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### 1. WELCOME

Welcome to our updated community and local energy strategy which describes the progress we have made since publishing our first strategy document in 2018 and sets out how we will continue to support community and local energy customers between now and 2023.

As the distribution network operator (DNO) for the North West of England, it's our responsibility to help meet the challenge of decarbonisation by driving down our own emissions and helping businesses, our customers and our colleagues to do the same. As part of this ambition we are committed to working with customers to deliver community-led projects to reduce, manage, generate or purchase renewable energy for the benefit of the local community.

One of the most important roles we play in the development of community and local energy is to understand and respond to the needs of customers and wider stakeholders. Our original strategy document and action plan were based on the views of our stakeholders. Since then we have developed and shaped our services in response to your input and we continue to ask for and respond to your feedback.

We know that the services we have developed so far have been well received. In a recent survey, over 65% of respondents found all aspects of our community and local energy service useful. We also know as a result of your feedback that being clear about our role and how we can work with community and local energy customers is one of the things you appreciate most about our approach. You also value our willingness to listen and to respond flexibly to your issues.

In this document we explain how we are continuing to address the issues that you told us are the most important to you.



Taking action to address climate change, climate justice and supporting the UK's journey to decarbonisation are the main motivations for community and local energy customers. We have therefore included information in this document on what we are doing as a business to meet these challenges.

We know that community and local energy groups can find our industry complicated and difficult to understand, so this is another issue we have addressed by trying to be clear about what we are talking about and explaining industry terms.

You have also asked for our support to address the main issues facing the community and local energy sector; it is our understanding that these are still improving access to Electricity North West, finance and regulation, and these therefore remain areas of focus.

We have updated our strategy and action plan based on your feedback and to reflect the changes that have taken place in the last two years; we have added a further 15 actions and extended our plan to include the rest of our current price control period (RIIO-ED1) to 2023.

We believe our strategy will help empower communities to take an active role in the energy system transition, and support the region's community and local energy sector to develop in capacity and scale to achieve its full potential and play its part in the post-COVID-19 recovery. The sector is ideally placed to help 'build back better', more resilient communities, bring people together, reinvest profits locally and contribute to recovery plans by offering local jobs and training.

We hope you find this document useful and informative. If you have any comments or feedback we would love to hear from you.



Steve Cox
Engineering and technical director

### 2. WHAT IS COMMUNITY AND LOCAL ENERGY?

We know community and local energy means many different things to different people so we have developed a definition to aid our discussions with stakeholders who agree it is meaningful to them and helps to set the context for this strategy.



Image courtesy of Gen Fit

Community energy means community-led projects or initiatives to reduce, manage, generate or purchase energy. Community energy projects focus on engagement and benefits to their local area and communities.

Local energy encompasses community energy projects and also includes the activities of a wider set of partners such as local authorities, housing associations, intermediary or advisory organisations and local businesses. Local energy projects may have a commercial aspect to their delivery but are also likely to benefit their local area and community.





### 3. COMMUNITY AND LOCAL ENERGY IN THE NORTH WEST

Our recent 'State of the Sector' report provides vital intelligence about community energy organisations in our region and helps inform how we develop our support for the sector. The survey indicates that there has been a significant increase in community-owned generation across our region. Figure 1 below shows the key headlines from this year's research. Figure 2 shows the different types of community-owned generation in the North West of England, identified in 2019.

Figure 1: Community and local energy in the North West key statistics 2019



32 community energy organisations identified throughout the Electricity North West area working on local decarbonisation projects, supported by 37 full-time colleagues



826 kW of newly installed electricity generation capacity, taking the total regional capacity to 17.5 MW and generating 40 GWh of electricity in 2019



12 community organisations delivering energy storage, energy efficiency and low carbon transport projects in their local areas



£412,500 in funding and investment for community energy projects raised and distributed locally



Community benefit funding spending of over £68,000, alongside the creation of six full-time jobs and £65,000 of cost-savings for community homeowners and businesses

