



Western Power Distribution Local Investment Workshops Wales, July 2018

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1 | INTRODUCTION

In July 2018, WPD's Distribution Managers hosted two stakeholder workshops in depots in Wales. Stakeholders in attendance included councillors, council officers, developers and others involved in the growth agenda.

Each depot covered a different region within the Wales distribution area, as follows:

Swansea and West Wales	Swansea Depot	10 July 2018
Cardiff and East Wales	Cardiff Depot	18 July 2018

These workshops had a number of objectives:

- To provide local stakeholders with an update on the investment being made in their local network over the next 12 months.
- To get feedback on where stakeholders saw capacity challenges, particularly as a result of residential and commercial developments.
- To get feedback on how the local WPD teams can work more effectively with stakeholders.
- To strengthen working relationships between the Distribution Managers and local stakeholders.

While the agenda at each workshop was bespoke, the following issues were always covered:

- Introduction to WPD.
- The role of Ofgem and the RIIO framework.
- The transition to Distribution System Operator (including electric vehicles).
- Investment on the network.
- Network constraints.
- Working with stakeholders (including the provision of information).

As well as a PowerPoint presentation from the Distribution Manager(s), there were two roundtable discussion sessions at each workshop. The first was an introductory session. The second of these sessions gave stakeholders an opportunity to feedback on network investment and capacity constraints and on WPD's approach to working with stakeholders around the growth agenda in future.

This report is a recording of the outputs from the two stakeholder workshops in Wales. It provides a summary of the feedback received with regard to the two areas outlined above.

The feedback from all three workshops has been collated and summarised. Comments have not been attributed to individuals to ensure that all stakeholders could speak as candidly as possible.

2 | EXECUTIVE SUMMARY

The workshops gathered feedback from stakeholders on two main areas: network investment and capacity constraints, and WPD's approach to working with local stakeholders around the growth agenda going forward. Each of these areas was covered by a PowerPoint presentation delivered by the relevant Distribution Manager, who then opened up the topic to a roundtable discussion.

AREA 1: NETWORK INVESTMENT AND CAPACITY CONSTRAINTS

- Stakeholders generally supported the investment that WPD is making in the local electricity network and were genuinely interested to learn more about this.
- There was, however, a good deal of concern that WPD, or the energy network more generally, would not be able to cope with the amount of growth that is planned.
- There was a general feeling that WPD is at the mercy of the growth agenda and is therefore in a position where it is simply expected to accommodate growth and reinforce the network reactively, leaving little scope for a proactive approach.
- It was acknowledged that this places WPD in a difficult position. The company can only reinforce the network when something is definitely going to happen and cannot make investment speculatively.
- Stakeholders expressed concern regarding who would be expected to pay for the reinforcement of the network. It was felt that the way the process works could mean that certain developers who are further ahead in delivering new developments would pay a disproportionate amount to reinforce the network in comparison with those who are not as far advanced.
- Stakeholders felt that it would be beneficial if local authorities worked together on a regional basis and that WPD should be involved in early discussions relating to large strategic developments. It was also felt that central government initiatives such as Growth Deal funding should be made available to help the network accommodate the planned level of growth.
- Stakeholders commented that WPD should work more closely with other utilities to minimise the amount of disruption that inevitably occurs when street works are necessary.
- Aside from the planned growth in housing and commercial development, stakeholders were concerned about the impact that the predicted uptake of electric vehicles would have on the network, especially as rapid charging points became more prevalent.
- It was widely felt that battery storage could play a significant role in addressing many of the issues discussed at the workshops in terms of network capacity and the growth agenda.
- It was noted that the predicted rise in electric vehicle charging points in new homes would mean that housing developers would have to include the cost of charging points in their own budgets, which would only serve to reduce the amount of affordable housing they could provide on new developments.
- Across the two workshops, there was no real consensus on the importance that should be given to the issue of cable undergrounding, especially when considered against other areas which required more investment. It was, however, generally felt that cable undergrounding in and around Areas of Outstanding Natural Beauty (AONB) would be welcomed.

