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NIA Project Registration and PEA Document

Date of Submission

Sep 2021

Project Reference Number

NIA_WWU_2_04

Project Registration

Project Title

Tools of Engagement Phase 2

Project Reference Number

NIA_WWU_2_04

Project Licensee(s)

Wales & West Utilities

Project Start

September 2021

Project Duration

0 years and 11 months

Nominated Project Contact(s)

Neil Stovold

Project Budget

£59,740.00

Summary

A project to engage with a group of potential stakeholders to test the Energy Systems Toolkit, that was created in GD1, in real-life situations

Preceding Projects

NIA_WWU_064 - Tools Of Engagement

Third Party Collaborators

Delta-EE

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) or Local Energy Partnerships (LEP) will evolve and create local energy plans that meet a new 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 plan
- Varying 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 systems that are cognizant of local policies and drivers
- Identifying decarbonising solutions that consider whole system emissions, resilience and cost.

Method(s)

The project will enhance a toolkit that was created as part of a RIIO-1 project (Tools of Engagement – NIA_WWU_064) that increases the awareness of LAs in relation to the key milestones and decisions to be made in transitioning to Net Zero

It includes:

- Guidance, information and inspiration on net zero pathways, technologies and solutions, benefits of a whole systems approach and case studies (Powerpoint file)
- A simplified version of WWU's Energy Pathfinder tool (Excel based).

The toolkit was developed following consultation with six local authorities and one community group. This shaped the specification and design of the tool. An initial version of the toolkit was completed in autumn 2020 but requires further user-acceptance testing and amendments before being launched.

Measurement Quality Statement

The project is collecting limited quantitative data and so there is no requirement for testing and comparing data collected. Data will be traceable through well-referenced data sources within the published materials. Reliability of data and sources will be ensured through the QA processes outlined above.

Data Quality Statement

The project will use limited amounts of data:

- Data to be used within the toolkit contents e.g.
 - Quantitative data used to refine and/or add extra functionality to the Excel tool (if necessary).
 - Limited amount of quantitative data for the Powerpoint tool, such as costs or uptake of technologies.
 - Qualitative data and insights for the Powerpoint tool, based on Delta-EE's existing knowledge and insight or new desk-based research.
- Qualitative data from local authorities on their views of the toolkit, which will be used to inform development of the toolkit.

In terms of quality of this data:

- Data collected for use within the toolkit will be researched by an expert within Delta-EE who is well-placed to find relevant, accurate and sourced data. It will be checked by the Project Manager to ensure it is of high quality. Limited data will be sourced from Delta-EE's inhouse research services and will be referenced as such.
- Data from Local Authorities (LA's) will be collected via interviews. Discussion guides will be drawn up for these interviews and checked by the Project Director to ensure they will capture the necessary information.

All data collected for use within the toolkit will be published within the toolkit and therefore publicly available for future use. It will be fully referenced in order to ensure it is traceable. Data collected from LAs will be for internal project purposes only but will feed directly into the toolkit specification and development.

The project is rated low in the common assessment framework detailed in the ENIP document after assessing the total project value, the progression through the TRL levels, the number of project delivery partners and the medium level of data assumptions.

No additional peer review is required for this project.

Scope

This project will engage with stakeholders who are likely to use the toolkit and ask them to test its functionality in a live trial and to provide feedback to Delta-EE, who will make changes based on the feedback. This ensures that the toolkit is fit for purpose when it is launched at the end of the project.

The project will follow the below steps:

Testing and finalising the toolkit

The approach taken to testing the toolkit will be:

- To evaluate how easy the toolkit is to navigate, use and understand without one-to-one support from Delta-EE or WWU, as this is how the tool will be used on roll-out. The project will seek to collate questions and clarifications users have on the tool, things they found difficult to understand or use and suggested improvements.
 - To identify errors in the excel tool
 - To understand the usefulness and relevance of the content of the toolkit, and where further content may be useful for stakeholders' net zero planning.
- To understand how likely stakeholders are to use the tool and if not, barriers preventing them from doing so.