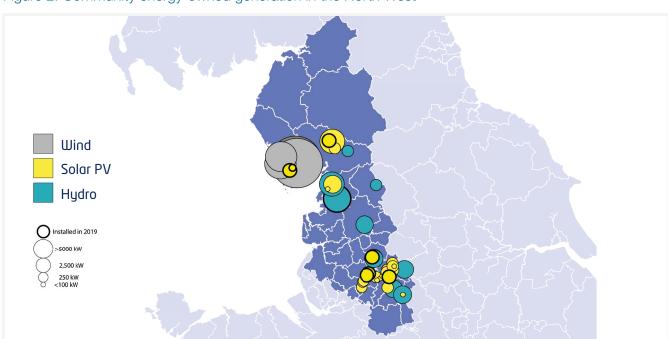


15 community organisations planning innovative and impactful low carbon projects into 2020, including electricity generation, low carbon heating, transport and energy efficiency in local homes and schools



£75,320 in funding distributed by Electricity North West to fund community energy projects, support local energy champions, reduce fuel poverty and develop innovative new approaches to community-led low carbon energy

Figure 2: Community energy-owned generation in the North West



### 4. OUR APPROACH TO STAKEHOLDER ENGAGEMENT

As a business we are committed to stakeholder engagement – the term we use for engaging with customers, consumers and other parties interested in our services. Stakeholder engagement is vital to the development of our business because it drives everything we do. This is particularly true for community and local energy because it is an emerging sector that is rapidly changing and developing, and we rely on stakeholder input to help us respond appropriately. We are very grateful for the time that all our stakeholders take to give us feedback and share their insight and thoughts with us. We appreciate it takes time away from busy lives, particularly as many community and local energy stakeholders are volunteers.

But what do we mean by stakeholders? Figure 3 below shows how we define our key stakeholder groups 'customers', 'consumers' and 'wider stakeholders'.

Figure 3: Stakeholder definitions

Definition	Business-wide	Community and local energy context	
Customer	Someone who pays for our service eg domestic demand bill payer, business demand bill payer or an organisation applying for a connection or responding to a <u>flexible services</u> tender	Community and local energy groups who are applying for a new connection or responding to a flexible services tender, local authorities, housing associations etc who are applying for a connection, community group members who live in our area and pay their domestic bill	
Consumer	Someone who receives our service but doesn't necessarily pay for the bill	Community energy group members who live in our region but don't pay their domestic bill	
Wider stakeholder	Someone who has an interest in how our business operates but may not be a customer or consumer	Sector bodies such as Community Energy England, Regen, regional bodies who have an interest in how the sector develops eg local authorities, businesses who want to work in partnership with community energy groups	

### Stakeholder engagement tools

We have used a wide variety of stakeholder engagement and customer feedback tools to find out what is important to our community and local energy customers and wider stakeholders and to make sure we understand the issues they face. We have developed strong relationships with the sector in our region which helps make our conversations with customers honest and meaningful.

Our community energy manager is on the board of Community Energy England and we are members of Regen which help to give us insights into the issues affecting the sector nationally.

The stakeholder engagement tools we have used to inform the development of this strategy include:

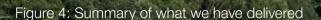
- Customer feedback survey and interviews with key industry stakeholders
- State of the Sector survey for our region
- Capture reports prepared after our engagement events which detail what was discussed, what we heard and our internal and external responses
- Analysis of customer enquiries and correspondence we have received.

To find out more about Electricity North West's approach to stakeholder engagement, please visit our website.

### 5. OUR PROGRESS SO FAR

Our original consultation identified the themes of 'improving access to us', 'finance' and 'regulation' as the main issues facing the sector where you think we can provide support. Our recent survey confirmed that these are still the main priorities. We also acknowledge that there are other issues facing the sector which we have outlined in our 'Next steps' section of this document.

Over the last two years we have developed our understanding of the nuances of these issues. Figures 4 and 5 show what we have delivered to help address these issues since 2017.