AREA 2: WORKING WITH STAKEHOLDERS ON THE GROWTH AGENDA

- There was a good deal of praise for the way WPD engages with stakeholders. People genuinely appreciated being able to pick up the phone and speak to someone, rather than having to wait for email responses to their questions.
- There was a strong feeling that WPD should be more involved in the planning process at the earliest possible stage. Many in attendance, especially those involved in spatial planning, felt that the company should be consulted as Local Plans are produced, given that the capacity of the network may influence where councils and developers plan for more housing and commercial development.
- Some stakeholders expressed frustration that, at times, they were forced to go to call-centre staff with their queries rather than trained engineers.
- Some stakeholders who had applied for new connections felt that the processes could be improved as, currently, the process for getting a new connection is too onerous.
- Connections stakeholders stated that as applicants, they would appreciate being given more accurate information on the cost of a new connection at the outset, as this information is too vague at present.
- It was felt that the best way for WPD to engage with councils on the growth agenda would be for the company to attend Strategic Development Forums.
- Stakeholders valued roundtable workshops such as these ones, as the events give them the opportunity to engage with WPD and other relevant parties. It was felt that there should be more of these in future.
- It was also felt that WPD should look to forge greater links with the business community.
- The capacity and constraints map was seen as a useful tool for developers as it would inform their future plans.
- It was felt that the constraints map could be improved by updating the information on it on a more regular basis.
- While the investment booklet was not necessarily seen as something that would be useful for everyone, stakeholders representing local authorities were of the view that it would be useful if hard copies were sent to their planning departments.
- The power cuts map was not seen as a particularly useful tool by most of the stakeholders who attended the workshops. This was also the case for the severe weather updates, as most stakeholders receive this information from other sources.

EVENT FEEDBACK

After the event, stakeholders were asked to complete written feedback forms. In terms of the event, the feedback was as follows:

- Over three quarters (77%) of stakeholders who attended the workshops had worked with WPD in the past. Of these people, 86% stated that their experience had been positive. Only 5% said that their experience of working with the company had been negative.
- On a scale of 1 to 10, satisfaction with the event received an average score of 8.7.
- 60% strongly agreed that the workshop gave them an opportunity to make points and ask questions, and 36% agreed with this statement.
- 92% either agreed or strongly agreed that the right topics were covered on the day.
- 95% of those who attended said that they would like to work more collaboratively with the local teams at WPD.

3 | ATTENDEES

34 stakeholders attended the two workshops, representing 21 organisations. The organisations represented were as follows:

- Blaenau Gwent County Borough Council
- Caerphilly County Borough Council
- Cenin
- City and County of Swansea Council
- CLA Cymru
- Cyngor Sir Ceredigion County Council
- Elgin Energy
- Green Warmth Ltd
- Hafod Resources
- J G Hale Construction Ltd
- Monmouthshire County Council
- Mott MacDonald Group
- Neath Port Talbot County Borough Council
- Pobl Group
- Rhondda Cynon Taf County Borough Council
- Renewable Developments Ltd
- S&C Electric
- SABA Consult Ltd
- SMS plc
- Welsh Government
- Welsh Government - Department for Economy and Transport



4 | AREA 1: NETWORK INVESTMENT & CAPACITY CONSTRAINTS

The presentations summarised the different types of investment being made in the local network, including asset replacement, reinforcement, cable undergrounding, worst-served customers, resilience, and cable diversions. Examples of local investment schemes were provided.

