STAKEHOLDER ENGAGEMENT **REPORT**

2019

DOC-230320-FPS

ESB NETWORKS

CONTENTS

INTRODUCTION

Our Role

ESB Networks has a key role to play in enabling the transition to a low-carbon society in Ireland. Our network provides electricity to over 2.3 million customers in homes, businesses, farms and communities across the country, enabling electricity to be supplied in a safe and reliable manner, and supporting economic and social development.

We value the trust that has developed with our customers and stakeholders over many years. As the use of the network evolves, we understand the importance of keeping our customers at the centre of everything we do. Engagement is essential to maintain the alignment of interests between our stakeholders and the way we plan and run the ESB Networks business.

Powering the Change Together

Working collaboratively with all our customers and stakeholders, we can take positive actions together to address climate change as the key challenge of our generation. Working together, we will connect much more renewable generation to the network and enable the use of clean electricity to drive carbon out of transport and heating. We appreciate the importance of listening to our customers and stakeholders to hear their views, concerns and expectations so that we are better informed in our decision-making and management of the network.

Purpose of this Report

This purpose of this report, **"ESB Networks Report on Stakeholder Engagement in 2019"** is to describe and review our stakeholder engagement approach and activities during 2019. We have been actively developing our strategy and plans for effective stakeholder engagement in collaboration with all our stakeholders and are taking on board the suggestions and recommendations received through feedback on our previous stakeholder engagements. In 2019, we published for public consultation ESB Networks' **"Strategic Stakeholder Engagement Framework"**, which sets out our strategy to enable an open and ongoing dialogue with all our stakeholders. The framework identifies our stakeholders and the principles that guide our engagement, together with our proposed engagement methodology and our governance and control processes. The framework which is summarised in Section 1 of this report identifies the current focus areas for our stakeholder engagement, guided by both our strategy and the needs of our customers and stakeholders.

During 2019, we also published for consultation our "**Strategic Stakeholder Engagement Plan 2020"**, which sets out our proposed engagement activities for the remainder of the fourth price control period (referred to as PR4). This document is a live document, subject to revision based on business and stakeholder needs.

Our engagement strategy is linked to our business objectives, goals and challenges by identifying the specific areas of engagement which are important for our customers and our business alike. We are committed to continuously improving and adapting our modes of engagement based on the evolving needs of our stakeholders. Stakeholder engagement is seen as a vital activity at every level of our organisation and, as a strategic priority, is led by the Directors and the senior leadership team. We have appointed a senior manager with responsibility for stakeholder engagement who leads a dedicated team devoted to stakeholder engagement within our Strategy and Engagement group. This team works closely with Stakeholder Leads in each area of our business, ensuring that engagement forms a core element of our business processes, remains embedded in our business culture, and is seen as a key element of the way we work by each employee within the organisation.

We look forward to continuing to engage with our customers and stakeholders so that together we can deliver a brighter future for all.

Paddy Hayes

Managing Director
ESB Networks

01.

OUR STAKEHOLDER ENGAGEMENT STRATEGY

ESB Networks provides the electricity infrastructure that transports electricity to all customers in Ireland. Our assets cover the entire country and include 155,000 km of overhead lines, 23,500 km of underground cables and associated technical equipment to safely convey electricity to more than 2.3 million customers. Our strategy for continuing to build and manage the network which meets our customers' needs today and in the future is based on six key pillars:

Key Pillars

Climate Action

Decarbonising Electricity, Heat and Transport

Network Resilience

Secure, Reliable Electricity

People and Organisation

Deliver a high performance culture that supports innovation and collaboration

Financial Strength

Maintain financial strengh to enable continued network investment

Customer

Empowering and Supporting Customers and the Economy

Safety and Environment

Towards Enduring Safety and Environmental Commitments

BENEFITS OF EARLY ENGAGEMENT

We value the feedback we have received to date which is enabling us to continually refine our engagement approach for the benefit of our stakeholders. Strategic engagement has a range of benefits both for customers and stakeholders and for ESB Networks. Good engagement benefits our customers, stakeholders, the wider community and our business. When we engage with each other in a genuine two-way conversation, we can learn from each other, enabling us to make better decisions and work towards mutually beneficial outcomes. Ultimately, better engagement builds stronger relationships and gives us greater opportunities to achieve our business objectives. The earlier we engage with each other, the more likely these benefits will be realised.

For our customers and stakeholders, engagement provides opportunities to contribute to projects and programmes, have their issues heard and inform the decision-making process. It gives these groups better understanding of our priorities, increased ownership of outcomes and greater capacity to engage in how energy will be used in the future. For ESB Networks, engagement provides insights by understanding changing priorities, tapping into specialist or local knowledge and gives us the opportunity to 'road-test' proposals or initiatives with stakeholders. It helps us identify emerging issues and risks and is central to us meeting our statutory obligations and better meeting customer needs.

Benefits of Engagement

Benefits For Customers and Stakeholders

- Opportunity to communicate the issues that are important for customers and stakeholders
- Open, transparent reporting on our performance
- Understanding ESB Networks' priorities
- Early awareness of ESB Networks initiatives
- Greater ability to engage on future energy issues and plan ahead
- Opportunity to voice the changing needs of customers and stakeholders
- Access to people in ESB Networks who can resolve issues
- Understanding how ESB Networks engages with communities
- Greater confidence in ESB Networks' delivery

