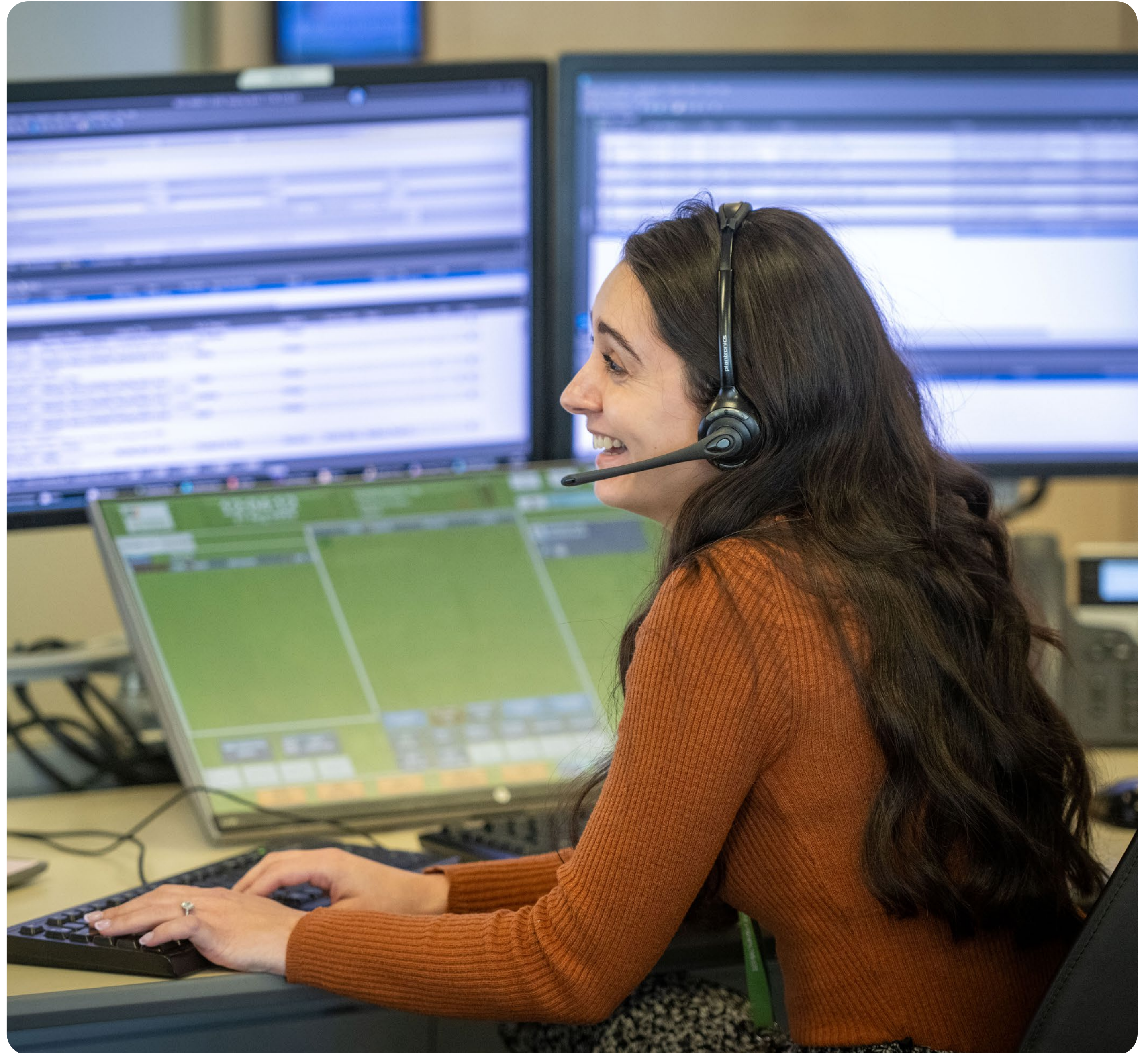


SP Energy Networks

Major Connections Annual Report



Contents

Introduction by CEO	Pg 03
Our Year in Summary	Pg 04
Our Performance in the Major Connections Customer Satisfaction Survey	Pg 05
Our 2024 Initiatives Based on Our Customers Feedback	Pg 10
Key Focus Areas for Next Year	Pg 11
Reporting on Timeliness of Major Connections	Pg 12
Time to Quote	Pg 12
Time to Connect	Pg 13
Progress on Completion of the Major Connections Strategy	Pg 14
Our ED2 Commitments	Pg 14
Progress against Ofgem's Baseline Expectations	Pg 15
Summary and Next Year's Look Ahead	Pg 21

I am delighted to share our first Major Connections Annual Report, to provide our stakeholders with an important update on our progress over the last year to deliver improving service to our Major Connections customer base.

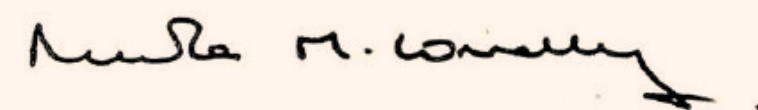
The important role we play as a Distribution Network Operator (DNO) in facilitating our customers ambitions has become even more pivotal in the past year. Not only are we undergoing our transition to a more dynamic Distribution System Operator, but we have also seen the UK connections queue become a key topic of interest within the media and on the political agenda. SP Energy Networks have continued to deliver connections services in their thousands over the first year of our RIIO-ED2 price control, whilst simultaneously supporting crucial reform work with the wider industry to ensure the demand for connections to both the UK distribution and transmission networks are moving at the fastest possible pace. We understand our Major Connections customers seek to rapidly decarbonise industry, transport, and heat systems, and we are dedicated to supporting our customers to facilitate the most optimal solution quickly for their projects.

As the only DNO that manages licence areas in Scotland, England and Wales, we are acutely aware of the challenges and opportunities this electrified future will bring for our communities across both our licence areas, SP Distribution and SP Manweb. We have seen this in the ever-increasing demand for large scale distributed generation projects. We continue to work with our colleagues and counterparts SP Transmission to ensure our plans throughout the group are ready to facilitate the ambitions of customers seeking to connect in Scotland. In England and Wales, we are working closely with the Electricity System Operator to assist in the ongoing reform and planning work they are undertaking, so we can continue to unlock projects for our customers proactively over the coming years.