Summary of feedback

CAPACITY CONSTRAINTS AND REINFORCEMENT

- Stakeholders in both Cardiff and Swansea were concerned about the capacity of the network and the need for significant reinforcement.
- Many stakeholders gave examples of locations where reinforcement would be necessary to accommodate housing and commercial development as well as new energy generation.
- Stakeholders in Cardiff & East Wales cited the Brechfa Forest West Wind Farm as a location which required significant reinforcement. It was also felt that WPD needed to be aware of the large housing developments planned in Ebbw Vale and Cefn Yr Hendy.
- It was noted that the impact of the expected growth of electric vehicles would only place greater strain on the network.
- In Swansea, stakeholders pointed out that WPD is often placed in a difficult situation since it cannot invest in the network for things that might be liable to change in the future, meaning that the company is often, by definition, reactive.
- Many felt that larger companies had a greater understanding of issues relating to network constraints, whereas smaller developers, of all types, were less aware.
- Stakeholders in Swansea noted that WPD has a role to play in the region's future prosperity and that planned commercial development, as well as housing, would have a huge part to play in this.
- One of the primary concerns among stakeholders related to who would be expected to pay for the reinforcement of the network. Stakeholders thought it was unfair that WPD customers bore the brunt of this, especially if they would not benefit directly, and that certain developers would be liable for greater costs than others.
- It was felt that WPD should have greater input into government policy at both a national and devolved level.
- It was acknowledged that WPD is often in a position where it has to be reactive to new policies, such as subsidies for solar and wind energy. Stakeholders in Cardiff gave the example of a new policy put forward by the Welsh Government to increase the amount of electric vehicle charging points in new commercial developments. Stakeholders felt that WPD should be made aware of new policies like this if they are to plan accordingly.

THE PLANNING PROCESS

- It was commented on numerous occasions at both workshops that WPD should have a better overview of where new housing developments are planned and that this should be shared at the earliest possible stage.
- Most of the attendees at the workshops were heavily involved in their local authorities' Local Plan process. They felt that WPD should have been engaged in this process rather than simply being reactive when new developments move through the planning process.
- Stakeholders felt that local authorities need to improve how they work together, adopting a more strategic approach to planning, and that WPD needs to be involved at this level.
- It was noted in Swansea that bodies that cover multiple local authorities and the business community were important stakeholders for WPD and that initiatives such as Growth Deal funding should be made available to enable the network to cope with new developments.

THE TRANSITION TO A DSO: STORAGE, ELECTRIC VEHICLES AND INNOVATION

- Stakeholders in both Swansea and Cardiff were interested in innovative new technology, particularly battery storage.
- It was felt that, even though the technology is not there at present, battery storage could provide a solution to many of the issues facing WPD in terms of facilitating the planned growth agenda.
- Stakeholders commented that current regulations were restrictive in terms of connecting battery storage to the network. It was suggested that WPD should lobby for these regulations to change.
- In both Swansea and Cardiff, one of the main topics discussed was the expected uptake in electric vehicles and the amount of reinforcement that would be required to accommodate this.
- Stakeholders were concerned with the amount of energy required to facilitate rapid charging. There was a general feeling that neither government nor the DNOs were adequately prepared to facilitate the increase in electric vehicles and that this would place a huge strain on the energy network.
- In Cardiff, it was noted that the amount of money required to include electric vehicle charging points in new housing developments did not sit well with proposed targets for delivering affordable housing, as housing developers would need to factor in these costs.
- In Swansea, stakeholders commented that providing multiple properties with electric vehicle charging points would be problematic, since if a new property nearby wants a charging point, this property will have to pay for the reinforcement of the network.
- It was noted that it would prove difficult to accommodate small-scale energy generation on small housing sites, partly for reasons of viability.

OTHER AREAS OF NETWORK INVESTMENT

- In Swansea, the undergrounding of cables was seen as a priority, especially in locations close to AONBs. This was not seen as a priority by all stakeholders, however, primarily because of the cost involved.
- It was felt that all utilities should work more closely with local authorities. Stakeholders expressed a good deal of frustration over instances where multiple stakeholders were carrying out street works, causing upheaval for residents and businesses.