# Published **first**

DNO stakeholder-led community and local energy strategy in June 2018



# Issued 8

community and local energy newsletters



# Published annual report

in May 2019



# Issued 4

regulation and policy updates since April 2019



Awarded 2

Empowering our Communities Fund grant



Engaged over

700 people



Hosted 9

community and local energy engagement events



Provided support to over

40 projects

Figure 5: You said, we did

You said	We did	Outcome
	Access to Electricity North West	
It's not always easy to find the right person to talk to	<ul> <li>Appointed a dedicated community energy manager</li> <li>Developed a dedicated section of our website to help navigate the information available</li> </ul>	<ul> <li>Over 165 enquiries received and handled by our community and local energy team</li> <li>Dedicated community energy manager most popular aspect of our service in our recent customer survey (77% find it useful)</li> </ul>
The language you use is very technical and sometimes it is difficult to understand what you are talking about	<ul> <li>Sponsored an 'Understanding the GB energy market' training event</li> <li>Produced an 'Introduction to Electricity North West' guide</li> <li>Promoted our connections surgery and advice via our community and local energy channels</li> </ul>	<ul> <li>There is still a low awareness of our connections surgery sessions</li> <li>Many of our processes are still difficult to follow for community and local energy stakeholders</li> <li>This will remain an area of focus in the coming year</li> </ul>
	Finance	
The sector needs financial support, either direct support or help with making business plans viable	<ul> <li>Launched a seed fund for community and local energy groups</li> <li>Encourage early engagement to help identify the best point of connection for projects</li> <li>Committed to investigating how to purchase community energy and/or enabling it to be developed on our sites</li> </ul>	<ul> <li>So far we have awarded 12 seed fund grants under our Powering our Communities grant scheme</li> <li>We have provided enhanced support for 14 projects with connections and at least a third of these engaged early</li> <li>We will pilot working in partnership to deliver PV on one of our sites</li> </ul>
What are flexible services and will it help me get additional income to my project?	<ul> <li>Explained our approach in 121 meetings and via our newsletter</li> <li>Produced frequently asked questions and supporting material for our website</li> <li>Launched flexible services newsletter and consultation events</li> </ul>	<ul> <li>Reduced number of questions about flexible services</li> <li>Better understanding among customers and stakeholders on our approach and requirements</li> </ul>
	Regulation	
Regulation is difficult to understand but we feel it is a barrier to developing financially viable projects, especially with the removal of the feed-in tariffs	<ul> <li>Held a Community Connects engagement event focused on regulation and local supply</li> <li>Meter splitting code modification briefing paper</li> <li>Included criteria within our fund to encourage projects looking at 'new ways of working'</li> </ul>	<ul> <li>Started producing a quarterly update on relevant policy and regulation</li> <li>Committed our support to the Local Energy Bill campaign being run by Power for the People</li> <li>Funding three projects looking at the feasibility of local supply</li> <li>Developing proposals for RIIO-ED2 (the next price control)</li> </ul>



Figure 6: Empowering our Communities Fund winners 2019

Project name	Applicant	Location	Summary	Amount
Zero Carbon Electric Homes	Lune Valley Community Land Trust	Lancashire	This not-for-profit group was set up to create sustainable, affordable homes for local people in the village of Halton. The trust is planning to build 40 homes, powered by community-owned renewable energy schemes. The grant will be used to investigate the feasibility of supplying power to the homes from the solar panels of an existing housing development and a community-owned hydroelectric scheme	£10,000
Community Energy Start-up Project	Cumbria Action for Sustainability	Lancashire and Cumbria	This Penrith-based charity has been promoting low carbon living, energy saving and the reduced use of fossil fuels for more than 20 years. Our grant will fund the charity's Community Energy Start-up Project, working with businesses and residents in three local communities to identify opportunities for energy efficiency, solar power and community energy initiatives	£15,000
POSH Bites	Youth Focus North West Ltd	North Manchester and South Lancashire	Community group Youth Focus North West will bring together groups of young people from across the region who are interested in protecting the environment and helping people use energy more efficiently. With the help of a grant from our fund, the POSH Bites project will produce and promote 11 short online videos which promote energy efficiency	£14,659
GMCR Energy Savers	Greater Manchester Community Renewables	Greater Manchester	This community energy group installs solar panels on schools and community buildings across Greater Manchester to help more people cut their energy bills. This grant will fund the appointment of a community engagement officer who will help pupils and parents learn about the climate emergency and how they can play their part in reducing greenhouse gas emissions	£14,950
Community Centre – Energy Reduction Action	re – Community Furness, Cumbrian community centre. Dalton Community Association, which gy Association Cumbria owns and runs the centre, will use the funding to buy a new smart LED lighting system which is expected to cut the centre's lighting bill		£6,060	
Power in the City	Carbon Coop	Greater Manchester	This Greater Manchester energy group helps people and communities cut their carbon emissions in the fight against climate change. Carbon Co-op will use their grant to produce a series of podcasts called Power in the City. Each podcast will include stories about local people who have taken steps to reduce their energy use, to inspire more people to do the same	£14,850