Sticking with renewable generation, our Major Connections customer base over the last year has been dominated by solar developments at low voltage. This is a rapidly increasing customer base within both of our licence areas, as domestic customers seek to connect larger solar installations which require a network assessment. We have employed 'fast track' processes in line with wider industry to service these customers as fast as possible. Given this type of work has increased by over five times in as many years, we are working hard to further refine and standardise our processes to ensure this customer journey is as smooth as possible.

Throughout the course of this document, we will share a summary of the feedback we have received this year throughout the Major Connections Customer Satisfaction Survey. This feedback from our customers has been invaluable in ensuring we continue to evolve our customer facing operation in line with expectations. Also, we will update you on our performance relating to the timeliness of our services, both to issue quotations as well as the time it takes to construct projects. Lastly, we are delighted to provide you with the status of delivery of our ED2 Major Connections Strategy which was founded upon digitalisation of our services to unlock key benefits for our customers.

At SP Energy Networks we pride ourselves on being an innovative, customer facing business, and our customers are truly at the heart of our decision making. Over the next year we will continue to act upon the feedback we receive to ensure our business remains at the forefront of the Net Zero connections revolution.



Nicola Connelly
CEO, SP Energy Networks





Our Year in Summary

SPD Performance

8.41

Average SPD Performance

22

DG projects (>1MW) connected in the first year of ED2, adding 500MW of Generation to the SP Distribution network

1250

Hours invested in customer service orientated staff training

645

Hours invested in bringing in new customer service systems

£72m

In SPEN Network Investment quoted to facilitate Major Connections Projects

4393

Connection Offers Issued (3205 quotes issued and 1188 fast tracked generation offers)

SPM Performance

8.43

Average SPM Performance

10K

Customer Interactions

1240

Hours invested in customer service orientated staff training

460

Hours invested in bringing in new customer service systems

£54m

In SPEN Network Investment quoted to facilitate Major Connections Projects

4360

Connection Offers Issued (2900 quotes sent, 1460 fast tracked generation offers)

Our Performance in the Major Connections Customer Satisfaction Survey

The table breaks down the Major Connections Customer Satisfaction Survey overall performance for both SP Distribution and SP Manweb last year.

The table is split by the Relevant Market Segment and whether this Market Segment features as part of the reputational or financial assessment of the incentive.

Overall SP Distribution finished the year in 11th place of all 14 DNOs with SP Manweb in 10th position for the overall satisfaction score.

In both licence areas, the first 6 months of the incentive reflected a period where we achieved stability within our Design and Development Team and embarked on recruitment and training of staff. Following this, plus with improvements made throughout the year based on real customer feedback, we saw a sustained improvement to the scores from October to the end of the regulatory year. We will detail the ongoing improvements made throughout the year in the next section of the document which highlights the key points of feedback and how we improved these. For our current Y2 performance we continually target and achieve scores above 9 and we believe this incentive has had a positive impact on customer experience.

	Financial Incentive		Reputational Incentive		Total Surveys (No.)	Total Overall Satisfaction
	Surveys (No.)	Satisfaction	Surveys (No.)	Satisfaction		
SP Distribution	63	9.19	444	8.30	507	8.41
Connections quotation	43	9.05	422	8.25	465	8.33
Distributed Generation HV and above			38	8.26	38	8.26
Distributed Generation LV			130	8.48	130	8.48
Metered Demand HV			135	8.08	135	8.08
Metered Demand HV & EHV	2	8.50			2	8.50
Metered Demand LV			119	8.20	119	8.20
Unmetered Other	41	9.07			41	9.07
Connections completed	20	9.50	22	9.09	42	9.29
Distributed Generation LV			3	10.00	3	10.00
Metered Demand HV			2	6.50	2	6.50
Metered Demand LV			17	9.24	17	9.24
Unmetered Other	20	9.50			20	9.50
SP Manweb	418	8.43			418	8.43
Connections quotation	404	8.44			404	8.44
132kV	1	9.00			1	9.00
Distributed Generation HV and above			18	8.06	18	8.06
Distributed Generation LV			107	8.49	107	8.49
Metered Demand HV			175	8.54	175	8.54
Metered Demand LV			99	8.25	99	8.25
Unmetered Other	4	9.25			4	9.25
Connections completed	14	8.00			14	8.00
Metered Demand HV	3	7.00			3	7.00
Metered Demand LV	10	8.20			10	8.20
Unmetered Other	1	9.00			1	9.00



Survey Results by Contestable and Non-Contestable Only Services

In terms of the breakdown of the survey by quotation and complete where we provide both contestable and non-contestable services vs. non-contestable only services are split below.

As part of the survey our customers have a right to remain anonymous. Where customers opt for this, we are therefore unable to determine whether these customers received a full contestable and non-contestable service, or just the latter. For this reason these are reported separately within the below table.

	Contestable and Non-Contestable Services				Total Surveys (No.)	Overall Satisfaction
	FI Surveys (No.)	Satisfaction	RI Surveys (No.)	Satisfaction		
SP Distribution	46	9.37	272	8.49	318	8.62
Connections quotation	31	9.32	258	8.44	289	8.54
Distributed Generation HV and above			25	8.36	25	8.36
Distributed Generation LV			81	8.70	81	8.70
Metered Demand HV			75	8.21	75	8.21
Metered Demand HV & EHV	1	10.00			1	10.00
Metered Demand LV			77	8.42	77	8.42
Unmetered Other	30	9.30			30	9.30
Connections completed	15	9.47	14	9.43	29	9.45
Distributed Generation LV			1	10.00	1	10.00
Metered Demand HV			1	9.00	1	9.00
Metered Demand LV			12	9.42	12	9.42
Unmetered Other	15	9.47			15	9.47
SP Manweb	279	8.59			279	8.59
Connections quotation	268	8.61			268	8.61
132kV	1	9.00			1	9.00
Distributed Generation HV and above	11	8.55			11	8.55
Distributed Generation LV	71	8.45			71	8.45
Metered Demand HV	121	8.64			121	8.64
Metered Demand LV	62	8.71			62	8.71
Unmetered Other	2	9.50			2	9.50
Connections completed	11	8.18			11	8.18
Metered Demand HV	2	7.00			2	7.00
Metered Demand LV	8	8.38			8	8.38
Unmetered Other	1	9.00			1	9.00



