

**Transmission Owner / System Operator Best Practice Working Group
Stakeholder Submission Appendix 2017/18**

Purpose of the Transmission Owner / System Operator Best Practice Working Group

Mission statement:

We are strongly committed as a Group and as individual businesses to work together for the benefit of our stakeholders, our customers and end consumers.

We review our terms of reference on an annual basis to ensure the Group continues to be fit for purpose.

The Group's aims and objectives are as follows:-

- Set and deliver engagement strategy for joint TO engagement
- Identify and facilitate outside sector best practice sharing and evidence for outcomes
- Identify future stakeholder engagement challenges and seek solutions
- Agree consistent messaging for stakeholders
- Identify/agree and measure joint outcomes
- Share learnings from relevant stakeholder engagement activities to collectively improve Transmission-level engagement
- Respond to strategic issues which relate to all networks
- Facilitate topic specific conversations via technical experts within TO organisations
- Provide link with Electricity System Operator

Membership and meeting format

The Working Group consists of representatives of transmission owners SP Energy Networks Transmission (SPEN); Scottish and Southern Electricity Networks Transmission (SSEN) and system operators and transmission owners National Grid Electricity Transmission (NGET) and National Grid Gas Transmission (NGGT).

The Working Group meets face to face every two months with other adhoc meetings as required. Meetings are designed to be interactive and outcomes focused.



Picture of the Group's meeting held at SSE's Offices in Glasgow on 7/12/17

Our year in numbers:**2017/18 Highlights****Agreeing a common approach to stakeholder engagement**

In 2017 all of our businesses received feedback from Ofgem that they would like to see us adopt standard approaches and metrics in relation to our stakeholder engagement activities to enable easier benchmarking.

We discussed this matter as a group and agreed that it would be beneficial if all our businesses aligned themselves with best practice in this area which is currently widely accepted as being the AA1000 Stakeholder Engagement Standard. This standard is internationally-recognised as a world leading standard by which to benchmark stakeholder engagement performance.

As a direct result of best practice sharing in this group, during 2017/18:

- SSEN adopted the AA1000SE standard.
- SP Energy Networks followed best practice from National Grid, undertaking a Healthcheck from the owners of the standard, AccountAbility.

By aligning ourselves with this standard it has enabled our collective discussions to become more focused and more likely to lead to effective outcomes for our stakeholders.

Measuring the impact of our engagement activities

Following our 2016/17 submissions to the Stakeholder Engagement Incentive Scheme, the panel provided feedback to all Transmission Owners that they found it difficult to compare our submissions due to an inconsistent use of language and reporting terminology. In the last year we have been discussing how we can move to a more consistent model to measure the impact of our activities and have been evaluating different methods, frameworks and suppliers for achieving this.

In the meantime, for our 2017/18 incentive submission, we have agreed and committed to each use a consistent set of definitions of key terminology for our submission documents, to help provide some consistency for the panel. For both outputs and outcomes we will all be using the AA1000SE standard definitions:

- Output – The immediate result of an activity.
- Outcomes – Changes of benefits resulting from an output.

Engaging Hard to Reach stakeholders



Mapping Hard to Reach Stakeholders, 7/12/17

It was agreed at the Transmission Owners Best Practice meeting held in Glasgow on 7 December 2017 that as TOs we should make more effort to engage 'hard to reach' stakeholders.

An initial collaborative mapping exercise was held by the group. This identified a number of key characteristics and attributes that could lead to a particular stakeholder or group of stakeholders being potentially defined or self-defining as 'hard to reach'. At a subsequent meeting it was agreed that an action plan would be developed in relation to engaging 'seldom heard' and 'hard to reach' stakeholders:

Action Plan for Engaging Hard to Reach Stakeholders and Stakeholder Groups

1. TOs will share, maintain and update an agreed list of groups of 'hard to reach' stakeholders or those who interact with those groups, for example vulnerable customers
2. TOs will commit to include engaging hard to reach groups when planning engagement activities in their business. We will do this via the following 'checklist':
 - a. Ensuring that 'hard to reach' groups are included in any mapping exercises
 - b. Active consideration of how to make events and engagement activities more accessible to groups that would otherwise be difficult for them to get involved in, or additional mechanisms/channels identified.
 - c. Consideration of barriers to engagement by hard to reach groups in formal mechanisms such as panels, and how these can be effectively overcome e.g. via financial or practical support.
 - d. Consideration of how engagement outputs are reported to ensure they can be readily accessed by hard to reach groups.

RIIO-2 Engagement and Willingness to Pay

The Group has discussed the approach to RIIO-2 engagement at several meetings, and in interim teleconferences between meetings. We recognise the need to coordinate engagement wherever possible, so as to reduce the possibility of stakeholder fatigue, and to avoid the possibility of conflicting results from individual networks' engagement activities (which can make Ofgem's work more difficult).

The Group has therefore agreed an approach where details of engagement activities are shared well in advance, so that they can be aligned where appropriate, although we stopped short of holding joint engagement events as each company still needs to manage its own engagement programme.

However, we did identify Willingness to Pay research as one area which would benefit from a joint approach, so have agreed a scope for all four networks with the aim of appointing a single supplier. This will allow us to conduct one piece of research for common TO topics, but also allow individual networks to carry out their own research where company-specific or geographical differences mean that this is more appropriate. As well as creating cost savings in the region of £200k across all networks combined, this will mean that networks are all working with the same data.

Connections working group

The three electricity TOs have been working together to identify best practice and improve the customer experience for new connections with a Transmission impact. The group has reformed and refocused following key personnel changes - with refreshed Terms of Reference agreed by all parties. Key achievements this year include:

- New Scheme Briefing Note developed to simplify connection applications, expecting to commence trial with the GB System Operator in coming months.
- Benchmarking conducted for updates to developers for Major projects under construction.