### 6. **NEXT STEPS**

There are many ways our business interacts with the community and local energy sector and here we have set out how different parts of Electricity North West are addressing the issues that you told us are the most important to you, grouped according to the three main areas of concern identified from your feedback.





### 1. Improving access to Electricity North West

### Stakeholder engagement

Stakeholder engagement is at the heart of this strategy. We know that our current communication and engagement methods are appreciated. In our recent customer survey all of our engagement methods were considered useful by over 65% of respondents.

We also received feedback that our willingness to engage in conversations, even when we don't know the answer, is appreciated, as is our nimble response to stakeholder issues when we can help.

To keep stakeholder engagement at the heart of this strategy and to enhance our current service we are committed to a number of actions.



- Our dedicated community energy manager will continue to lead the delivery and development of this strategy which aims to forge links with the community and local energy sector and develop our response to their requirements
- 2. As a key part of our engagement strategy we will continue to deliver Community Connects workshops to help address issues the sector is facing, particularly relating to capacity and skills development. We will use these events to provide an opportunity to engage with us and to develop our understanding of the issues faced by the sector
- We will develop the resources on our website to make sure our services are accessible to community and local energy customers and to provide resources to help groups get their projects started
- 4. We will continue to produce a quarterly newsletter to keep customers and stakeholders up-to-date with developments that affect the sector; we will also produce guide(s) and case studies to help community and local energy groups share learning on how to develop projects
- 5. NEW: We will make sure our resources reach as many community and local energy stakeholders as possible; we will undertake a campaign with community partners to promote our resources and bookable surgery slots

### Connecting to our network

Connecting new generation or demand such as electric vehicle (EV) charge points to our network is one of the main roles we play in community and local energy.

In recognition of how important connections are to community and local energy groups there are several actions in our plan aimed at developing our connections service for these customers.

Commitments to connections customers are also made in our ICE (Incentive for Connection Engagement) plans which are segmented into customer groups. The plans relevant to community and local energy stakeholders are shown in Figure 7.

- We will continue to encourage early engagement, improve routes into our business and allocate engineering resources to support projects at the initial stages to identify the best point of connection
- 7. NEW: We will actively engage with stakeholders to identify and improve pre-application guidance on our website for customers applying for new connections to make sure it is accessible to community and local energy groups. As part of this, we will publish a glossary and review pre-application guidance against plain English standards
- 8. NEW: We will make sure our conversations are solutions-focused to do all we can to support the development of the project. We will use our experience to date to share best practice with all our connections teams to ensure our service is continually improving and addresses the needs of community and local energy groups
- 9. NEW: We will improve access to network information; we will produce and publish training material for using our new network asset viewer (NAV) functionality, previously known as GIS

Figure 7: ICE plans relevant to community and local energy stakeholders

ICE plan name	What it means	Who it's for
DG LV ICE plan	Distributed generation low voltage ICE plan	Customers who connect to our low voltage network where the majority of smaller schemes connect  Distributed generation refers to low carbon technologies (LCTs) and renewable energy such as solar/photovoltaics (PV), wind or hydro
DG HV ICE plan	Distributed generation high voltage ICE plan	The high voltage network is where larger schemes would connect

You can find out more about these plans on the connections pages of our website. You can also sign up to receive newsletters and invitations to engagement events from the ICE team.

### Climate change and moving towards net zero carbon

From conversations with our customers and stakeholders, we know climate change is one of the biggest drivers for community and local energy projects.