	Non-Contestable Services Only				Total Surveys (No.)	Overall Satisfaction
	FI Surveys (No.)	Satisfaction	RI Surveys (No.)	Satisfaction		
SP Distribution			17	9.53	17	9.53
Connections quotation			15	9.47	15	9.47
Distributed Generation HV and above			1	10.00	1	10.00
Distributed Generation LV			4	9.75	4	9.75
Metered Demand HV			9	9.22	9	9.22
Metered Demand HV & EHV						
Metered Demand LV			1	10.00	1	10.00
Unmetered Other						
Connections completed			2	10.00	2	10.00
Distributed Generation LV			2	10.00	2	10.00
Metered Demand HV						
Metered Demand LV						
Unmetered Other						
SP Manweb	13	8.38			13	8.38
Connections quotation	13	8.38			13	8.38
132kV						
Distributed Generation HV and above	1	7.00			1	7.00
Distributed Generation LV	9	8.22			9	8.22
Metered Demand HV	3	9.33			3	9.33
Unmetered Other	2	9.50			2	9.50
Connections completed	11	8.18			11	8.18
Metered Demand HV	2	7.00			2	7.00
Metered Demand LV	8	8.38			8	8.38
Unmetered Other	1	9.00			1	9.00



	Anonymous				Total Surveys (No.)	Overall Satisfaction
	FI Surveys (No.)	Satisfaction	RI Surveys (No.)	Satisfaction		
SP Distribution	17	8.71	155	7.81	172	7.90
Connections quotation	12	8.33	149	7.81	161	7.84
Distributed Generation HV and above			12	7.92	12	7.92
Distributed Generation LV			45	7.96	45	7.96
Metered Demand HV			51	7.69	51	7.69
Metered Demand HV & EHV	1	7.00			1	7.00
Metered Demand LV			41	7.76	41	7.76
Unmetered Other	11	8.45			11	8.45
Connections completed	5	9.60	6	8.00	11	8.73
Distributed Generation LV						
Metered Demand HV			1	4.00	1	4.00
Metered Demand LV			5	8.80	5	8.80
Unmetered Other	5	9.60			5	9.60
SP Manweb	126	8.06			126	8.06
Connections quotation	123	8.07			123	8.07
132kV						
Distributed Generation HV and above	6	7.33			6	7.33
Distributed Generation LV	36	8.56			36	8.56
Metered Demand HV	45	8.31			45	8.31
Metered Demand LV	34	7.32			34	7.32
Unmetered Other	2	9.00			2	9.00
Connections completed	3	7.33			3	7.33
Metered Demand HV	1	7.00			1	7.00
Metered Demand LV	2	7.50			2	7.50
Unmetered Other						



	Total Overall Satisfaction	
SP Distribution	507	8.41
Connections quotation	465	8.33
Distributed Generation HV and above	38	8.26
Distributed Generation LV	130	8.48
Metered Demand HV	135	8.08
Metered Demand HV & EHV	2	8.50
Metered Demand LV	119	8.20
Unmetered Other	41	9.07
Connections completed	42	9.29
Distributed Generation LV	3	10.00
Metered Demand HV	2	6.50
Metered Demand LV	17	9.24
Unmetered Other	20	9.50
SP Manweb	418	8.43
Connections quotation	404	8.44
132kV	1	9.00
Distributed Generation HV and above	18	8.06
Distributed Generation LV	107	8.49
Metered Demand HV	175	8.54
Metered Demand LV	99	8.25
Unmetered Other	4	9.25
Connections completed	14	8.00
Metered Demand HV	3	7.00
Metered Demand LV	10	8.20
Unmetered Other	1	9.00

Our 2024 Initiatives Based on Our Customers Feedback

Our key areas of feedback from the Major Connections Customer Satisfaction Survey this year have been around:

- Improving timescales
- The value of proactive telephone contact
- The importance of regular communication with a single point of contact
- Ensuring standard levels of service for repeat customers



Creating our Design & Development Team –

In order to prepare ourselves for the ED2 price control we created a new internal team within both of our licence areas. The Design and Development Team brought together regional Connections Design and Investment Planning teams into a single structure with one senior leader per licence. This team has ultimate responsibility for the quality of our quotation service and ensuring projects are set up correctly to ensure smooth delivery. Also by having our investment team within the same structure we are able to optimise locations for network investment along with connections activity where this can be justified. By having all designers within one team we are able to standardise our customer service offering and experience tailored to the portfolio of customer projects we have within each licence.



Investment in new Customer Relationship Management internal software – Now with improved call functionality and project tracking to ensure our internal customer journey mapping is as efficient as possible. This is key for projects with long or complex life cycles which is commonplace within the Major Connections portfolio.



Communication Channel Optimising – A new four contact touch point regime was implemented and made mandatory on each project. This meant that our customers are spoken to at various stages along the lifecycle of the project and are provided with high quality engagement content. This creates an effective customer journey mapping process where we build meaningful connections with our customers, anticipating their needs and delivering a personalised experience that will leave a lasting impression. Confirmation emails are also delivered as an additional touch point after each verbal communication to bolster the level of service. This has led to increased customer satisfaction.



Touch Point Tracking – Data analysed on a weekly basis to ensure high level standards are maintained and process governance is adhered to.



Customer Relationship Manager – Appointed in 2023 to build and maintain strong relationships with our customers.



Weekly Customer Service Call – Licence wide call to highlight key accomplishments & celebrate success, to address challenges, share best practice and outline upcoming priorities.



Customer Service Workshops – Creating an innovative environment where regular structured interactive sessions take place and foster active team involvement in our processes.



Customer Service Training – We understand that training is essential for ensuring that our teams have the right skills and knowledge to provide excellent service to customers. We have covered various aspects such as communication skills, problem-solving techniques, and understanding customer needs. Our training programs help our team feel more confident and capable in their roles.

1. Communication Skills – enhancing how we communicate effectively, including active listening, empathy, and clear verbal and written communication.

2. Product Knowledge – Our teams have a deep understanding of the connection solution they're offering.

3. Problem Solving Techniques – Develop skills on how to handle customer feedback and any complaints, focusing on finding solutions that satisfy the customer.

4. Feedback & Coaching – Provide regular feedback and coaching sessions to help employees identify areas for improvement and refine their customer service skills.

5. Continuous Learning – Encourage ongoing learning and development through, online courses, and other resources to keep evolving the customer service skills in our teams.



One to One Support – We have provided individualised assistance and guidance. Mentoring and coaching individuals as and when required.