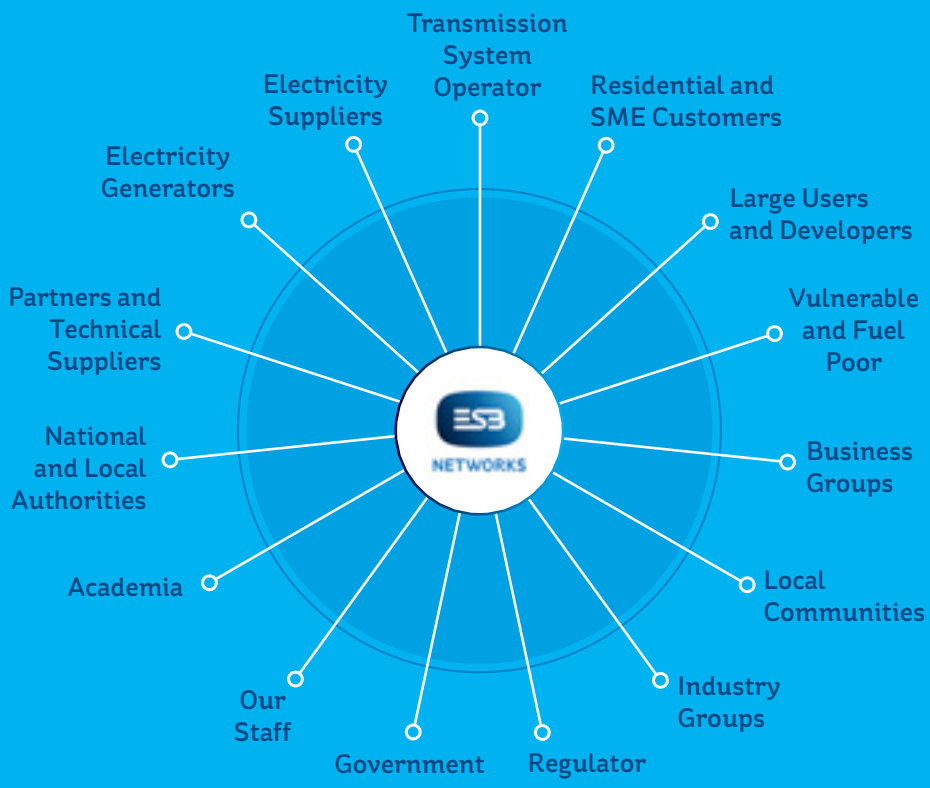
Benefits For ESB Networks

- Ensuring the focus of our activities reflects the needs of customers and stakeholders
- Feedback contributing to our efficiency and effectiveness
- Stronger and enduring relationships
- Improved and sustainable outcomes
- Sharing of information which can influence our operations and projects
- Early identification of issues/risks
- Ability to lead and influence policy and reforms in the sector
- Strengthening our engagement culture
- Better informed regulatory proposals

Our Stakeholders

Our stakeholders are the individuals, groups of individuals, communities or organisations that affect, or could be affected by, our activities, products or services and associated performance. Stakeholder engagement is the process whereby we actively engage with our customers and stakeholders with a clear purpose and to achieve agreed outcomes.

Given our central role in the electricity sector, providing an electricity connection to over 2.3 million customers and with interactions with a broad range of communities, organisations, representative bodies and industry groups, our engagement spans a wide range of customer types and stakeholders.



APPROACH AND METHODOLOGY

We recognise that the engagement approach needs to be tailored to the different needs of our stakeholder groups. Our principles and methodology of engagement are guided by the AA1000 stakeholder engagement standard[1], which is used by many leading organisations and network operators.

The following principles underpin all our activities when engaging with our customers and stakeholders.

Principles of Engagement

INCLUSIVITY	MATERIALITY	RESPONSIVENESS	IMPACT
Give people a say in the issues that impact them	Identify and be clear about the issues that matter	Act transparently on material issues	Engagement should positively impact customers, stakeholders and the business
We will engage widely with our customers and stakeholders	We will focus on the most relevant and significant issues that affect our customers, stakeholders and business	We will communicate and be transparent on the outcomes of the engagement process	We will monitor, measure and be accountable for the impact of our engagement actively

We use a structured and systematic approach to engaging with our customers and stakeholders. This involves a cycle of planning, action, reporting, review and improvement.

[1]*AA1000 Stakeholder Engagement Standard (2015) and AA1000 Stakeholder Engagement Principles (2018) available at: https://www.accountability.org/standards/*

Engagement Methodology

PLAN

Planning is essential for effective stakeholder engagement. During the planning phase, we identify the purpose of engagement; which stakeholders need to be engaged; the timeline for engagement; what level of engagement is most appropriate; and the resources that are required to achieve success.

ACT

This involves implementing the planned engagement activities. Briefing stakeholders in advance sets the context and improves the quality of engagement. Engagement is conducted according to agreed ground rules and outputs are documented. Following engagement, an action plan is developed that sets out how we will respond to the outputs of the engagement. Finally, we communicate the engagement outputs and action plan with stakeholders.

REPORT

Reporting on stakeholder concerns and comments is important for effective engagement. Through this process, stakeholder concerns are better understood and acted upon. Reporting can be done both formally through reports and informally through regular updates and meetings. We address the actions outlined in the action plan and inform stakeholders of the outcome.

REVIEW

We seek to continuously improve our stakeholder engagement processes and outcomes by evaluating what was successful and what could be improved. This can be determined through feedback from stakeholders and through other performance indicators.

IMPROVE

By reviewing the feedback from our customers and stakeholders, we can ensure that the lessons learned are incorporated into subsequent engagement plans.

Levels of Engagement

Different levels of stakeholder engagement are appropriate, depending on the purpose, materiality, desired outcome, timeframe, resources, and level of interest.

The level of engagement that is appropriate is considered during the planning phase. This involves an assessment of the materiality of the subject matter of engagement, both for our stakeholders and our business, and includes an evaluation of potential impact and risk. Issues of major significance involving high levels of investment, impact and risk will warrant greater levels of engagement. Where the issue has lower significance and less impact, the provision of information may be more appropriate. In each case, we will discuss our approach with our stakeholders.