In our <u>'Leading the North West to zero carbon plan</u>' we commit to tackling our own carbon emissions and supporting our stakeholders to do the same. As a leading North West business we feel we have a duty to lead by example and to stimulate the uptake of LCTs by sharing our experiences with our stakeholders and providing advice and guidance. Our plans are developed from stakeholder input and by working with our sustainability panel; this consists of a cross-section of stakeholders including several representatives from the community and local energy

We have committed to the following actions for our own business activities:



- 10. NEW: As part of our Leading the North West to zero carbon plan we are consulting with stakeholders on how to meet our decarbonisation ambitions as part of our business plan for RIIO-ED2, in particular:
  - Our route to net zero carbon for operational carbon emissions by 2038
  - A commitment to identify and measure Scope 3 emissions (those relating to our indirect action such as in our supply chain) from 2023
  - To work with our sustainability panel to identify measures to reduce them
- 11. NEW: We will provide regular updates via presentations at workshops and/or newsletters on our Leading the North West to zero carbon plan; we will share learning from our case studies such as our net zero carbon buildings



### Future network capacity

The aim of the activities listed below is to ensure our network has the capacity to meet customers' requirements for new connections – an issue we know is important to community and local energy stakeholders.

Decarbonisation pathways: we are working with Cadent Gas to produce energy 'blueprints' for Cumbria, Greater Manchester and Lancashire which will deliver a 'pathway to zero' and provide certainty to others to unlock investment in LCTs. As part of the development process we will take on board customer and stakeholder feedback on the structure and layout of the plans to make sure they are suitable for stakeholder use.

Distribution future electricity scenarios (DFES): we publish an annual DFES document which details a range of scenarios for how LCTs will be taken up and how the network could respond. The scenarios inform our investment plans and provide visibility of flexibility opportunities. We consult annually on our DFES plans and are constantly gathering intelligence to inform scenario planning.

Distribution system operation (DSO): we are playing our part in the transition to DSO which is an industry-wide initiative to drive the changes needed to achieve net zero and meet our customers' evolving needs. Our DSO strategy details our implementation plan for the 19 approved DSO functions laid out in Ofgem's position paper published in August 2019, sets out a commercial framework to allow others to participate in the flexibility market and informs our RIIO-ED2 capacity plans.

We published our draft DSO and Grid digitalisation and data strategies in July 2020. Find out more on our <u>website</u>.

Local area energy plans: we engage with and talk to stakeholders across the region, particularly local authorities and other infrastructure providers, to gain insight into the rate of development affecting the electricity network. As part of this work we are supporting the local area energy plans process which is being led by local authorities to produce a detailed picture of the future energy requirements for their areas.

Unlooping: a significant proportion of our services to domestic properties are 'looped' off another service and are therefore limited in capacity; this may constrain a householder's ability to connect a heat pump or EV charge point. By unlooping these services systematically, we are ensuring that when the household is ready to adopt LCTs in the future, the network will have the capacity to connect it.

**Uprating switchgear:** we are uprating hundreds of items of switchgear to increase their fault level capacity, which is a known barrier to LCT connection. This strategic reinforcement will help to remove barriers to connecting LCTs while also reducing the timescales and costs of connection.

- 12. NEW: We will consult on our updated DSO strategy and our plans for digitalisation and data access
- 13. NEW: We will continue to invest in our network to ensure that network capacity is not a barrier to the connection of low carbon technologies



### Network-led approach

We have previously committed to researching the possibility of a 'network-led approach' to support the development of community and local energy projects. This means community and local energy could help us meet our priorities of sustainability, resilience, reliability and supporting vulnerable customers. This has led us to:

- Include the requirements of community and local energy stakeholders in our calls for flexible services for example by making sure they are written in plain English, reducing the size of requirement and holding webinars to explain the tendering process. We will continue to engage with stakeholders on the development of flexible services requirements (more details in the next section)
- Support projects through our Empowering our Communities Fund, some of which target vulnerable customers with energy efficiency advice, for example the <u>Burnley Boys and Girls Club Eco Warriors project</u> and the <u>Carbon Coop Warm Homes for All project</u>
- Support projects through our Empowering our Communities Fund that help to increase the amount of community-owned renewable energy in our region, such as the <u>Burneside Community Energy project</u>, and investigate the feasibility of working with community energy groups to provide onsite energy at our depots.

