

Notes on Completion: Please refer to the appropriate NIA Governance Document to assist in the completion of this form. The full completed submission should not exceed 6 pages in total.

## NIA Project Registration and PEA Document

### Date of Submission

Mar 2020

### Project Reference Number

NIA\_WWU\_064

## Project Registration

### Project Title

Tools Of Engagement

### Project Reference Number

NIA\_WWU\_064

### Project Licensee(s)

Wales & West Utilities

### Project Start

March 2020

### Project Duration

1 year and 1 month

### Nominated Project Contact(s)

Oliver Lancaster

### Project Budget

£88,133.00

## Summary

This project will seek to create a set of tools and materials that will help local authorities better understand the energy system and the role they can play in helping to achieve net zero.

### Nominated Contact Email Address(es)

innovation@wwutilities.co.uk

## Problem Being Solved

Wales & West Utilities (WWU) is seeking to understand how both the gas network and Local Authorities (LA) will evolve and create local energy plans that meet a new decentralised and decarbonised energy system.

Barriers to making strategic energy decisions at a local level exist at a cost to the gas networks as well as increasing the time it takes for LAs to put their projects in motion. GDNs run a selection of outreach programmes with LAs including meetings, workshops/ events and printed and electronic material and this needs to be as impactful as possible.

Particular challenge areas to consider include:

- Developing clear objectives & outcomes for local energy plans
- Low levels of technical, commercial and implementation knowledge
- Long-term least regret strategic energy options across organisations
- Keeping plans relevant, understandable & timely even when role changes occur
- Producing simple distributed low carbon energy system that are cognizant of local policies and drivers.

## Method(s)

The project will develop a set of materials or resources that would aid in making LAs aware of the key milestones and decisions to be

made in transitioning to Net Zero.

These materials would help LAs:

improve knowledge on the role of different types of energy projects available and high level impacts  
understand the complexities in future strategic options better so that they can identify the linkages between local decisions and national energy infrastructure  
narrow down their immediate options for low carbon local energy systems in a time and cost-efficient manner  
consider how the pros and cons of different energy projects might compare with each other and how these may meet the LAs objectives (e.g. fuel poverty, CO2 reduction, etc)

The project will be a two-phased approach to improve the understanding and speed of LA energy projects, in the context of network planning for a Net Zero future. LAs will have central role to play in a localised energy future and so their role is a key enabler of the energy transition.

## Scope

The project will be completed in three-phases, the first two being shorter, information gathering and the third phase being the delivery and build of the tool

### Phase 1A: Understanding the needs of both LAs and WWU.

This stage would be to develop a clear picture of LAs needs and opportunities, the market opportunity for local energy projects in the role of the energy transition and the potential business opportunities for WWU and other GDNs. The reason for this is that any tool or material needs to consider the historic challenges of engagement between GDNs and LAs, and the likely future challenges, given need to decarbonise heat and legislating for Net Zero.

### Phase 1B: Developing specifications for the tool.

Building from the findings in Phase 1A, this section will develop the key content and output specifications for the tool and materials, to be delivered in Phase 2.

This phase will produce a minimum requirements specification and a high-level specification on the content (e.g. topics covered, wireframes of functionality), format (type of tool, likely to be hosted online) and dissemination plan.

### Phase 2: Producing new tools, material and engagement activities.

This phase is about taking an agreed high-level specification and costing of the key options at the end of Phase 1B and working this to delivery.

- Content creation - including layout, design and writing of materials, functionality review
- Development of Online tool
- Marketing plan to launch tools and materials with target groups. These could include focussed LA engagement activities such as workshops, training sessions, press release webinars, social media etc.

Output: A tested tool and materials that can be used by LAs to understand, plan and choose energy projects in the context of network planning

## Objective(s)

To create a set of innovative tools and materials that will help engagement between networks and LAs to benefit community planning for the energy system of the future and the role we both play in helping to achieve Net Zero

## Consumer Vulnerability Impact Assessment (RIIO-2 Projects Only)

n/a

## Success Criteria

Engagement with LAs to create a tool that can assist in making clear decisions relating to transitioning to Net Zero.

## Project Partners and External Funding

The project partners for this project are Delta-EE. The project is wholly funded by NIA.

## Potential for New Learning

Decisions by LAs regarding the transition to Net Zero can be a difficult and long process. The learning from this project will assist the LAs and help to achieve better engagement between the two sectors

## Scale of Project

This project will focus on five LAs to understand their challenges

## Technology Readiness at Start

TRL2 Invention and Research

## Technology Readiness at End

TRL7 Inactive Commissioning

## Geographical Area

The LAs will be situated within the WWU network

## Revenue Allowed for the RIIO Settlement

N/A

## Indicative Total NIA Project Expenditure

External Cost: £66,100

Internal Cost: £22,033

## Project Eligibility Assessment Part 1

There are slightly differing requirements for RIIO-1 and RIIO-2 NIA projects. This is noted in each case, with the requirement numbers listed for both where they differ (shown as RIIO-2 / RIIO-1).