Customer Service Stand downs – When necessary, regular work activities are paused to focus on a key customer topic or to conduct customer service-related training activities. The purpose of these sessions is to realign focus and to ensure that we have a customer-centric culture.



Customer Feedback – Requesting customer feedback is essential in understanding our customers' needs and improving our quality of service. We request feedback from our customers on a weekly basis to understand their needs, preferences, and pain points, and we use this information to improve solutions, services, and processes.



Measuring Customer Satisfaction – We have implemented new processes to measure customer satisfaction and use these metrics to track performance and identify key areas for improvement. This means we can regularly review our practices to ensure they remain effective and meet evolving customer expectations.



Data Driven Decision Making – We continually analyse data using statistical methods and other analytical techniques to uncover patterns, trends, and correlations. We use these insights gained from data analysis to make informed decisions. This can at times result in choosing different strategies, reallocating resources, or adjusting our approach based on the different customer types we have. We then monitor the outcomes of any such decisions and track key performance indicators (KPI's) to assess their effectiveness, which allows us to iterate and refine strategies based on real-time feedback.



Stakeholder Engagement – We have invested time and resources in building relationships with stakeholders. This is done using a variety of communication channels and we have set up frequent meetings in order to communicate openly and transparently about business activities, decisions, and performances. This includes quarterly interface meetings with our Independent Connection Provider customers and IDNOs. We actively encourage stakeholder participation in the form of advisory boards, focus groups or feedback mechanisms on our level of service. It's important to us that we involve our stakeholders in decision making processes that might affect them. Seeking their input, listening to their perspectives, and collaborating on finding solutions that meet all parties. We also ensure representatives from our Design & Development Teams are represented at several industry engagements as well as our own events such as our DSO Conferences.

Key Focus Areas for Next Year

In addition to the improvements we have been making throughout the last year, we will continue to focus on the following key areas in 2024 and 2025:



✓ **Maintaining Consistency** – Ensure continued focus and consistency in our approach is maintained and is well monitored. We understand that this is essential for achieving and sustaining positive repeat interactions with customers.

£ **Cost Improvements** – We will continue to work closely with our internal Commercial and Procurement teams to find ways to increase efficiencies without sacrificing on quality. This will include reviews with our suppliers and benchmarking best practices within our industry.

⌚ **Time scales** – Based on customer feedback we aim to improve project timescales with a combination of strategies:

1. *Set clear objectives and milestones that provides a clear roadmap for projects and continually track the progress. Create detailed project plans by developing comprehensive dependencies, timelines, and resource allocation.*
2. *Identify critical project path – the sequential tasks that determine the project's overall duration.*
3. *Ensure that resources are allocated wisely.*
4. *Communicate effectively and foster clear and open communication among team members and stakeholders. Regularly communicate project status, updates, and issues to our customers to keep them informed and aligned. Identify any potential risks and develop mitigation plans to address them before they impact the project schedule whilst monitoring throughout the lifecycle of the project.*
5. *Use our new internal Customer Relationship Management Systems to track project progress, identify any delays and take corrective action as needed.*
6. *Encourage collaboration among team members. Learn from past projects to identify lessons learned and best practices and apply insights gained to improve future project planning and execution.*



Training & Development New Starts – We have been embarking on a huge recruitment drive in order for our business to deliver the Net Zero commitments of our local communities. We understand that training and development for any new start is crucial for their successful integration into the business and their ability to perform their roles effectively. We have spent this year developing onboarding materials suitable for job roles within Major Connections so that we can deliver a comprehensive training and development program for any new employee. This will include knowledge of policies & procedures of the technical aspects of the role in addition to Customer Service coaching. Opportunities to gain hands-on experiences through practical assignments, projects, or simulations. In both licence areas the Customer Relations Managers provide regular feedback and coaching to help them understand their areas of strength and areas of improvement. Assess progress and competencies regularly to ensure that they are meeting performance expectations.



External Training – This year we have further delivered and scoped investment in external training programs, workshops, and courses that our teams will undertake outside of the business to further develop and advance their skills and knowledge. This will also better equip our teams to adapt to changing market conditions and drive innovation.



Asses Previous Years Performance – We will look to use further data analytics to assess our previous performance and align this data with our current trends in project type to ensure our improvements are targeted in the right areas. We will assess metrics such as productivity, efficiencies, measure customer satisfaction through surveys, and direct feedback. Ensure that actions and decisions taken throughout the year support our long-term vision for providing excellent service within Major Connections.



Continually Evolve in Our Customer Service Journey – Continue our customer feedback journey to attain greater insights into customer needs and identify key areas for improvement. Understanding individual preferences and needs. Use customer data to tailor interactions.

Provide omni-channel support via phone, email, chat, web site, social media and in-person interactions. Ensure consistency and continuity across all touchpoints to deliver a cohesive customer experience. Proactive approach to anticipate customer needs and address issues before they arise. Empower teams to make decisions and resolve customer issues independently. Provide guidelines, training, and authority levels to enable employees to take ownership of customer interactions. Regularly reviewing processes and feedback and be fluid in implementing changes based on customer insights.



Close Down Call Process – We intend to proactively call every customer once a project has been completed. The purpose of this is to gather feedback on experience and ask the customer for input into any improvements within our service. Utilise feedback to identify areas of service improvement and customer service processes. All information gathered can be valuable for future reference and analysis. Trend this information in order to make targeted intervention in our operational procedures.



Web Site Review – Our website will undergo a review in 2024 to ensure our GettingConnected pages and online application form are simple and tailored for our varying types of Major Connections customers. This will also include ensuring requests for data can be made simply and easily.



Continue to Encourage Development in Markets and Types of Connection – this year we have seen a huge increase in requests for EV charging hubs and standalone connection requests for multiple, high capacity EV chargers. We have seen many of these connections requests asking ourselves to complete non-contestable services only. These types of connections broaden the scope of the types of commercial connections completed and represent a new load requirement, we now account for within our planning processes. We are continually reflecting the learnings from the operation of these sites into our planning assumptions and exploring fast track processes when it comes to achieving land consents for these types of sites, given they are often a lot quicker to construct.

Reporting on Timeliness of Major Connections

This year is the first year we have reported on our performance with respect to Time to Quote and Time to Connect within the Major Connections market segments.

Our performance is set out below and will now become a regular part of our business reporting suite to ensure improvements to this or key factors are being exploited to ensure the timeliness of our service.