During the roundtable discussions, a few Local Plans, specific development projects and local network areas were raised in relation to their potential to present challenges to load capacity on the network. Stakeholders also had the opportunity to note these down as part of the written feedback form at the end of the session. These have been listed and sorted by region in Table 1.1

Table 1.1: Development projects / local areas for reinforcement

Swansea and West Wales	Growing Mid-Wales Partnership.
	Wenham Place, Neath, SA11 3AH
	Local Development Plan review in Carmarthenshire (twice mentioned)
	Afan Lido site in Sandfields, redevelopment (twice mentioned)
	Aberavon beach front
	Possible new school Sandfields West
	1,950 houses at Llangyfelach
	850 houses at Felindre
	850 houses at Penllergaer
	600 houses at Clasemont Road
	Gas power station from Abergelli Power in Felindre, Swansea
Cardiff and East Wales	Monmouthshire Local Development Plan
	Ebbw Vale housing development
	Cefn Yr Hendy housing development



Verbatim comments

“A lot of the investment you need to plan for will be determined by the government, although it does feel like there’s no real leadership on electric vehicles (EVs).” **stakeholder, Swansea & West Wales**

“You might be able to cater for the increase in EVs, but the big issue is with generation – and South Wales is particularly constrained by networks that cross over to England.” **stakeholder, Swansea & West Wales**

“EV charging points doesn’t tie in with delivering affordable housing. How can you have affordable housing with EV charging points? The numbers don’t add up.” **stakeholder, Cardiff & East Wales**

“Rapid charging is going to be the thing that places the biggest strain on the network.” **stakeholder, Cardiff & East Wales**

“You need to do more to support developers with battery storage. Large-scale battery storage could be the answer.” **stakeholder, Swansea & West Wales**

“There’s a new planning policy that the Welsh Government is pushing. You really need to be aware of this. They are saying that all new commercial will have to provide EV charging points. I think the figure is 10%. You should have been made aware of this. The trouble is that the Welsh Government doesn’t do enough to publicise its consultations.” **stakeholder, Cardiff & East Wales**

“Government, and especially the Welsh Government, should be consulting with you earlier.” **stakeholder, Cardiff & East Wales**

“In some of our developments, we are looking at battery storage, but we need to learn more about this. It feels like it’s the silver bullet, but I’m not sure the technology is there yet.” **stakeholder, Cardiff & East Wales**

“There’s a big issue when housing developers are being asked to make allowances for new technology that may never come to fruition.” **stakeholder, Cardiff & East Wales**

“All local authorities have local development plans, but there needs to be more strategic thinking. Discussions seem to happen on a project basis.” **stakeholder, Swansea & West Wales**

“WPD should be a statutory consultee on all planning matters. It’s really important.” **stakeholder, Cardiff & East Wales**

“Unfortunately, the system is reactive. WPD reinforces its network on request. This also creates a log jam in potential growth sites.” **stakeholder, Swansea & West Wales**

“It seems everyone’s concerned about housing growth, but you shouldn’t lose sight of the investment required to accommodate the growth in commercial development and renewables.” **stakeholder, Swansea & West Wales**

“It’s going to be really difficult to accommodate small-scale energy generation on small housing sites.” **stakeholder, Cardiff & East Wales**

“A lot of it comes down to long-term planning. You’ve got to get involved with local authorities at the earliest possible stage to have sight of where new development will go.” **stakeholder, Cardiff & East Wales**

“Things like your constraints maps are useful. I’m interested in creating jobs and information on constraints and opportunities can help facilitate investment.” **stakeholder, Cardiff & East Wales**

“One of the issues with undergrounding cables serving new developments is the cost. When the costs go up, this means that the developer will provide less affordable housing.” **stakeholder, Cardiff & East Wales**

“There’s so much wastage in solar and wind. This is why we need battery storage; to balance this out.” **stakeholder, Swansea & West Wales**

“If you’re an energy developer, you’ve got to know about capacity and deal with the planning system, which can take a long time. You need a good deal of certainty, so having clear milestones for new energy generation is essential.” **stakeholder, Cardiff & East Wales**

“It would make a lot of sense for BT and WPD to work together. Meetings with local authorities and utilities should be built into the Local Development Plans.” **stakeholder, Swansea & West Wales**

5 | AREA 2: WORKING WITH STAKEHOLDERS ON THE GROWTH AGENDA

The presentation for this session set out some of the materials that were available for stakeholders. These included the investment booklets and online map; the capacity map; the power cut map; and severe weather updates. During the roundtable discussion sessions, stakeholders were asked what other information they would find useful, as well as what else WPD could do to work more effectively with local stakeholders around the growth agenda.