Delivering a reliable network continues to be the top priority for our customers and wider stakeholders and this will be reflected in our future improvement and investment plans. A key part of this is making sure that the network remains reliable, while enabling the anticipated uptake of LCTs. We are doing this through the investments we are making to transition to distribution system operation and the commitments we are making as part of our Leading the North West to zero carbon plan.

We know that community and local energy stakeholders want to play a part in this transition and expect that they will take an active interest in our future requirements for network and commercial services, which will support the ongoing delivery of a reliable network. We will continue to procure these services in a way that is open and fair to all of our customers.





### 2. Finance

### Flexible services

'Flexible services' is the term used for paying a customer/ provider to reduce their electricity consumption or increase generation on request, due to a network constraint. A network constraint occurs when the demand for electricity is greater than the amount the local network is able to provide safely. Where cost-effective, flexible services can provide an alternative solution to network reinforcement.

Flexible services are provided in response to a tender process advertised on our website. A provider can respond to the tender if they are connected or can connect to the part of the network where we have identified a constraint and if they are able to vary the amount of energy they consume at agreed times and dates.

We know flexible services are important to stakeholders; it was one of the highest areas of community and local enquiries in 2018-19. These enquiries helped us shape our approach and develop the frequently asked questions on our website. As a result of improving our information provision we received far fewer enquiries about what flexible services are in 2019-20.

We have always worked hard to include community and local energy customers in our approach and ensure they are able to respond to the opportunities. As requirements for flexible services increase, we will continue to engage with community and local energy stakeholders. This will include a joint flexible services and Community Connects workshop. We are also working with other DNOs to develop common standards for procuring flexible services.

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14. We will continue to promote all flexible services opportunities to community energy groups and provide dedicated surgeries to improve understanding and facilitate participation



Image courtesy of Greater Manchester Community Renewables

### Innovation

A DNO's role in innovation is to lead the development of new ideas and technologies that benefit customers and the electricity network. Currently DNOs receive funding for innovation projects from Ofgem's Network Innovation Competition (NIC) or Network Innovation Allowance (NIA). Projects funded by NIC or NIA have to be innovative, tackle an issue or problem facing the network, generate learning, provide value for money for customers and, if successful, transition to business as usual.

DNOs are encouraged to work in partnership with each other, and Electricity North West is currently working with Scottish and Southern Electricity Networks on the <u>Transition</u> project which is developing the software required to run the networks of the future. We are running simulated trials on our high voltage (HV) network and growth forecasts to see if the software would be appropriate for the needs of our network.

If you would like to know more about what innovation means to Electricity North West, and how we engage with different groups of stakeholders, please see our Innovation strategy. This document also contains information about our challenges, our current projects and how to get in touch with your ideas.

We also support innovation by providing moral support and expertise to projects led by external organisations. These projects do not have to meet the same strict requirements as those funded by NIC or NIA because they are funded by other parties. The level of support we can offer will depend on how much benefit the project can offer to Electricity North West – the greater the benefit, the more significant our support. For example, we are a partner in the Greater Manchester Combined Authority-led Local Energy Market (LEM) project, which is looking at the feasibility of a Greater Manchester-wide energy trading platform.

- 15. We will continue to deliver funding for community and local energy groups through the Empowering our Communities Fund which is targeted at addressing the main issues our stakeholders are facing
- 16. NEW: We will continue to support third parties with innovation projects funded by external sources with conversations, expertise and moral support, according to the level of business
- 17. NEW: We will encourage learning between community and local energy groups in our area by producing case studies of the projects we fund (via the Empowering our Communities Fund) and continue to provide a forum for other projects via our events and newsletters
- 18. NEW: We will investigate new ways of working for RIIO-ED2 to help community and local energy partners become involved in NIA- and NIC-funded projects

We know from our conversations and recent surveys that developing and testing new ways of working is important to our stakeholders. We are currently supporting a number of projects being delivered by external partners and funders. We have also been told that our willingness to talk, discuss ideas and share our understanding of the electricity network is appreciated by external stakeholders and helps them to develop their own projects. We will continue to do this and welcome conversations of this nature. We have also committed to look at the feasibility of providing support to help partners get involved with NIA-funded projects in RIIO-ED2.