	INFORM	INVOLVE	COLLABORATE
Characteristics	One-way engagement	Two-way engagement	Joint decision-making
Purpose	Provide information	Obtain feedback	Identify preferred solutions
Promise	Keep you informed	Listen and acknowledge	Incorporate recommendations
Tools	Documentation and media	Conferences, meetings and surveys	Workshops, seminars and surgeries

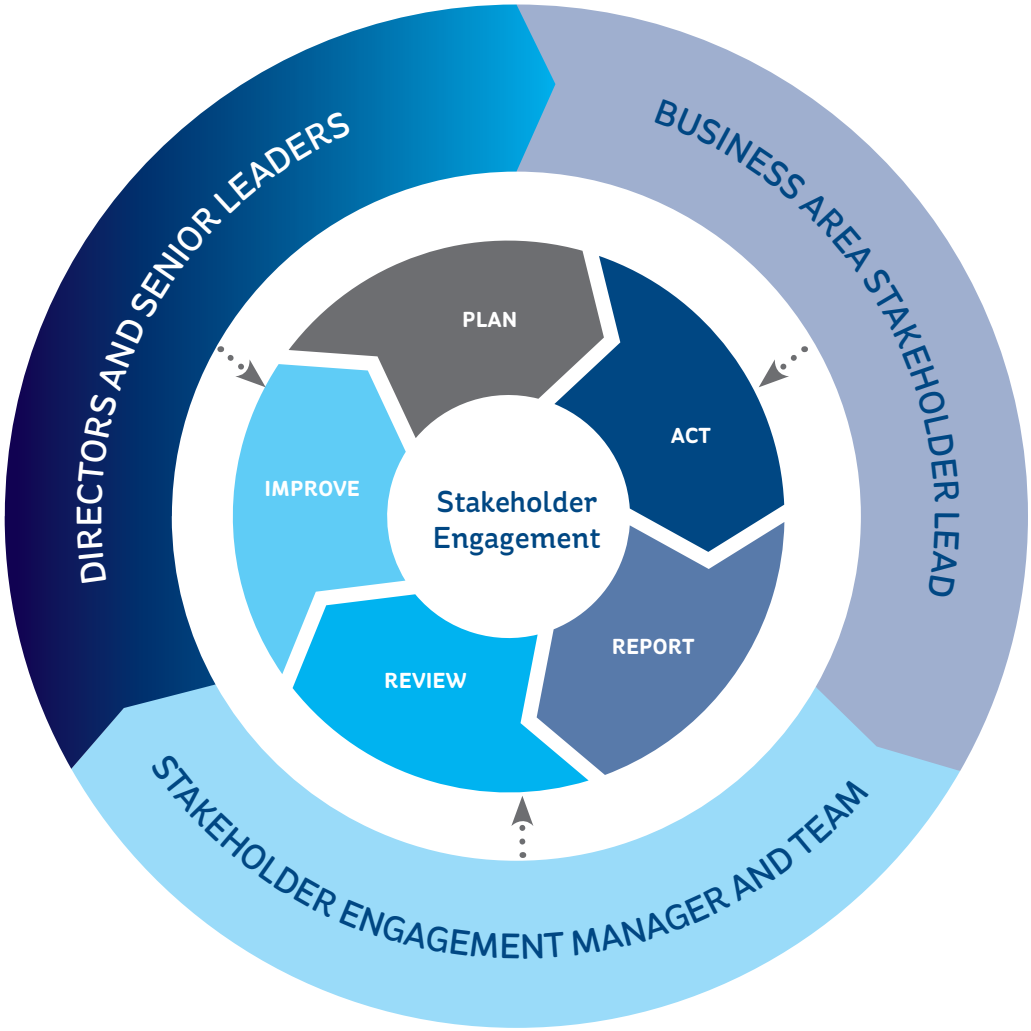
Managing our Stakeholder Engagement

We recognise that effective stakeholder engagement is essential for the successful management of our business. As a strategic priority, it is led by the Directors and the senior leadership team, and is seen as a vital activity at every level of the organisation.

We have appointed a senior manager with responsibility for stakeholder engagement who leads a dedicated team devoted to stakeholder engagement within our Strategy and Engagement group. This team works closely with Stakeholder Leads in each area of our business, ensuring that engagement forms a core element of our business processes and remains embedded in our business culture.

The Stakeholder Engagement Team meets regularly with the Stakeholder Leads across the business to develop engagement plans and ensure implementation using appropriate methods and levels of engagement. They also work together to monitor outcomes, measure performance, provide feedback to customers and stakeholders, and seek opportunities to improve the overall engagement process.

An internal Stakeholder Engagement Steering Group, chaired by the Managing Director, provides overall direction to the engagement activity and monitors execution and performance. This group meets quarterly to assess performance and review plans for the coming period.



Measuring Stakeholder Engagement

The effectiveness of our stakeholder engagement will ultimately be determined by the relationships we hold with our customers, stakeholders and the communities we operate within.

The success of our overall stakeholder engagement process and activities across the business will be measured by monitoring our relationship with our customers and stakeholders on a regular basis. This will include an assessment of the level of awareness among customers of our role in the energy sector and how customers perceive ESB Networks in terms of overall sentiment towards our business and confidence in our activities.

The success of project-specific engagement will be based on an assessment of how well we delivered on the purpose and objectives agreed prior to commencing engagement. We will measure:

- The extent to which the objectives of the engagement were met
- Degree of satisfaction with the engagement process
- Level of resulting awareness of the project or programme
- Level of support for the outcome as a result of engagement

We understand that stakeholder engagement is a journey and we are committed to continually improving the effectiveness of our engagement with stakeholders over time. Monitoring of the effectiveness of our strategy will be ongoing. In particular, the evaluation phase at the end of each engagement process will provide us with opportunities to consider how our strategy is working in practice and to suggest changes.

Feedback from stakeholders gained through the project evaluation processes will inform this assessment.