### Requirement 1

Facilitate the energy system transition and/or benefit consumers in vulnerable situations (Please complete sections 3.1.1 and 3.1.2 for RIIO-2 projects only)

Please answer **at least one** of the following:

#### How the Project has the potential to facilitate the energy system transition:

n/a

#### How the Project has potential to benefit consumer in vulnerable situations:

n/a

### Requirement 2 / 2b

Has the potential to deliver net benefits to consumers

Project must have the potential to deliver a Solution that delivers a net benefit to consumers of the Gas Transporter and/or Electricity Transmission or Electricity Distribution licensee, as the context requires. This could include delivering a Solution at a lower cost than the most efficient Method currently in use on the GB Gas Transportation System, the Gas Transporter's and/or Electricity Transmission or Electricity Distribution licensee's network, or wider benefits, such as social or environmental.

#### Please provide an estimate of the saving if the Problem is solved (RIIO-1 projects only)

Network saving potential is difficult to determine; however, local decisions being made on a whole systems basis will support lowest cost investment across all energy assets and therefore lowest cost to customers.

#### Please provide a calculation of the expected benefits the Solution

There are too many variables to calculate financial benefits. The tool could be used and cost comparison made against a decision that may have been made under a previous process to ascertain a saving, but this would depend upon specific users, location and solutions being sought.

#### Please provide an estimate of how replicable the Method is across GB

All networks are working towards Net Zero, so the innovation could be rolled-out across Great Britain.

#### Please provide an outline of the costs of rolling out the Method across GB.

Costs for roll-out would be minimal.

### Requirement 3 / 1

Involve Research, Development or Demonstration

A RIIO-1 NIA Project must have the potential to have a Direct Impact on a Network Licensee's network or the operations of the System Operator and involve the Research, Development, or Demonstration of at least one of the following (please tick which applies):

- A specific piece of new (i.e. unproven in GB, or where a method has been trialled outside GB the Network Licensee must justify repeating it as part of a project) equipment (including control and communications system software).
- A specific novel arrangement or application of existing licensee equipment (including control and/or communications systems and/or software)
- A specific novel operational practice directly related to the operation of the Network Licensees system
- A specific novel commercial arrangement

RIIO-2 Projects

- A specific piece of new equipment (including monitoring, control and communications systems and software)
- A specific piece of new technology (including analysis and modelling systems or software), in relation to which the Method is unproven
- A new methodology (including the identification of specific new procedures or techniques used to identify, select, process, and analyse information)
- A specific novel arrangement or application of existing gas transportation, electricity transmission or electricity distribution equipment, technology or methodology
- A specific novel operational practice directly related to the operation of the GB Gas Transportation System, electricity transmission or electricity distribution
- A specific novel commercial arrangement

## Specific Requirements 4 / 2a

### Please explain how the learning that will be generated could be used by the relevant Network Licensees

The project will improve LA knowledge of the network and the role of different types of energy projects. Secondly, the methodology is adaptable, innovative and can be replicated. The findings and recommendations will provide learning on the test methods and the appetite for LA engagement will be tested.

### Or, please describe what specific challenge identified in the Network Licensee's innovation strategy that is being addressed by the project (RIIO-1 only)

n/a

- Has the Potential to Develop Learning That Can be Applied by all Relevant Network Licensees

### Is the default IPR position being applied?

- Yes

## Project Eligibility Assessment Part 2

### Not lead to unnecessary duplication

A Project must not lead to unnecessary duplication of any other Project, including but not limited to IFI, LCNF, NIA, NIC or SIF projects already registered, being carried out or completed.

### Please demonstrate below that no unnecessary duplication will occur as a result of the Project.

No projects of this nature have been registered on the Smarter Networks Portal.

### If applicable, justify why you are undertaking a Project similar to those being carried out by any other Network Licensees.

n/a

## Additional Governance And Document Upload

### Please identify why the project is innovative and has not been tried before

The network would not normally provide energy system decision making guidance to local authorities – this is a new area since Net Zero was legislated, with the LAs coming forward with their own decarbonisation targets and developing their own action plans – many of which without referencing whole system implications and cost to customers. This is becoming resource intensive and needs an efficient innovate solution to provide new learning to LAs to make informed decisions. This is not a work stream that would be attractive for speculative shareholder funding and is not known to exist or be in progress elsewhere.

### Relevant Foreground IPR

n/a

### Data Access Details

n/a

### Please identify why the Network Licensees will not fund the project as apart of it's business and usual

## activities

The success of this campaign is untested/not tried.

**Please identify why the project can only be undertaken with the support of the NIA, including reference to the specific risks(e.g. commercial, technical, operational or regulatory) associated with the project**

The outcome is not known and none of the solutions may be viable or useful and the project is not a WWU core business.

**This project has been approved by a senior member of staff**

Yes