In next years report we will include year on year analysis and the steps taken in the year to act upon the performance we are reporting from this first year.



Time to Quote

The tables below show the average number of days it takes for us to quote in each of the relevant market segments. This is shown as SLC15A for quotations where the contestable works are included and SLC15 for quotes for the non-contestable elements

only. The difference between these two classifications and the associated timescales for each come directly from our Standard Licence Conditions (SLC) as a licenced and regulated distribution operator.

The tables are split by whether the relevant market segment is subject to the reputational or financial element of the Major Connections Incentive.

SPD, FINANCIAL (contestable and non-contestable - slc15 and slc15a)				
MCTTQ		SLC Timescale	2023/24	Difference
Metered Demand HV and EHV	SLC15A	65	90	+25
	SLC15	50	63	+13
Metered Demand EHV and above	SLC15A	65	63	-2
	SLC15	50	47	-3
Unmetered Other	SLC15A		13	
	SLC15			
Unmetered Local Authority	SLC15A			
Unmetered Local Authority	SLC15A		9	
Unmetered PFI	SLC15A			

SPD, REPUTATIONAL (non-contestable slc15)				
MCTTQ		SLC Timescale	2023/24	Difference
Metered Demand LV	SLC15	15	10	-5
Metered Demand HV	SLC15	20	16	-4
Distributed Generation LV	SLC15	30	20	-10
Distributed Generation HV and EHV	SLC15	50	37	-13

SPM, FINANCIAL (contestable and non-contestable - slc15 and slc15a)				
MCTTQ		SLC Timescale	SLC Actual Days 2023/24	Difference
Metered Demand LV	SLC15A	25	18	-7
	SLC15	15	9	-6
Metered Demand HV	SLC15A	35	24	-11
	SLC15	20	13	-7
Metered Demand HV and EHV	SLC15A	65	64	-1
	SLC15	50	22	-28
Metered Demand EHV and above	SLC15A	65	52	-13
	SLC15	50	38	-12
Distributed Generation LV	SLC15A	45	22	-23
	SLC15	30	n/a	
Distributed Generation HV and EHV	SLC15A	65	47	-18
	SLC15	50	35	-15
Unmetered Other	SLC15A	25	10	-15
	SLC15		n/a	

SPM, REPUTATIONAL (non-contestable slc15)				
MCTTQ			2023/24	
Unmetered Local Authority	SLC15		14	
Unmetered PFI	SLC15		n/a	





Time to Connect

The tables below show the average number of days it takes from acceptance of the quotation to eventual connection in each of the relevant market segments. This is shown as SLC15A for schemes where we deliver both contestable and non-contestable

works and SLC15 for schemes where we deliver the non-contestable elements only.

The tables are split by whether the relevant market segment is subject to

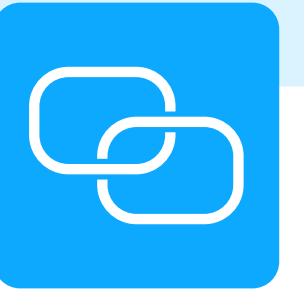
the reputational or financial element of the Major Connections Incentive. It is important to note this full duration is inclusive of all elements of the delivery of the scheme including any planning consents for all works.

SPD, FINANCIAL (contestable and non contestable - slc15 and slc15a)		
MCTTC		2023/24
Metered Demand HV & EHV	SLC15A	
	SLC15	
Metered Demand EHV and above	SLC15A	889
	SLC15	
Unmetered Other	SLC15A	24
	SLC15	
Unmetered Local Authority	SLC15	
	SLC15A	42
Unmetered PFI	SLC15	
	SLC15A	

SPD, REPUTATIONAL (non contestable slc15)		
MCTTC		2023/24
Metered Demand LV	SLC15	178
Metered Demand HV	SLC15	316
Distributed Generation LV	SLC15	261
Distributed Generation HV and EHV	SLC15	370


SPM, FINANCIAL (contestable and non contestable - slc15 and slc15a)		
MCTTC		2023/24
Metered Demand LV	SLC15A	124
	SLC15	227
Metered Demand LV	SLC15A	201
	SLC15	353
Metered Demand HV and EHV	SLC15A	885
	SLC15	416
Metered Demand EHV and above	SLC15A	2372
	SLC15	343
Distributed Generation LV	SLC15A	83
	SLC15	n/a
Distributed Generation HV and EHV	SLC15A	134
	SLC15	322
Unmetered Other	SLC15A	66
	SLC15	n/a


SPM, REPUTATIONAL (non-contestable slc15)		
MCTTC		2023/24
Unmetered Local Authority	SLC15	n/a
Unmetered PFI	SLC15	n/a




Progress on Completion of the Major Connections Strategy

This year has saw us embark on delivery of the Connections Strategy we set out within our ED2 Plan. This strategy was focussed around Ofgem’s baseline expectations, within the Major Connections arena.

 Support connection stakeholders prior to application by providing accurate, comprehensive and user-friendly information.

 Deliver value for customers by ensuring simplicity and transparency through applications process.

 Facilitate the delivery of timely and efficient connections that meet customers’ needs.



Our ED2 Commitments

In ED2 we made 5 commitments relating to Connections detailed below with our progress this year detailed. These commitments relate to Developing a network that’s ready for Net Zero and the priority of providing timely and efficient connections.

Our Commitment
We will nominate a point of contact to all customers requesting 30 or more quotations per year or have a single project exceeding £1m in value, using dedicated account management to foster better relationships with repeat customers, by 2025.

Progress in Y1 of ED2
We now have a team of 4 Customer Relationship Managers working across our two license areas to provide key account management.

1

Our Commitment
We will offer 80% of HV and EHV customers the choice of a firm and a flexible connection where a known constraint exists to achieve more coordinated network planning by 2025.

Progress in Y1 of ED2
Considerable work is underway within our network planning team to enable future operation of Constraint Management Zones and further flexible products. This also interacts with our DSO strategy for which we recognise the important impact.

2

Our Commitment
We will quote within 70% of guaranteed standard timescales for Major Connections customers using our improved digital solutions. By 2028, 100% of customers to receive a budget offer at the point of enquiry.