Our Stakeholder Engagement Plan 2019

The focus of our stakeholder engagement is guided by a number of aims:

- Continuing to provide a safe, reliable and affordable electricity service to all customers, including fuel-poor and vulnerable customers
- Ensuring that the customer remains central to our business and continuing to improve the overall customer experience
- Ensuring that engagement on 'business-as-usual' activities remains a key part of our overall stakeholder engagement process
- Continuing to maintain and develop the electricity network in order to ensure that it is robust, resilient and capable of dealing with increasingly difficult weather conditions in the face of climate change
- Supporting the connection of increased amounts of low-carbon energy generation, such as wind and solar energy and localised domestic and community-based energy schemes, to address the need to reduce carbon emissions and meet national targets
- Continuing to ensure that the electricity network supports economic growth, including the connection of new homes, businesses and large energy users
- Planning and developing a smarter and more digitally connected network to enable new modes of network operation which are needed to support new energy usage patterns essential to a low-carbon society, such as increased use of electric vehicles, electrification of heating, and customer participation in energy markets

We understand the importance of engaging with our customers and stakeholders on the above issues to ensure that their needs are fully understood, their priorities are recognised, and they are aware of the drivers of electricity network development and operation into the future. We will continue to engage nationally, regionally and locally with customers and stakeholder groups, including local community groups, to deliver on these objectives.
In Section 2 of this report, we provide examples of our engagement activities for 2019 from a selection of the following specific areas of stakeholder engagement:

Areas of Engagement

Price Review 5	Our business plan for the period 2021 - 2025
Smart Metering	National meter replacement programme
Safety and Environment	Ensuring the safety of all who interact with our network and caring for the environment
Innovation	Our innovation projects to enable a low-carbon future
Connecting Renewables	Connecting more renewable energy sources to the network
Enabling Electrification	Enabling the electrification of transport and heat
Customer Experience	Satisfying the expectations of all our customers, including fuel-poor and vulnerable customers
Resilience and Growth	Developing a robust network which supports economic development and growth
Capability Development	Ensuring the resources are in place to deliver and manage the future network
Industry Leadership	Informing and engaging on regulation and policy development and providing thought leadership in the sector

02.

FEEDBACK AND LEARNINGS

This section outlines the feedback we have received from a wide range of stakeholders, and how we are implementing the required changes and improvements to our engagement strategy and plans going forward.

We understand the importance of working closely with all our customers and stakeholders so that their views and priorities inform our planning and management of the network.

Following publication of our previous report on stakeholder engagement activities in 2018, we received some very constructive feedback and suggested improvements from which we can learn and improve.

For example, it has been suggested that:

FEEDBACK

LEARNINGS

"The DSO should engage with stakeholders in order to shape its stakeholder engagement strategy"

In order to allow stakeholders to inform and shape our engagement strategy and plans, we published for public consultation our "Strategic Stakeholder Engagement Framework" at the end of 2019.

"Set out clear strategic objectives, linked to the activities and initiatives the DSO plans to undertake"

Our "Strategic Stakeholder Engagement Framework" (published for consultation in 2019) links our key areas of engagement with our strategic and business objectives.

"The organisational structure for delivering the strategic objectives should also be specified"

We have appointed a senior manager with responsibility for stakeholder engagement who leads a dedicated team devoted to stakeholder engagement within our Strategy and Engagement group. This team works closely with Stakeholder Leads in each area of our business, ensuring that engagement forms a core element of our business processes, remains embedded in our business culture, and is seen as a key element of the way we work by each employee within the organisation.

Many stakeholders have recommended that "we set out clear measures of success"

We continue to work on improving how we measure engagement success. We have set out several approaches in Section 3, and highlight key engagement metrics on pages 31-32. We will continue to engage with our stakeholders to support ongoing improvements in this area.

Following more recent feedback on our Strategy and Plan 2020, we are further reviewing our processes and plans for supporting further open and transparent engagement to allow continuous improvement. **For example, it has been suggested that:**

"The plan would benefit from providing pathways for stakeholders to initiate engagements"

We are currently reviewing several existing processes to identity improvements in this regard, such as process transparency and points of contact. We are continuing to provide additional pathways and opportunities for stakeholders to engage with us. For example, we have initiated spring and autumn 'Innovation Forums' to provide a pathway for engagement with stakeholders on our innovation strategy.

Feedback on our Framework document also suggested that we provide "specific examples of how engagement can work to the benefit of both ESB Networks and stakeholders"

Our engagement strategy (as outlined in Section 1) refers to the benefits of engagement for both stakeholders and ESB Networks. Our case studies as presented in Section 3 provide specific examples of the benefits and impact of engagement to both parties. We have also endeavoured to tell these stories **"in more accessible plain English"** and to **"ensure a balanced view is presented"** as recommended by many of our stakeholders.

03.

CASE STUDY 1

PRICE REVIEW PROCESS (PR5)

Strategy

The fifth price control process, covering the period 2021 to 2025 (PR5), focuses on the investment needed to ensure the ongoing delivery of a secure, reliable and affordable electricity network service for all our customers. What we do in PR5 will also lay the foundations for the connection of more renewable energy sources to the network and the electrification of many areas of society, including transport and heating. Engaging with our customers and stakeholders to inform our PR5 plans is an essential part of the collaborative and collective action needed to deliver a brighter future based on low-carbon electricity for Irish society.

Implementation

We carried out an extensive engagement process with our customers and stakeholders to listen to their needs, priorities and perspectives regarding the planning of the electricity distribution network. Our PR5 engagement plan followed the phases set out below:

We engaged with a range of strategic customers, stakeholders, industry organisations and representative bodies to discuss what was important for them regarding the electricity network.

Focus groups were conducted with a representative sample of residential and business customers around the country. The residential groups covered a range of ages, social groupings and urban and rural residents. Additional focus groups were run that focused on over-65s and customers

in substantially rural areas, to ensure that customers' views were captured.