### Working with community energy partners

In our first strategy we committed to look at the viability of both purchasing community energy and working with a partner to deliver community energy at one of our sites. As we reported in last year's report, our current energy supply contract limits our ability to purchase from other sources, so we will review this commitment when our contract ends in 2021.

We have also faced some challenges with the viability of developing community energy on our sites. As a business we are investing in our own energy management and have committed to developing zero carbon depots across our portfolio.

As part of our approach to leading the North West to zero carbon we want to show our commitment to community energy in our area and to lead by example, we aim to work in partnership with a community energy group at one of our sites to pilot the viability of this approach.



- 19. We will investigate the viability of purchasing community and local energy
- 20. We will pilot a community energy partnership to deliver a project at one of our sites





### 3. Regulation

Regulation is an area that stakeholders find difficult to understand and navigate. Stakeholders already have a good understanding of the energy sector policy environment and the specific community and local energy market subsidy mechanisms. They also appreciate the significance of our regulatory environment, but they need support to understand how it impacts their plans and particularly how changes might impact them.

### Influencing the future of our business

The electricity industry is regulated by the Office for Gas and Electricity Markets (Ofgem). A DNO like Electricity North West agrees its licence to operate every five years (known as a price control period) by submitting a business plan which is approved by Ofgem. The current price control period is called RIIO-ED1 (electricity distribution 1) and will end in March 2023. RIIO stands for Revenue = Incentives + Innovation + Outputs and describes how the company's revenues from customers are driven by how innovative the company is, and how good it is at delivering incentivised outcomes and the outputs customers need from them. From April 2023 until March 2028 the price control period will be called RIIO-ED2.

It is really important that the content of our business plan for RIIO-ED2 is informed by customers and stakeholders and we have already started gathering views to inform its development.

We know from talking to community and local energy stakeholders that they feel the current regulatory regime doesn't suit their aspirations. Therefore, informing the development of a DNO's business plan is an opportunity to influence potential change. Community and local energy will be affected by Ofgem's work on RIIO-ED2 and by other policy areas being decided by Ofgem such as charging and access policy.

We are committed to working with customers and stakeholders to help them understand our industry's policy and regulation environment and how it may impact them. We have already responded to feedback by producing a quarterly update of relevant policy and regulation. In addition we have included actions to capture our commitment to work with community and local energy stakeholders in the development of our RIIO-ED2 business plan, and to develop proposals for how we can support the sector from 2023.

### V

- 21. NEW: We will continue to engage on regulation and how it affects our customers; we will produce our policy and regulation update to help community and local energy stakeholders understand how policy and regulation developments may affect the sector
- 22. NEW: We will engage community and local energy groups with the development of our business plan for RIIO-ED2
- 23. NEW: We will work with community and local energy stakeholders to develop proposals that could be included in our next business plan to support the development of the community and local energy sector in RIIO-ED2
- 24. NEW: We will use the evidence we have gathered from our community and local energy stakeholder engagement to inform our engagement with Ofgem and BEIS. We will maximise the opportunities we have through our membership of Community Energy England and Regen, to represent the views of the sector in our region