Summary of feedback

PREVIOUS EXPERIENCE OF ENGAGING WITH WPD

- Stakeholders were broadly complimentary about WPD and the ways in which the company engages with them.
- Stakeholders gave examples of individual staff members who are proactive and approachable. Stakeholders said they really value being able to pick up the phone and have their questions answered straight away.
- Local authority representatives stated that they had not had sufficient input from WPD in the planning process.
- It was noted that sometimes call-centre staff are not sufficiently qualified to answer technical questions. A stakeholder in Swansea added that it is particularly annoying when they are dealing with a problem and shortly after the conversation, they receive a call asking them to fill out a survey.
- Stakeholders commented that sometimes it can take a long time to receive a quote for a new connection.
- The point was made that although applying for a new connection is getting easier, processes appear to be becoming more onerous.
- Stakeholders pointed out that more detailed information should be given up front to connections applicants rather than just broad-brush costs.

WORKING TOGETHER IN FUTURE

- As in the first discussion session, the point was made a number of times that stakeholders would value input from WPD at an early stage in the planning process, especially those working for planning authorities.
- It was suggested that WPD should present to Strategic Development Forums so that council planners have a better understanding of what the company does.
- It was noted that WPD should engage more with local authorities on street works.
- Stakeholders were of the view that WPD should have better ties with the business community in the future. It was suggested that the company could present to Chambers of Commerce and other relevant business groups.
- It was felt that roundtable workshops are a good way of dealing with certain issues, with stakeholders commenting that they would like to see more of them in future.
- Stakeholders value the fact that events like these workshops allow them to meet the WPD team as well as other people working in the industry.

CAPACITY AND CONSTRAINTS MAP

- The constraints map was seen as a useful tool by developers, enabling them to plan and finance projects with some degree of certainty.
- Stakeholders were of the view that more information could be included on the constraints map. It was felt that it could include information as to why there were constraints.
- It was also felt that the constraints map should be updated on a more regular basis, especially when new developments are connected, as it was often out of date.

INVESTMENT BOOKLET / MAP

- Most stakeholders found the investment booklet useful, although some questioned whether it was something they would refer to in future.
- It was felt that an online version of the investment booklet would be more useful than a hard copy. However, it was also noted that not everyone had access to the internet, so there should always be some hard copies available.
- Some local authority representatives felt that it would be helpful if the booklets were sent out to their planning departments.

POWER CUT MAP

- The power cut map was not seen as a useful resource by the majority of stakeholders who attended the workshops. Most of them did not see power outages as something that had a significant impact on their daily lives.

SEVERE WEATHER UPDATES

- Most stakeholders felt that the severe weather updates provided by WPD were of limited use, stating that they turned to other sources such as the Met Office or the BBC to obtain this kind of information.

Verbatim comments

“WPD are the best utility to deal with. They are always very proactive.”

stakeholder, Swansea & West Wales

“Changes had to be made to a connections application I was involved in, and I knew I could just pick up the phone and speak to the WPD team and feel reassured. I had a point of contact and it was invaluable.” **stakeholder, Swansea & West Wales**

“I like workshops like this. They’re really good for making connections and networking.”

stakeholder, Swansea & West Wales

“There’s good and bad. Your engineers are great, but my contractors tell me that it sometimes takes ages to get a quote from you.”

stakeholder, Swansea & West Wales

“Roundtables like this are really useful. You should do more.” **stakeholder, Cardiff & East Wales**

“It would be good if you could come to present to our local authority, so we understand everything you do.”

stakeholder, Swansea & West Wales

“Why don’t you make an effort to present to local authorities’ Development Forums?”

stakeholder, Cardiff & East Wales

“WPD meets with lots of local authorities on street works, but not on strategic development. Why is this?”

stakeholder, Cardiff & East Wales

“When we engage with you on connections, I’d like more detailed information up front rather than just broad-brush costs.”

stakeholder, Cardiff & East Wales

“We have really good communication with your local team. They’re always on hand.”

