald

Northern Lighthouse Board

Omexom

Origami

Orkney Islands Council

Point and Sandwick Trust

Prysmian Group

RJ McLeod Contractors

Robert Gordon University

S&C Electric

Savills

Scottish Enterprise

Scottish Fire and Rescue Service

Scottish Government

Scottish Natural Heritage

Scottish Power

Scottish Renewables

Scottish Water

SHE Transmission

Siemens

SIMEC GHR

Skye Climate Action

Solar Trade Assoc

Stone Energy-Engineering

The Highland Council

UHI

Vento Ludens Limited

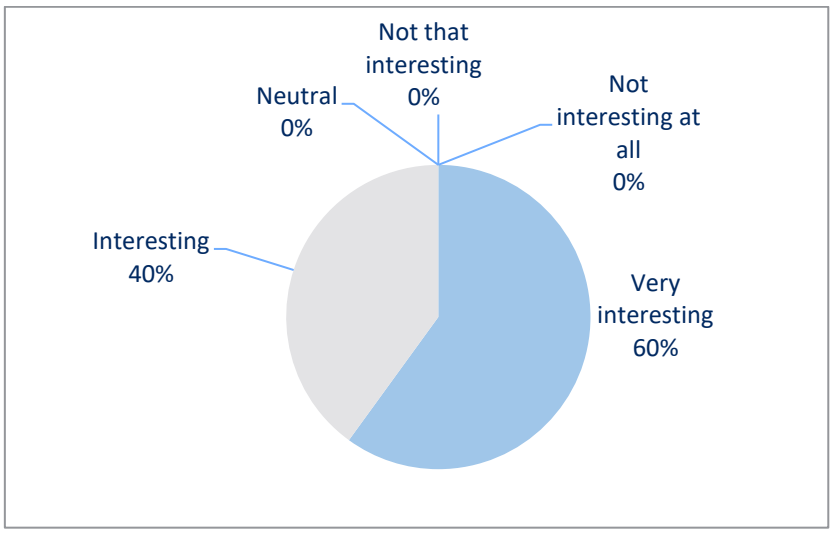
WAPA

ZIV Automation

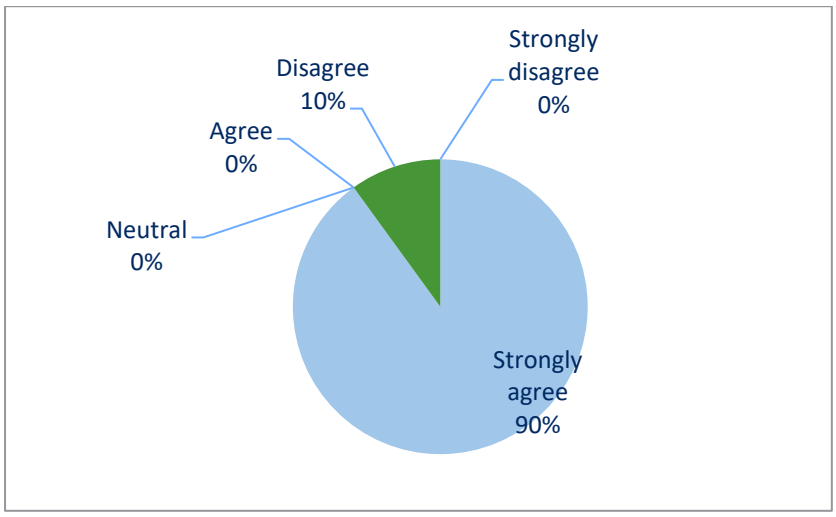
APPENDIX 2: WRITTEN FEEDBACK

After the workshop, stakeholders were asked to complete a short feedback form. The feedback was as follows:

1. Overall, how interesting did you find the workshop to be?



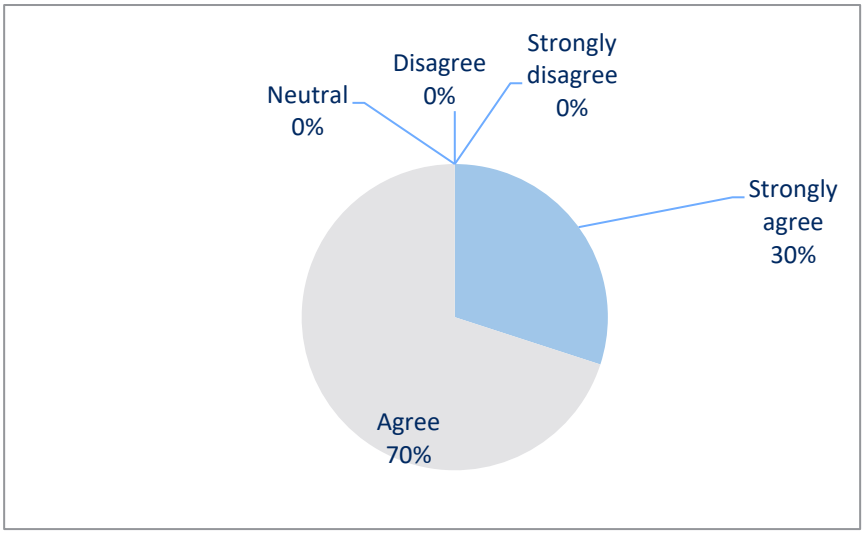
2. Did you feel that you had the opportunity to make your points and ask questions?