Progress in Y1 of ED2
Our time to quote performance shows in Section 2 that for LV Generation, UMS and for a large proportion of our non-contestable only services, we are quoting within the target commitment. This is positive for our customers as we are also focusing on quality quotations, with enhanced communications with customers throughout the process to discuss options. For HV Generation and all EHV projects due the complexity of the network including any transmission boundary analysis we currently are working within Guaranteed Standard but not within our 70% target. We will continue with the initiatives set out in Section 3 to further improve this next year.

Also, since April 2023, we have also been applying the Access Significant Code Review changes and holistically network planning in order for our customers to benefit from network reinforcement. This has increased the amount of reinforcement quoted this year by 75% vs. the previous year in our SP Manweb Licence Area alone. Significant Code Review has benefitted customers at all voltage levels and can sometimes take longer to analyse the network however is a positive step in network resilience.

3

Our Commitment
We will make increasing amounts of connections related network information available in near real time, including capacity and constraint analysis. This will use increased digital data sets by 2025.

Progress in Y1 of ED2
We know a high number of our customers would like the opportunity to optioneer prior to applying for a quotation. In order to do this, tailored and readily available data is key. We recently implemented our Open Data Portal, which can be freely accessed by all customers and stakeholders from our website. The Open Data Portal is our centralised repository for data that we will be sharing openly, allowing users to easily search our open data catalogue. Our internal digital team are currently exploring opportunities to open these digital data sets further within the next year and explore further self-service of data options for our customers.

4

Our Commitment
We will improve connections delivery timescales by 2% year on year from the start of ED2.

Progress in Y1 of ED2
Now that we have Y1 results for our Major Connections time to connect we will seek to improve these timescales year on year in line with the target.

5



Progress against Ofgem's Baseline Expectations

Principle	Ref	Baseline Expectation	Our initiatives to meet and exceed BE	Progress in Y1 of ED2
Support connection stakeholders prior to application by providing accurate, comprehensive and user-friendly information	1	Provide access to up to date and relevant information to enable a connection stakeholder to decide whether, and where, to connect to the distribution network. This should include graphical network records that show the location, size and type of assets.	Transparency Upfront Provide clear, revealing information tailored to individual needs, on-line. This will include; a fully interactive website, online chat functions, real-time query analysis, sharing and use of open data to support future stakeholders.	In 2023, we continually refined and updated our data sets in response to trends identified through our reporting. This includes working with our customers to refine existing datasets. In April 2023, we uploaded our GIS Shapefiles onto our Open Data Portal under a shared data licence, in direct response to high customer demand.
	2	Communicate a clear connections process for all customers. This should include providing clarity of DNO, customer and third-party responsibilities. This should also include providing clarity on how issues that arise can be raised and resolved.		
	3	Provide clear explanations of the types of connection products available, the associated costs of each and the information that would need to be provided by the customer to make an application. Where appropriate, this should also include the provision of general information on the potential implications for a customer's connection offer if they change their own requirements, if other customers are seeking to connect in the same area or if they do not accept an offer within its validity period.	Process Rationalisation Make our process(es) clear and easily understood, from domestic EV charger to windfarm. Including ICP and IDNO offered work.	This year we implemented four contact touch points within our process we now offer proactive contact at the following stages: <ul style="list-style-type: none"> – Post application – When point of connection has been determined – Pre-Quote – Post-Quote These stages help us to give live updates on the progress of the project and the options available at each stage to our customers. This includes explaining the difference between the contestable and non-contestable works and how this differs in terms of the work to be delivered. We are making further enhancements to our quote letters in 2024 so the information on the connection product and solution offered is as clear as possible in all types of letters we provide.
	4	Provide support and help to customers through appropriate channels which should include, but not be limited to, connections surgeries.	Transparency Upfront Provide clear, revealing information tailored to individual needs, on-line. This will include; a fully interactive website, online chat functions, real-time query analysis, sharing and use of open data to support future stakeholders.	With the introduction of the new customer relationship management structure within the newly formed Design and Development Teams we now offer a route into our departments for scheme related advice and queries. We utilise existing relationships as well as assessing new entrants to our process to offer advice and support. Equally we offer contact details of all departments on our website so that queries can be easily allocated within our teams. This year we have seen a rise in the number of solar installers working within our area and supporting these customers through the ENA fast track process as well as providing specific advice on technologies has seen a huge increase this year, becoming around 40% of advice provided by our teams.



Principle	Ref	Baseline Expectation	Our initiatives to meet and exceed BE	Progress in Y1 of ED2
	5	Have robust processes in place to proactively engage with stakeholders. This should include how the DNO plans to both identify and address connections issues.	Supporting an Evolving & Competitive Market Continuous, agile and iterative stakeholder activities. This includes: continued engagement with existing customers; identification of new market participants and relevant support for these; use and sharing of open data, network information to support a competitive market.	On the back of the Major Connections Customer Satisfaction survey, in addition to the main 4 key touch points in our processes, this year we also completed close down calls with our customers and requested further feedback on the service which has been received and how this can be further improved. Any issues highlighted within either the survey comments or the quote or complete close down call are then fed into weekly governance sessions with our connections and customer service teams. Each feedback point becomes an action and a key focus. We trend and collate this feedback and make targeted training interventions where required. Equally, as part of our usual customer engagement we request customer feedback on each job and store this within our new customer relationship management system.
	6	Provide clearly signposted information on capacity available to enable points of connection to be identified.	Real-Time Information Make network information available in real-time, including capacity and constraint analysis	<p>In 2023, we continually refined and updated our data sets in response to trends identified through our reporting.</p> <p>In May 2023 we published underlying datasets to our Distributed Generation Heat Maps. Our heat maps have been available on our website for over 5 years and proven a successful resource for our Major Connections customers. An increased number of customers were seeking access to the datasets that underpin these maps. Since uploading, there has been more than 3,400 downloads and a positive reaction from stakeholders.</p> <p>As part of our wider DSO work this year we have worked to collect further data on Distributed Energy Resources to share more informed data with customers and stakeholders. This data we record and embed in our internal models is the same data we share with stakeholders via our Embedded Capacity Register (ECR) and our Long Term Development Statement (LTDS).</p>
	7	Provide guidance that explains to customers the criteria to allow an Unmetered connection to be made, ensuring compliance with the Unmetered Supply Regulations	Transparency Upfront Provide clear, revealing information tailored to individual needs, on-line. This will include; a fully interactive website, online chat functions, real-time query analysis, sharing and use of open data to support future stakeholders	We have tailored information on the timescales and guide prices for an unmetered connection on our website. Including information for non-contestable and contestable works.
	8	Provide support in the form of tailored pre-application communication to suit different stakeholder needs.		In SPD we have trialled the production of a fortnightly worksheet that advises what capacity is remaining at each GSP for generation and demand enquiries. This has supported the large DG stakeholders in identifying quickly capacity remaining on the network, which provides another channel to customers other than a pre-application call.