stakeholder, Swansea & West Wales

“It’s good knowing who’s responsible for what area depot wise, so I can get in touch with the right person.” **stakeholder, Swansea & West Wales**

“The constraints map is great, but with these things, it’s all about how often they’re updated.”

stakeholder, Swansea & West Wales

“The capacity map is a good tool for investors and developers. It’s useful for anyone doing a scheme as it gives you an idea of whether or not you can progress with a new scheme.”

stakeholder, Cardiff & East Wales

“The capacity map should be updated more throughout the year, particularly as new schemes and more connections get added.”

stakeholder, Swansea & West Wales

“The booklets are good, although online is the most obvious place to have this information so that people can access it when they need to.”

stakeholder, Swansea & West Wales

“The map is good, but there’s no need for all the information in the booklet.”

stakeholder, Cardiff & East Wales

“Just be careful of the older generation. They might want to know about this, so having hard copies of things is also valid.”

stakeholder, Swansea & West Wales

“It would be good if you could send these booklets to our planning department. We get about 70 emails a day, so things get lost in your inbox or people don’t bother reading them.”

stakeholder, Swansea & West Wales

“The power cut map is good but is only of interest when you’re off, or in trouble.”

stakeholder, Swansea & West Wales

“The power cut map is fine, but we don’t really have many outages.” **stakeholder, Cardiff & East Wales**

“If I’m looking for severe weather updates, I’m probably going to look elsewhere to be honest; like the Met Office or the BBC website.”