A quantitative survey of a statistically representative sample of residential customers was undertaken via an online survey of 1,001 adults aged 18+. A nationally representative sample was achieved by placing quotas on gender, region and social grouping. This research was carried out to explore the topic areas in more depth and used key learnings from the focus groups.

Workshops with business stakeholders were held in Galway, Sligo, Dublin and Dungarvan to specifically engage with business owners and local stakeholders, and hear the views of the business community. These meetings were facilitated by Chambers Ireland and the corresponding local Chamber groups.

Benefits

The results of the stakeholder engagement process were hugely beneficial in shaping our proposals for PR5.

Among the key issues discussed with stakeholders were maintaining an affordable electricity supply; the importance of a reliable and continuous power supply; the importance of electricity in the transition to a low-carbon society; the need for resources

and investment to support growth and more connections; the need for network reinforcement and development to support more renewable power; the need to ensure that network development stays ahead of demands arising from new low-carbon technologies such as electric vehicles and heat pumps; the importance of a smart network to provide customers with choice and new service offerings; and the importance of reliability for a digital economy.

Engagement informed key investment proposals in our PR5 plans including:

1. Our stakeholders were provided with options for how we can support a low-carbon future, and they reflected on the need for timely investment. They said that they wanted to be certain of access to the system, when they wanted it, and would prefer this to lower cost, less certain approaches. Our PR5 plans were refined to align with what our stakeholders told us they value, with a substantial increase in investment in additional network capacity, and operational control (or "smart grid") systems.

2. Our proposals to add more network capacity were adapted to align more closely with our stakeholders' priority to retain the flexible access to electricity they have today, their preference for us to "get ahead of it", and their preference for keeping price impacts low. The strategy involves an "in step with demand" investment strategy at low voltage (to manage price impacts), and a "get ahead of it" investment strategy at medium voltage (to cost-effectively prevent future bottlenecks), to enable the local communities and businesses who are adopting low-carbon technologies. We also increased our focus on new smart grid and system services solutions, particularly at higher voltages, to provide customers with quicker, more cost-effective access, and greater security.

3. Several stakeholders spontaneously highlighted the need to provide better information, insight and transparency, as well as new smart grid solutions. We ensured that our PR5 plans were fully aligned with these needs, including proposals for transformative investment in our operational control systems and digital capabilities. This will facilitate quicker, more cost-effective network access for renewables and electric heat and transport. It will also support the provision of better information and insights to our customers and system users.

4. When we asked about the value they place on reliability, under normal and storm conditions, our stakeholders confirmed that reliability is, and will remain, crucial to meeting their needs. Aligning with this, we increased our proposed level of investment in replacing ageing parts of the network, in automation and control (to seamlessly restore supply during storm conditions), and in adapting the electricity network to a more volatile and severe climate.

We appreciate the time and effort taken by our stakeholders to contribute their priorities and ideas to inform and shape our PR5 plans.

Facebook post by Dungarvan and West Waterford Chamber of Commerce.

Facebook page statistics:
Page likes: 6,982
Followers: 7,478

CASE STUDY 2

STAKEHOLDER ENGAGEMENT **FOR THE NATIONAL SMART METERING PROGRAMME**

Purpose

The National Smart Metering Programme (NSMP) was established by the Commission for Regulation of Utilities (CRU) and is the delivery plan for the rollout of smart meters across Ireland.

ESB Networks has been tasked with replacing electricity meters on a phased, geographical basis and the rollout began in September 2019. Upon completion in late 2024, this meter replacement programme will have upgraded over 2.4 million existing meters in homes, farms and businesses across the country to smart ready technology.

Smart meters will support Ireland's transition to a low-carbon future by enabling the development of smart electricity services, such as Time of Use (TOU) tariffs, and we anticipate that from 2021, these services will be offered to customers who have a smart meter.

ESB Networks has led the development of a comprehensive industry-wide customer communication and engagement strategy which ensures high quality public engagement, with consistent messaging across our programme partners, the CRU, DCCAE, SEAI and electricity supply companies.

The customer communication programme creates public awareness and ensures that customers have a high level of trust in the installation process and in those installing the meters. The programme encompasses multiple channels, including hosting information events, exhibiting at conferences, print and radio advertising, media relations, online content, social media, AdWords, SEO, and Deployment Contractor branding.

Implementation

Our multi-channel communications approach also includes providing briefings and holding local information events for public representatives and local community groups.

ESB Networks @ESBNetworks
As part of our National Smart Metering programme, we will be upgrading 10,000 electricity meters in areas of both Cork and Laois this Autumn.
https://www.esbnetworks.ie/smartmeter
pic.twitter.com/ywTfvqbGFD

Some of the main activities we undertook in 2019 were:

- Managed and chaired key industry forums bringing together the CRU, SEAI and electricity supply companies (Industry Liaison Group, Comms and Engagement Working Group (WG), Deployment WG, Ad Hoc WGs) to ensure all industry partners are aligned regarding the NSMP.
- Developed the big picture/campaign concept, messaging architecture for the customer audience and 'tone of voice'.
- Ran 11 targeted media campaigns across Dublin, Cork, Laois, Kildare and Meath.
- Held eight stakeholder information events in the selected rollout areas for public elected representatives and local community groups.
- Provided briefings to key stakeholders and interested parties such as regional council energy meetings and electricity supply companies.
- Exhibited at the National Ploughing Championships, ESB/IIEA Conference and Energy Action Fuel Poverty Conference and informed attendees about the programme.
- Conducted national and local customer research.
- Ongoing monitoring of customer sentiment and issues via call centres /media/social media channels/Deployment Contractors.

Our team at the National Ploughing Championships in Fenagh, Co. Carlow.