Principle	Ref	Baseline Expectation	Our initiatives to meet and exceed BE	Progress in Y1 of ED2
<p>Deliver value for customers by ensuring simplicity and transparency through the applications process</p>	9	Have clear and simple customer application process, which accounts for the particular needs of different groups of customers and which can be shaped by the parties involved. This should include providing options for how customers can apply for new connections and ensure these are clearly communicated.	<p>Immediate Assessment Provide customers with an immediate assessment of their connection request. This will include; Geographical look-up so network conditions in the area can be computationally assessed.</p>	An initial set of enhancements to our GettingConnected website were made last year with a new look and feel to the online web journeys. In Autumn 2024 a further release of new online application forms will be available improving the usability, advice and accessibility of the online forms. In addition we will be undertaking a full end to end review of our website, involving our customers in user groups and undertaking extensive customer experience testing in the development of our new web pages.
	10	Provide tailored communication plans to suit different customer needs, including the provision of specified points of contact during the application process. This should include the provision of various channels through which customers can access support or help.	<p>Trackable Progress Allow customers to track their connection from enquiry, through design, acceptance and delivery. To include: Enhanced customer portal which allows customers to view granular project progress at all stages of connection; in addition customers will be able to send messages, view their quotation and accept through this portal.</p>	We offer communication via phone and email or conventional written communication if required. Our customers specify a preference for this and in addition we also make provision available for site visits as well as in person meetings where these would benefit our projects. In our SPM licence area, we also have staff who converse in Welsh to ensure our Welsh speaking customers can receive communication within their native language.
	11	Provide customers with clear connection quotation cost breakdowns, listing out the cost components and any assumptions used in the formulation of a connections offer		Our quotation letters for both dual offer works as well as non-contestable only offers include appropriate cost breakdown tables and description of works. Now we also have formalised a pre-quote contact where we pre-empt the issue of a quotation with our customers to explain what the quote includes, the likely charges and the difference between non-contestable and contestable works. Once issued we then follow up with a post quote contact in order for the customer to ask any questions.
	12	Have processes in place to help customers identify how they could make changes to their connection requirements that would meet their needs and allow them to get connected more quickly or cheaply	<p>Immediate Assessment Provide customers with an immediate assessment of their connection request. This will include; Graphical look-up so network conditions in the area can be computationally assessed.</p>	<p>As part of the Energy Networks Association's (ENA) Strategic Connections Group, we have been working collaboratively with the Electricity System Operator (ESO), Transmission Owners (TOs) to accelerate distribution connections through the establishment of Technical Limits on the transmission and distribution boundary. This allows DNOs to manage the flows at the interface points between the agreed limits and provide customers with a flexible connection on a temporary basis, ahead of transmission reinforcement works being completed. We have agreed Technical Limits at 4 of our GSPs in the SPM network, with offers issued to eligible customers enabling accelerated connection timescales. The accelerated connections timescales are subject to our Constraint Management Zones (CMZ) rollout plan for establishing ANM which will enable us to be manage the generation connections within Technical Limits.</p> <p>We are currently working to further roll out Technical Limits at the remaining GSPs in our SPM network. We will be issuing an Expression of Interest (EOI) to the eligible customers for each of the Tranches during 2024.</p> <p>In SPD we have not introduced Technical Limits at this stage as we utilise the SP Transmission Load Management Schemes ("LMS"). These LMS enabled GSPs allow the full site capacity of the GSP to be utilised which accelerates customer connections. If the customer wishes to remain as a non-firm enduring connection, the LMS also enables a cheaper type of connection.</p>



Principle	Ref	Baseline Expectation	Our initiatives to meet and exceed BE	Progress in Y1 of ED2
	13	Specifically, in relation to flexible connection customers, provide clarity around conditions and circumstances of current and future curtailment associated with a connections.	Fast Flexibility Provide technical and commercial alternatives to customers. This includes; continually upskilling staff in areas of flexibility especially where this will save customers time or money; provide information to in from customers decision on adopting flexibility including our active network management platform.	This year we have developed a CMZ technical specification for tender, which sets out requirements for how they should operate to maximise the availability of our network. We have also worked to reprioritise our original ED2 programme based on updated major connections interest from our customers and transmission/distribution boundary limits. The implementation of T/D boundary limits will enable customers to connect via a CMZ who would otherwise be unable to connect due to constraints within the transmission network. We have now tendered for all CMZs we plan to deploy in RIIO-ED2. In terms of our current offering, where curtailed connections provided to customers the terms of this curtailment is set out within our quote letters.
	14	Provide guidance that explains to customers the criteria to allow a DG connection to be made to ensure compliance with relevant Engineering Recommendations (G98/G99)	Transparency Upfront Provide clear, revealing information tailored to individual needs, on-line. This will include a fully interactive website, online chat functions, real-time query analysis, sharing and use of open data to support future stakeholders.	In 2023, with the increase in distributed generation at low voltage, particularly the volume of customers now accessing the fast track process for these, we have worked to refine and standardise our guidance and communication for customers coming through this route. Any ad-hoc queries we get with respect to this are efficiently managed in line with how we manage repeat customers in this area too. We are working in 2024 to make more information with respect to G98/99 available on our website. For larger G99 customers, we continue to use our heat maps and provide access to increasing data sets. We provide extensive guidance to customers on how to complete the G99 application form.
	15	Have in place options for 'fast track' reconnections of critical infrastructure such as internet cabinets that have been damaged in road traffic accidents or similar.	Agile Delivery Improve the speed of delivery, this initiative includes: Connection queues managed holistically with promotion of customers who are ready earlier; For smaller and simpler works, calendars available upon payment to book in pre-vet and energisation date; Consideration of temporary solutions which could be delivered quicker e.g. phased uptake of capacity; Pre-vetting to take place within customer timescales or virtually.	We have been working with key infrastructure bodies this year (including EV chargers providers, highways, local authorities) to ensure key items of street furniture have timely and robust restoration plans.