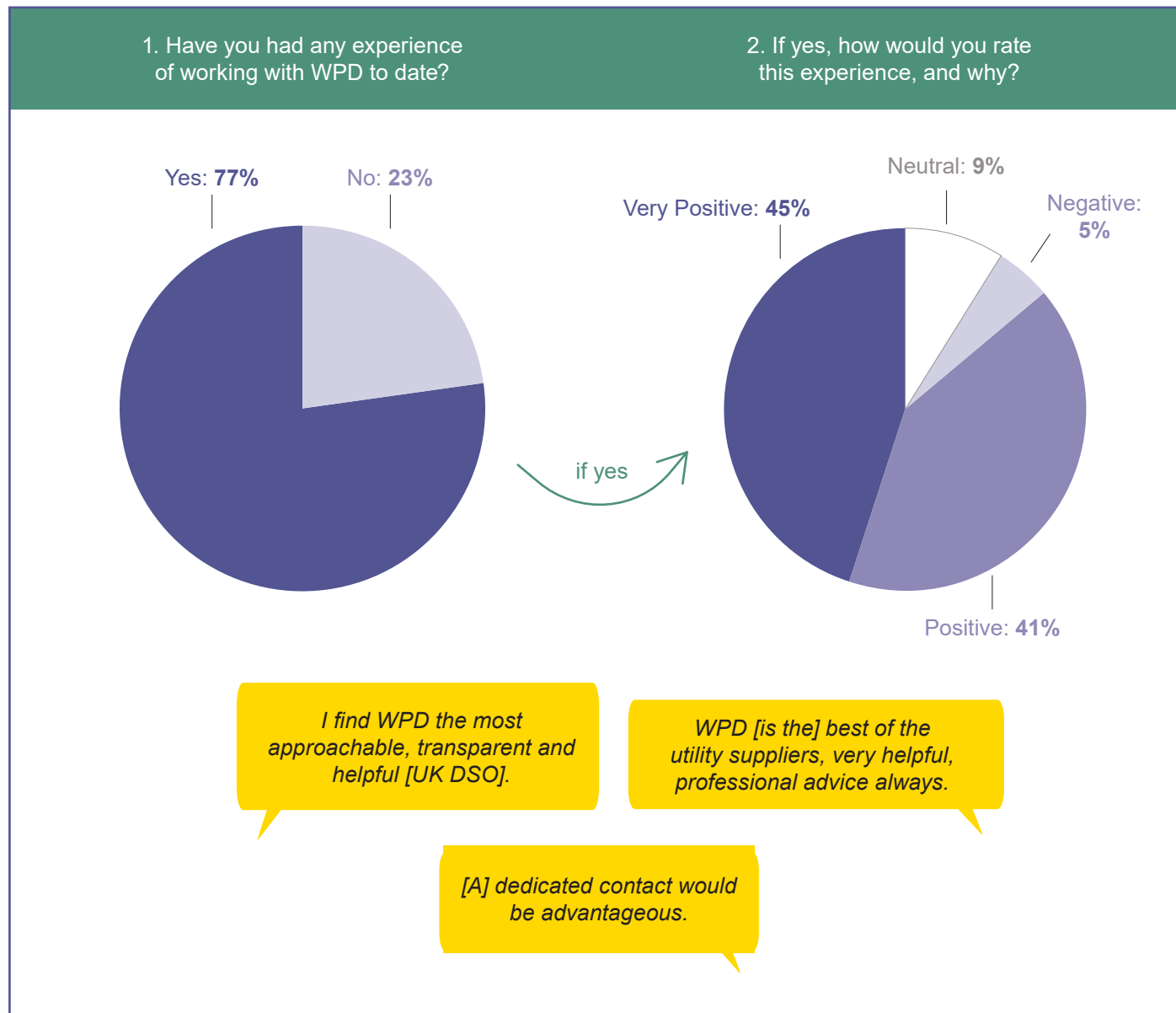
stakeholder, Swansea & West Wales

“The online capacity map is really useful. Sometimes we have 10 schemes running at the same time.”

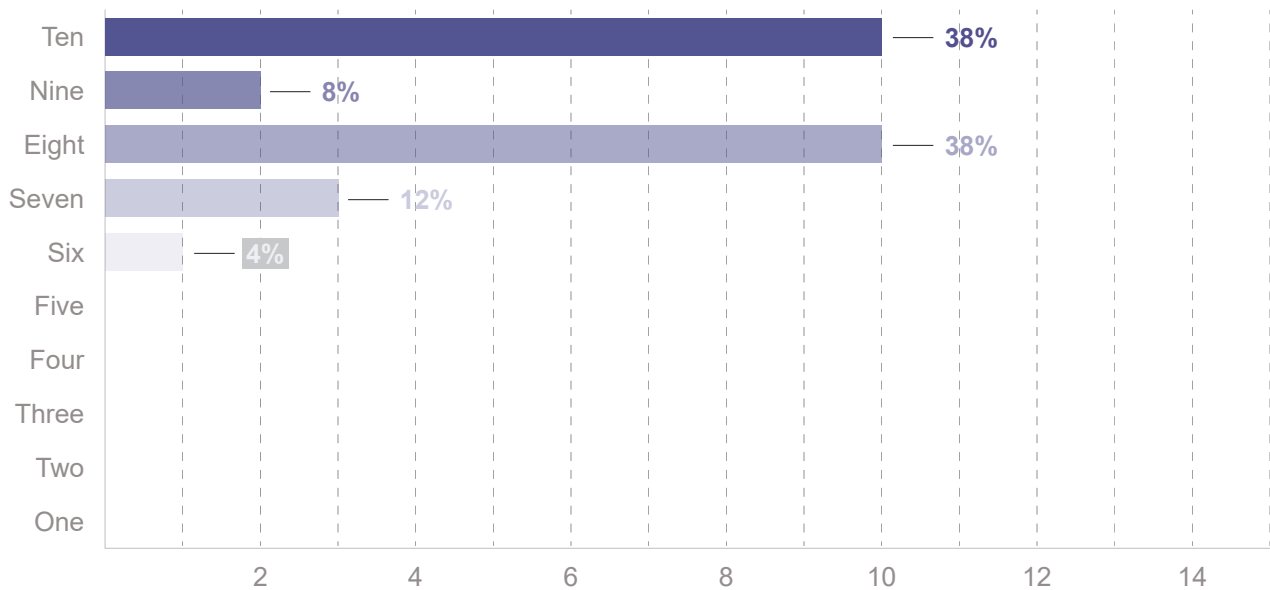
stakeholder, Swansea & West Wales

6 | EVENT FEEDBACK

At the end of the workshop, stakeholders were asked to complete written feedback forms. A few questions related to network investment and have been included in the section above. The answers to more general questions about the workshop itself are summarised below.