Benefit

- Strong "Industry Partnership" approach created facilitating NSMP delivery.
- Media campaigns raising awareness about the programme ran in 10 local newspapers and radio stations.
- Social media campaigns had a combined reach of over 700,000 across Facebook, Instagram and Twitter platforms.
- Second wave of customer research shows an increase in awareness of smart meters in the two initial rollout areas (62% had heard of smart meters – previously 34%).
- Research findings have provided a baseline level of customer awareness and identified some customer issues, enabling us to refine our messaging.
- Media coverage generated across a range of local and national papers and radio stations.
- A number of public representatives promoted the programme on their social media accounts having attended our stakeholder events.

CASE STUDY 3

INNOVATION CASE STUDY: **ESB NETWORKS' INNOVATION FORUMS**

Purpose

In order to keep industry informed of ESB Networks' innovation activities and to encourage feedback ensuring we are focused on the right innovation projects to deliver on the transition to a low-carbon society, ESB Networks launched our first Innovation Forum in November 2019. This event proved to be a welcome addition to our engagement channels, providing an opportunity to directly share the feedback we received from our consultation in August 2019 and respond to the issues/comments raised.

It is our intention to hold an Innovation Forum with stakeholders every spring and autumn to share our innovation progress, discuss feedback we have received, and collaboratively consider how we tackle the transition to the network of the future. This will facilitate open and on-going dialogue with customers and stakeholders.

Implementation

The Innovation Forum held in November included presentations of our innovation strategy, framework and processes along with our large portfolio of innovation projects. Our three new roadmaps, consolidated from our original eight as a result of stakeholder feedback, were introduced: Future Customer, Climate Action and Network Resilience. An overview of the responses we received from our public consultation on 'Innovation in ESB Networks' was presented. During the feedback session, there was a significant amount of engagement from our stakeholders and we received valuable feedback in relation to our priority areas, our current innovation projects and our pipeline of future projects.

A panel discussion and questions-and-answers session on *Energy Citizens and New Business Models in a Low-Carbon Energy Future* was held with Brendan Tuohy from MaREI, Lisa Ryan from the UCD Energy Institute and Emeka Chukwureh from Enel X. This was followed by a number of ESB Networks presentations on three specific innovation projects: *'Cyber Security in Future Networks - The SUCCESS Project'; 'Using New Technology for Asset Health and Maintenance'; and 'Innovating with Communities to Transition to a Low-Carbon Energy System'*. These very informative presentations and discussions facilitated a lot of engagement and interest from the audience. For example, we used Slido to encourage interaction, and as a result, we received 48 comments/queries through this channel alone. After the event, any unanswered comments were collated, and responses were drafted and then emailed to all attendees.

A series of workshops were held in the afternoon. These workshops covered the following three topics that were selected based on the issues raised in the public consultation in August 2019:

1. *Opportunities for Flexibility in HV Network Development:* This session looked for stakeholder input on innovation that explores how large-scale flexibility e.g. battery storage can provide network reinforcement solutions, deferring the need for traditional asset build. Input was additionally sought on how non-secured access to transformer capacity could allow for faster, lower cost connections, but would mean customers may have to disconnect from the network under certain circumstances.

2. *Optimising the Network for the Electrification of Heat and Transport:* This session looked

for stakeholder input on innovation that explores how the network may need to change in the future to accommodate large scale uptake of eHeat and eTransport.

3. *Active Energy Citizens and Peer to Peer Services:* This session looked for stakeholder input on innovation that explores how energy citizens might engage in market services, and what peer-to-peer trading might look like.

ESB Networks received positive feedback on this event, including the comments below.

An example of an online review can be found here:
https://www.irishevowners.ie/esb-networks-innovation-event/

> *"Constructive and good speakers with interesting content"*

> *"The mix between presentation, participation and discussion worked well"*

Benefit

ESB Networks' innovation projects deliver quantifiable benefits by disseminating learnings to industry stakeholders and by successfully embedding the new knowledge, processes, solutions and technologies into our Business-as-Usual (BAU) practices to improve the way we work and serve our customers.

Polls taken during the Innovation Forum in November 2019 showed that over 93% of respondents believed their understanding of ESB Networks' innovation activities had increased over the previous 12 months. More importantly, 68% of respondents agreed that ESB Networks was focusing on the right innovation projects to deliver on the transition to a lower-carbon society. While the feedback was encouraging and showed that we are moving in the right direction, there's more to be done! We look forward to continuing to work collaboratively with our many stakeholders to rise to the challenges that the network of the future brings.

> *"It was interesting to hear about the breadth of different activities"*

> *"Liked the high level of audience participation"*

CASE STUDY 4

ESB NETWORKS **THE DINGLE PROJECT**

Strategy

Our innovation strategy aims to develop and implement new ideas with enduring benefits for our customers and stakeholders as we lead the transition to a low-carbon future.

As electricity production becomes increasingly decarbonised using renewable energy (RE) sources, this clean electricity can replace fossil fuels in heating and transport. The Dingle Project seeks to cluster viable low-carbon technologies in a defined geographical area, creating a sandpit for solutions, to demonstrate a working implementation of an electrical network capable of delivering Ireland's future energy needs. We will roll out a broad range of RE technologies across the Dingle Peninsula, including Solar PV Systems, Battery Management Systems, Air Source Heat Pumps, Electric Vehicles and Smart EV Chargers, Smart Immersion Controllers, Peer-to-Peer Trading Devices and Smart Home Devices. We will also deploy Smart Devices on the electrical network that will allow for increased reliability of the network.

Implementation

We chose to locate the project in Dingle, as the local community had already established an initiative aimed at reducing the peninsula's overall carbon footprint. We are very clear that the challenge of enabling a low-carbon Ireland powered by clean electricity cannot be delivered without extensive engagement and collaborative innovation with a broad range of stakeholders, the most important being our citizens - the key to the Dingle Project's success is buy-in and participation from the local community.