Comments:

- "Very well managed, asking for all opinions."
- "Plenty of opportunities to discuss in the breakout sessions."

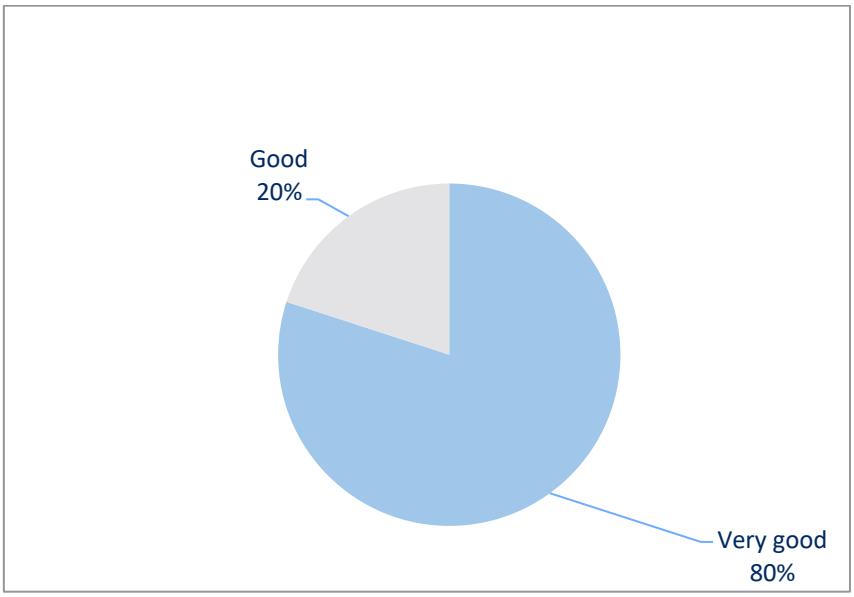
3. Did we cover the right topics for you on the day?



Comments:

- "Wide range of topics covered, which was helpful."
- "Large mixture of topics, so I only joined those that were relevant."

4. What did you think of the way the workshop was chaired by your facilitator?

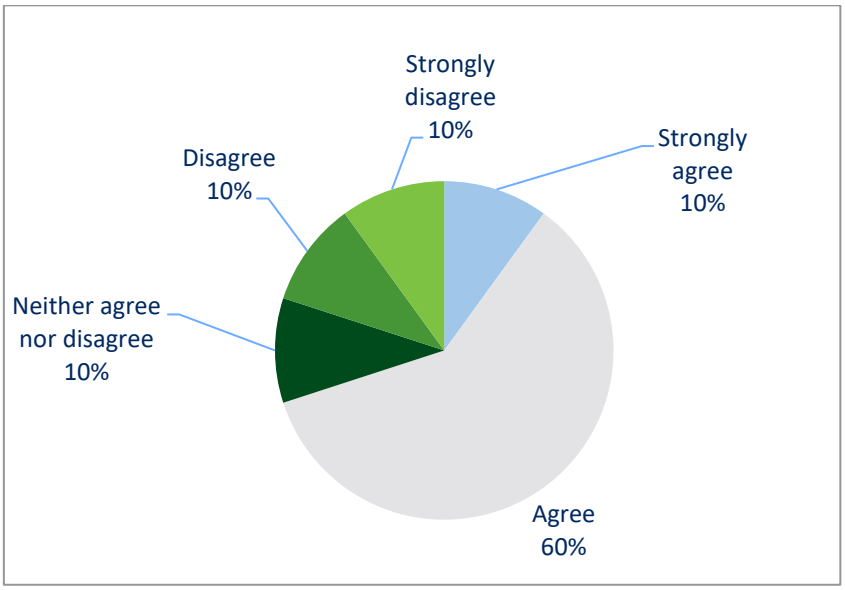


Comments:

- "All very good, platform very interactive."
- "Very professional, creating a debate where necessary."
- "Allowed everyone who wanted to to contribute."

- "They kept everything on track."
- "Our facilitator was excellent and enjoyed hearing from others who had likeminded and other great suggestions."

5. Did you find the online format accessible and easy to use?



Comments:

- "It worked fine with the mix of presentation and breakout sessions."
- "A lot of preparatory work had been done by SSEN to make it straightforward."
- "It was simple and effective."
- "Easy to follow progress and join appropriate areas."
- "Very easy to navigate between talks."

6. Any other comments?

- "Thoroughly enjoyed it and look forward to participating in more of these stakeholder workshops."
- "Table discussions were really good but a little short in terms of time to allow all views to be heard."