Principle	Ref	Baseline Expectation	Our initiatives to meet and exceed BE	Progress in Y1 of ED2
Facilitate the delivery of timely and economical connections that meet customers' needs	16	Provide tailored communication plans to suit different customer needs, including the provision of specified points of contact during the delivery process. Ensure various channels are available for customers to access support or help.	Trackable Progress Allow customers to track their connection from enquiry, through design, acceptance and delivery. To include: Enhanced customer portal which allows customers to view granular project progress at all stages of connection; in addition customers will be able to send messages, view their quotation and accept through this portal.	We offer communication via phone and email or conventional written communication if required. Our customers specify a preference for this and in addition we also make provision available for site visits as well as in person meetings where these would benefit our projects. In our SPM licence area, we also have staff who converse in Welsh to ensure our Welsh speaking customers can receive communication within their native language.
	17	Complete any cost reconciliation in a timely manner		Last year we began an internal project to increase the efficiency in our refunds and variation processes which is due to conclude this year and will allow our project managers to have a smooth and timely process associated with this. In addition, our online customer portal is due for relaunch in the Autumn and will allow customers to pay online for works in addition to over the phone methods for payment. We are working to further refine our portal and promote the use for increasing Major Connections customers in 2024.
	18	Where there are slow moving projects and where these may impact on other customers, have processes in place for releasing capacity that is not being used.	Fast Flexibility Provide technical and commercial alternatives to customers. This includes: continually upskilling staff in areas of flexibility especially where this will save customers time or money; provide information to inform customers decision on adopting flexibility including our active network management platform.	In 2023 we allocated specific resources to oversee adherence to the ENA queue management process and ensure slow moving or stalled projects are not having a detrimental impact on the queue. This has resulted in non-compliance letters sent to customers this year and we are now working actively across circa 200 projects to track the movement through the key queue management milestones such as consenting and planning processes to enable fast moving construction.



Principle	Ref	Baseline Expectation	Our initiatives to meet and exceed BE	Progress in Y1 of ED2
	19	Have processes in place for the promotion of certain types of customers (such as storage) in connection queue in circumstances where they will help others connect more quickly/cheaply.	<p>Agile Delivery Improve the speed of delivery, this initiative includes; Connection queues managed holistically with promotion of customers who are ready earlier; For smaller and simpler works, calendars available upon payment to book in pre-vet and energisation date; Consideration of temporary solutions which could be delivered quicker e.g. phased uptake of capacity; Pre-vetting to take place within customer timescales or virtually.</p>	<p>SP Energy Networks supported the ENA's Strategic Connections Group (SCG) by chairing the Battery Storage Connection (BSC) workgroup to review Electricity Storage connection arrangements.</p> <p>The BSC workgroup developed four Tactical Solutions. These get better use out of existing network capacity and help avoid triggering unnecessary reinforcement:</p> <ol style="list-style-type: none"> 1. Adopt common interpretation of 'firm' access rights for new storage to more closely align with generation (i.e. can be curtailed in n-1). (This avoids unnecessary network reinforcement.) 2. P2/8: develop common DNO diversity principles. 3. Include DFES growth in assessments to safeguard some capacity for societal decarbonisation. <p>These were successfully implemented into our process in September 2023.</p>
	20	Provide access to services that facilitate the delivery of timely and economical connections such as rent a jointer services.	<p>Supporting an Evolving & Competitive Market Continuous, agile and iterative stakeholder activities. This includes:</p> <p>continued engagement with existing customers; identification of new market participants and relevant support for these; use and sharing of open data, network information to support a competitive market.</p>	<p>This year we have continued to offer our quarterly customer interface meetings with several of our key repeat customers whilst also bringing in our Customer Relationship Managers which has meant we have been able to do targeted engagement and bilateral meetings with customers too to unblock issues as soon as we can.</p> <p>In terms of new markets, we have had connections staff support Community Energy engagement events in both our licence areas to inform community groups of the connections process and providing key pre-application support. Again, this proactive engagement ensures Community Energy projects are guided quickly through the DNO process.</p> <p>This year has also seen the introduction of new Strategic Optimiser roles who support Local Authorities with understanding the connections process and the optimal locations for EV charging so that locations can be chosen on the optimal sites which can be connected quickly and then phased in the future if need be.</p>

Summary and Next Year's Look Ahead



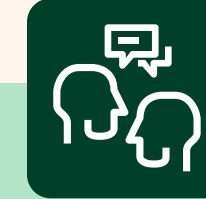
In the coming year, we will build on our existing initiatives to ensure exceptional customer satisfaction by delivering timely and cost effective services for our Major Connection Customers.

Our Process & Strategy



- Embrace new technologies to improve efficiencies in service delivery as outlined in our Major Connections Strategy, including the ongoing delivery and evolution of this.
- To lead the transition to smarter greener energy future by pioneering innovative solutions, enhancing grid resilience, and fostering strong community partnerships.
- Reducing carbon footprint by enabling our customers to adopt increasing renewable energies which is a huge proportion of the Major Connections portfolio.
- Data driven decision making to enhance and bolster exceptional customer service by continuing to gather analysis on weekly feedback from customers.

Our People



- Make our staff available to deliver exceptional customer service by actively listening to our customers, addressing their needs promptly and continually seeking innovative ways to enhance their experience. Our drive and commitment to excellence ensures that every interaction is personalised, impactful and meet our customer's needs. Fostering long-lasting relationships built on trust and satisfaction.
- Development of training programmes focused on upskilling and diversity, fostering a more inclusive and capable workforce. Increased training programmes ongoing over the next year for existing staff and new starts.
- Fostering partnerships with local communities and stakeholders. Both for existing markets, new markets and for community energy.

Our Business



- To ensure the safe, reliable, and efficient distribution of electricity to homes and businesses, while promoting sustainability, embracing innovation, and delivering exceptional customer service. Including utilising the appropriate regulatory mechanisms such as Ofgem's Access Significant Code Review to ensure coordinated and efficient development of our network.
- Prioritising the safety of our employees, customers, and communities in all our operations. Continuing to educate our Major Connections customers on the operation and safety of our network including providing training on core principles.
- Seeking and implementing new technologies and processes to improve efficiencies and service delivery. Including enhancing our land rights processes within the next year.
- Engaging with our communities to build strong relationships and contributing positively to their development. Whilst ensuring Major Connections is represented in all of our stakeholder engagement events given the breadth of the Major Connections portfolio.