The Dingle Ambassador Programme is a key enabler for the project. It is an engagement initiative that selected a number of Ambassadors to work with us for the duration of the trials. We are deploying a full suite of RE technologies (including retrofits) in Ambassadors' homes/businesses, and they will work with us to help test the technologies so that we can not only understand the impact they will have on the electrical network, but also help us understand what we need to do to activate our Energy Citizens.

The journey towards building The Ambassador Programme and selecting the correct people had three main elements:

1. Appointing a dedicated ESB Networks Community Engagement Manager. Being the eyes and ears on the ground and establishing a presence within the Dingle community was key. Having a dedicated resource working to help select the Ambassadors, being available to them and the community, and participating in other community initiatives, contributed to positive relationships and engagements within the region.

2. Partnering with the Dingle Creativity and Innovation Hub to solidify our presence in the community and build on local knowledge and relationships. The Innovation Hub is a community enterprise initiative which supports community projects in the area of transitioning to a low-carbon society and aligns well to the Dingle Project.

3. Launching a four-month campaign to select five Ambassadors to work with the project team. It was important to identify people within the community who were local, authentic and relatable to people, not just in Dingle but across the country.

The following steps were applied:

- Local call for expression of interest in regional newspapers
- Radio interviews to promote the initiative
- Online surveys for those who expressed an interest
- Telephone interviews with those who expressed an interest
- Group session participation for those who expressed an interest
- Final shortlist and selection
- Community event for Energy Citizens and December 2018 press release to announce final five Ambassadors

Benefits

The selected Ambassadors represent the varied demographics of people that live within the Dingle Peninsula, including representatives from the Agricultural, Hospitality, Residential, Trade, Education and the Remote Workforce sectors. Our Ambassadors are currently in a state of transition with retrofits/Air Source Heat Pumps/Solar PVs complete, and Electric Vehicle and Battery Storage underway. Part of their role involves attending energy conferences, engaging with press and media and most importantly, being influencers for change within the community, sharing their experiences with family, friends and neighbours. This all ultimately contributes to one of the key project objectives – activating the energy citizen.

Pat O'Doherty, Chief Executive, ESB with a selection of Dingle Project Ambassadors and their families during Dingle Project visit in September 2019.

Ambassador quotes:

Do you think there is community buy-in on the project? Do you think there is trust in what ESB Networks is trying to achieve?

> *"Yes, I think there is huge interest in the project and everything about it. I feel that anyone who knows about it, that wasn't picked, wishes they had been picked!!! There is not a day that goes by that I'm not asked about it in detail, and not just once a day but several times a day. I do feel that there is trust in what ESB Networks is trying to achieve as I feel the majority of people now realise that measures must now be taken to reduce our carbon footprint and ensure the future for our younger generations.."*
>
> ***Carol Leahy, Part-Time Teacher***

> *"I think there is huge excitement in the community about the project. People are so interested in what's been done to date and plans for the future. Dingle is very obviously focused on climate change and the need for renewable technologies, and the ESB Networks project is complementing a range of other initiatives across the peninsula. There is definitely trust in what ESB Networks is trying to achieve."*
>
> ***Rose Spillane, Bar and Restaurant Owner***

Ambassador Video:
https://www.youtube.com/watch?v=-2gC3CwrNMA

ESB Networks Dingle Project staff working on location on the Dingle Peninsula.

CASE STUDY 5

ALL-ISLAND ELECTRICITY **MARKET ENGAGEMENT**

Purpose

The retail electricity market on the island of Ireland uses a common IT system called TIBCO, which spans both Northern Ireland (NI) and the Republic of Ireland (ROI).

In 2019, the Utility Regulator in Northern Ireland sought to have improved flexibility to make changes unique to Northern Ireland. However, these changes were conflicting with the rollout of the National Smart Metering Programme (NSMP) of work (2019-2024) in ROI. It was therefore deemed necessary to separate the IT system TIBCO.

Implementation

In proposing and deciding on a plan for system separation, it was important that all stakeholders' concerns and priorities were taken into consideration. In March 2019, an information note was issued to all market participants in both ROI and NI outlining the decision to separate the two markets. During the period April 2019 – July 2019, ESB Networks and NIE Networks collaborated to develop a set of viable options to deliver this separation, while minimising cost and disruption in both jurisdictions. These options had to be first agreed with both electricity regulators in NI and ROI. Suppliers were updated on an ongoing basis at the joint supplier forums, the Retail Market Coordination Working Group (ReMCoWG) and the Retail Market Coordination Steering Group (ReMCoSG), which are held bi-monthly and quarterly respectively.

In July 2019, ESB Networks and NIE Networks issued out a System Separation Engagement Document and a Market Participant Questionnaire to get feedback on the possible options. An online tracker was set up and a link was sent to all market participants to allow them to ask questions and for the answers to be shared to encourage shared learning and understanding of the proposed solutions. Both ROI and NI suppliers were also invited to attend individual engagement sessions where NI and ROI network operators were available to address all questions and concerns regarding the proposed options. A scoring mechanism was applied to help assess the preferred option to separate the IT infrastructure.

Benefit

A clear preferred option was agreed through this collaborative approach, and initiation of the separation project is due to commence in Q1 2020.

This unique collaboration exercise between network operators, regulators and market participants was very well-received by all parties involved, and is considered a good approach for further engagement going forward. The following comments were noted at ReMCoSG meetings during and after the process:

> *"Suppliers are keen to continue to be heavily involved in the planning around de-harmonisation, and to continue to see good engagement between suppliers and the network companies in the plan."*
>
> ***NI Supplier Rep***

> *"ROI suppliers welcome the engagement that has taken place between them and the network companies."*
>
> ***ROI Supplier Rep***

CASE STUDY 6

PLANNING OUR FUTURE **LOW-CARBON NETWORK**

Strategy

Our ongoing stakeholder engagement has demonstrated a need to evaluate the existing approach and standards that govern the development of the electricity network in order to support a low-carbon future. Leading the transition to this low-carbon society involves planning our network to accommodate increases in electrification of heat and transport, facilitating the introduction of flexibility in network development, and enabling the connection of more renewable generation to the distribution network.