# 7. ACTION PLAN SUMMARY

Action no	Detail	Date	Progress
1	Our dedicated community energy manager will continue to lead the delivery and development of this strategy which aims to forge links with the community and local energy sector and develop our response to their requirements	Now - 2023	Dedicated community energy manager in post since October 2017; Strategy first published June 2018; Refresh published August 2020
2	As a key part of our engagement strategy we will continue to deliver Community Connects workshops to help address issues the sector is facing, particularly relating to capacity and skills development. We will use these events to provide an opportunity to engage with us and to develop our understanding of the issues faced by the sector	Now - 2023	Nine Community Connects engagement events delivered to date; 100% of attendees rating them as useful or very useful in 2019/20
3	We will develop the resources on our website to make sure our services are accessible to community and local energy customers and to provide resources to help groups get their projects started	Now - 2023	Re-vamped webpages launched June 2020; 3,200 hits on community and local energy webpages in 2019/20
4	We will continue to produce a quarterly newsletter to keep customers and stakeholders up-to-date with developments that affect the sector; we will also produce guide(s) and case studies to help community and local energy groups share learning on how to develop projects	Now - 2023	Nine newsletters published which 66% of our customer survey respondents found useful; six Powering our Communities case studies produced
5	We will make sure our resources reach as many community and local energy stakeholders as possible; we will undertake a campaign with community partners to promote our resources and bookable surgery slots	Now - 2023	NEW
6	We will continue to encourage early engagement, improve routes into our business and allocate engineering resources to support projects at the initial stages to identify the best point of connection	Now - 2023	Our community and local energy team has handled 165 enquiries since 2017
7	We will actively engage with stakeholders to identify and improve pre-application guidance on our website for customers applying for new connections to make sure it is accessible to community and local energy groups. As part of this, we will publish a glossary and review pre-application guidance against plain English standards	Now - 2020	NEW
8	We will make sure our conversations are solutions-focused to do all we can to support the development of the project. We will use our experience to date to share best practice with all our connections teams to ensure our service is continually improving and addresses the needs of community and local energy groups	Now - 2023	NEW
9	We will improve access to network information; we will produce and publish training material for using our new network asset viewer (NAV) functionality, previously known as GIS	Now - 2020	NEW
10	As part of our Leading the North West to zero carbon plan we are consulting with stakeholders on how to meet our decarbonisation ambitions as part of our business plan for RIIO-ED2, in particular: our route to net zero carbon for operational carbon emissions by 2038; and a commitment to identify and measure Scope 3 emissions (those relating to our indirect action such as in our supply chain) from 2023 and to work with our sustainability panel to identify measures to reduce them	Now - 2023	NEW

Action no	Detail	Date	Progress
11	We will provide regular updates via presentations at workshops and/or newsletters on our Leading the North West to zero carbon plan; we will share learning from our case studies eg our net zero carbon buildings	Now - 2023	NEW
12	We will consult on our updated DSO strategy and our plans for digitalisation and data access	2020	NEW
13	We will continue to invest in our network to ensure that network capacity is not a barrier to the connection of low carbon technologies	Now - 2023	NEW
14	We will continue to promote all flexible services opportunities to community energy groups and provide dedicated surgeries to improve understanding and facilitate participation	Now - 2023	We have promoted our calls for flexible services to community and local energy groups; we are engaging stakeholders on our approach and requirements
15	We will continue to deliver seed funding for community and local energy groups through the Powering our Communities Fund which is targeted at addressing the main issues our stakeholders are facing, particularly developing new ways of working	Now - 2023	12 projects supported; £146,320 total funding committed to date
16	We will continue to support third parties with innovation projects funded by external sources with conversations, expertise and moral support, according to the level of business benefit	Now - 2023	NEW
17	We will encourage learning between community and local energy groups in our area by producing case studies of the projects we fund (via the Empowering our Communities Fund) and continue to provide a forum for other projects via our events and newsletters	Now - 2023	NEW
18	We will investigate new ways of working for RIIO-ED2 to help community and local energy partners become involved in NIA- and NIC-funded projects	Now - 2023	NEW
19	We will investigate the viability of purchasing community and local energy	2021-2023	We will review options after 2021
20	We will pilot a community energy partnership to deliver a project at one of our sites	Now - 2023	NEW
21	We will continue to engage on regulation and how it affects our customers; we will produce our policy and regulation update to help community and local energy stakeholders understand how policy and regulation developments may affect the sector	Now - 2023	Five policy and regulation newsletters developed which 66% of our customer survey respondents found useful; supported Local Electricity Bill
22	We will engage community and local energy groups with the development of our business plan for RIIO-ED2	Now - 2021	NEW
23	We will work with community and local energy stakeholders to develop proposals that could be included in our next business plan to support the development of the community and local energy sector in RIIO-ED2	Now - 2021	NEW
24	We will use the evidence we have gathered from our community and local energy stakeholder engagement to inform our engagement with Ofgem and BEIS. We will maximise the opportunities we have through our membership of Community Energy England and Regen, to represent the views of the sector in our region	Now - 2023	NEW



### 9. GET IN TOUCH

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