3. On a scale of 1 to 10, how satisfied were you with today's workshop?

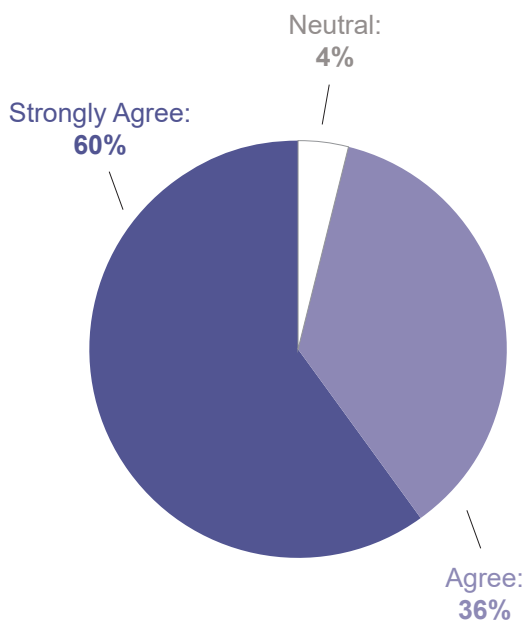


Talks were very interesting and informative, and discussions were well led.

I found it very useful to expand my background knowledge.

Well presented, good opportunity to meet WPD personnel and understand their work.

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

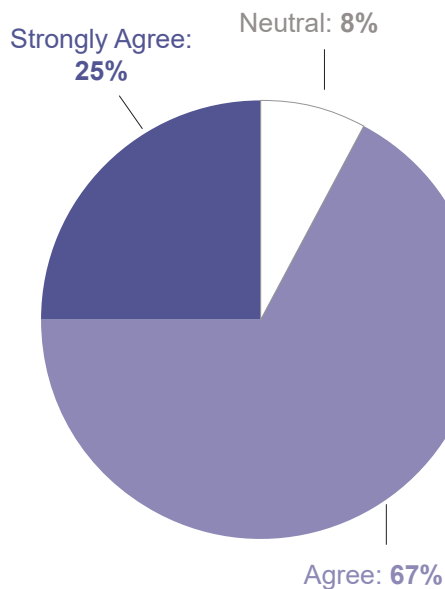


It was good to listen to different points of view and observations and to air information I'm aware of.

Coordinators [were] very good at initiating and managing discussion.

Format was a good opportunity to make points and ask questions.

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

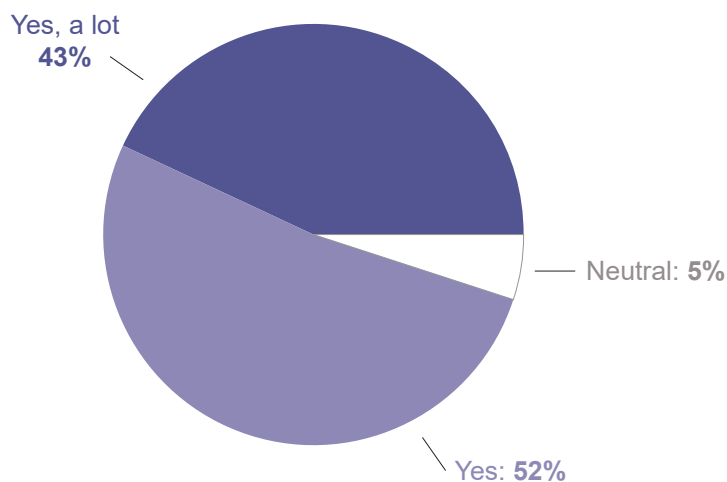


It was interesting to learn [about] issues for other local authorities, but also the energy producer.

The right people were available to discuss issues.

All issues raised were very relevant. Will need to liaise closely going forward.

6. In future, would you like to work more collaboratively with the local teams at WPD?



No comments given

7. Any other comments?

Keep up the good work.

An excellent presentation, very informative.

Useful to start discussions at the beginning of the project.