Deliverables

- A toolkit for use in future energy planning (Powerpoint based)
- The Energy Pathfinder Model (Excel based)
- A short report summarising additional feedback from stakeholders And any recommendations for further revisions

Launch and dissemination

Launch and disseminate the toolkit to the intended audience once it has been finalised.

- Social media launch
- Webinar

Contacting local authority associations / networks to support the above dissemination activities to ensure we reach the target audience

Objective(s)

To test, develop and finalise a toolkit to assist in the engagement between networks and LAs, in order 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)

This project has a low impact on consumers in vulnerable situations because the outputs are a report and a toolkit to assist stakeholders in future decision making, in relation to net zero planning.

Success Criteria

Engagement with LAs to trial the toolkit, document the feedback and produce material 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

Decision-making and policy development 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 seek to build on the engagement of both LA's and stakeholder groups from Phase one. The project will be desktop based and the physical testing of the toolkit will be organised virtually.

Technology Readiness at Start

TRL7 Inactive Commissioning

Technology Readiness at End

TRL8 Active Commissioning

Geographical Area

The LA's and stakeholders will be situated within the WWU network

Revenue Allowed for the RIIO Settlement

N/A

Indicative Total NIA Project Expenditure

External Cost: £44,805

Internal Cost: £14,935

Total Cost: £59,740

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:

The project will improve local authorities' knowledge of the energy networks and the impact of different types of energy projects and interventions, particularly in relation to the balance of supply and demand and whole system cost. Secondly, the methodology is adaptable, innovative and can be replicated.

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)

N/A

Please provide a calculation of the expected benefits the Solution

Decarbonisation of the network is vitally important for the future. This means that the methodology being used has potential to deliver solutions for a lowest cost pathway, with a particular focus on any impacts on long term consumer billing. In addition to this, early sight and planning of new projects onto gas networks means optimisation of costs and more efficient planning.

This project delivers environmental benefits to enable other sectors to plan to reach Net Zero carbon emissions. For every £1 invested in sharing our whole systems data and Pathfinder model, there is £40 of value delivered to consumers (Chapter 13, Our business plan 2021-2026).

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 trialed 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 local authorities' knowledge of the network and the role of different types of energy projects. Secondly, the methodology is adaptable, innovative and can be replicated.

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

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 work of this kind has been completed by other networks. WWU alerted all networks to phase two of the project and no objections were made.

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

Local authorities are declaring climate change emergencies and this presents a challenge, in that the energy network impacts and whole system costs may not be well understood by LA's. The materials will provide LA's with a better understanding of these issues and the role they can play as part of a net zero. The toolkit will enable them to make choices on the types of projects they can carry out.

Relevant Foreground IPR

Ofgem published its final determinations which included a variety of provisions to enable necessary development work on Net Zero projects. This project has the potential to facilitate the energy system transition and is eligible to use the NIA funding mechanism

Data Access Details

Data for this project and all other projects funded under the Network Innovation Allowance (NIA), Network Innovation Competition (NIC) or the new Strategic Innovation Fund (SIF) can be found or requested in a number of ways:

- A request for information via the Smarter Networks Portal at <https://smarter.energynetworks.org>, to contact select a project and click 'Contact Lead Network'. Wales & West Utilities already publishes much of the data arising from our innovation projects here so you may wish to check this website before making an application.
- Via our Innovation website at <https://www.wwestutilities.co.uk/about-us/our-responsibilities/innovation/>
- Via our managed mailbox innovation@wwutilities.co.uk

Details on the terms on which such data will be made available by Wales & West Utilities can be found in our publicly available "Data sharing policy relating to NIC/NIA projects" [here](#)

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

Ofgem published its final determinations which included a variety of provisions to enable necessary development work on Net Zero projects. This project has the potential to facilitate the energy system transition and is eligible to use the NIA funding mechanism.

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 project would only be undertaken with support from NIA funding, it is in the interests of gas customers, the regulator and the UK government and the realisation of any benefits are outside the control of the gas networks. There is no allowance in BAU business plans for this type of work.

This project has been approved by a senior member of staff

Yes