Implementation

A project was therefore undertaken in 2019 to explore the use of flexible connections and flexibility services to maximise the use of existing network assets, reducing the levels of network reinforcement required wherever possible. Such non-wires alternatives could facilitate the lowering of connection charges and costs, and the shortening of connection times. New innovative approaches to network planning could enable Ireland's energy policy objectives in a more cost-effective manner while ensuring that the security of supply is equal to, or where appropriate even greater than, what is delivered today.

However, delivering the most cost-effective operation and design of a future distribution network, and thus the development of these innovative planning policies by ESB Networks, cannot be done in isolation. To support this activity, several engagement activities have been completed with stakeholders to inform our thinking and validate the objectives and proposed solutions in this project.

Crucially, we have collaborated with industry through workshops and meetings held with the distribution generators stakeholder group (e.g. IWEA, ISEA, Meitheal na Gaoithe (IWFA), IrBEA), the demand response stakeholder group (DRAI), and the energy storage stakeholder group (IESA). These engagements were used to define the project terms of reference, project plan and associated stakeholder plan for the project, which were published on our website in early 2019. Collaborative work throughout 2019 with our appointed technical consultancy support (EA Technology), and a workshop with the Distribution Generator group in June 2019, led to a detailed consultation document being prepared, outlining proposals for fundamentally more innovative ways of connecting customers to the distribution high-voltage (HV) and medium-voltage (MV) networks. A public industry consultation was held in winter 2019. During the consultation period, as part of the Innovation Forum in November 2019, a breakout workshop was held, giving attendees an opportunity to discuss in detail the main Smart Customer Connections consultation proposals with the project team.

Key stakeholder engagement activities included:

- Public consultation on the overall project Terms of Reference and Project Plan between January and April 2019.
- The proposals, draft standards, and new concepts for the planning and security of supply standards review were informed by ongoing collaboration with our consultancy support, EA Technology, previous stakeholder engagements in 2018, and a further engagement workshop with the Distributed Generators stakeholder group in June 2019.
- Public consultation on the Smarter HV and MV Customer Connections commenced in November 2019 for five weeks.

- Opportunity for direct stakeholder engagement with the project team was provided at the ESB Networks Innovation Forum in November 2019.
- A further breakout session was scheduled as an outcome of Innovation Forum discussions and attended by industry stakeholders including distributed generation groups, demand response provider groups, the regulatory authority, supply companies, and consultants. This allowed for open interaction and engagement with the project team and facilitated detailed discussion on the new concepts and proposals.
- The public consultation on the Smarter HV and MV Customer Connections project closed in December 2019 and seven responses were received, all broadly supportive of the new concepts and developments presented.

CIRED 2019 Conference Paper/Poster ('Stakeholder Engagement in the Revision of ESB Networks' Planning and Security of Supply Standards', I Codd and N McCabe, ESB Networks), presented in Madrid, Spain, in June 2019.

Benefits

The benefits of this collaborative engagement, both workshops and the consultation process, were to provide stakeholders with an opportunity to input into the project development and provide the project team with further opportunities to validate proposed solutions and listen to feedback from stakeholders. A conference paper entitled *'Stakeholder Engagement in the Revision of ESB Networks' Planning and Security of Supply Standards'* was submitted and accepted for the international CIRED 2019 conference in Madrid in June 2019. The paper was included in the conference proceedings and a poster was presented during the 'Planning of Power Distribution Systems' session.

Continuing the consultative process to validate the project's activities, regular updates were delivered over the course of 2019 via the Distribution Code Review Panel (DCRP), which has a range of industry stakeholders and is held quarterly. This panel is a primary means for providing project information and progress updates. Presentations were made at each DCRP meeting in 2019, and the updates included in the minutes, which are also published quarterly on the ESB Networks website.

Project meeting with our consultancy support, EA Technology, in March 2019.

CASE STUDY 7

ENGAGING WITH CONSTRUCTION WORKERS **TO WORK SAFELY WITH ELECTRICITY**

Purpose

Figures released by the Health and Safety Authority confirmed that 37 people were killed in work-related accidents in 2018, with five deaths in construction. Stakeholders in the construction sector were asked to focus their efforts in 2019 on key risk areas.

Serious accidents including fatalities have occurred where construction workers have come into close contact with electricity wires and cables.

Implementation

Safety Week 2019:
In early 2019, ESB Networks and the Construction Industry Federation of Ireland (CIF) met to plan the activities for Safety Week, which was taking place from 21st to 25th October. Construction Safety Week is an initiative of the Construction Safety Partnership Advisory Committee (CSPAC) which involves all the main stakeholders in the construction sector in Ireland, including CIF; H.S.A.; ESB Networks; LGMA; Department of Business, Enterprise and Innovation; The Society of Chartered Surveyors; Royal Institute of Architects of Ireland; Engineers Ireland; Association of Consulting Engineers of Ireland; N.I.S.O.; SIPTU; Microsoft; and Grafton Group.

ESB Networks, in engaging with other members of the CSPAC, were successful in including electricity as one of the key topics for Safety Week.

Five risk areas were identified for specific attention on each of the five days.

1. Mental Health and Wellbeing in Construction
2. Working Safely with Electricity
3. Working Safely at Height
4. Vehicle Risk and Safety in Lifting Operations
5. Working Safely with Hazardous Substances

A suite of reference materials, posters, videos and webinars were made available for participating companies to use as part of their week's activities. All members were invited to get involved by visiting the dedicated webpage, organising and publicising their events on social media, promoting the sharing of the daily videos and participating in safety webinars.

> *"sessions were informative and useful in terms of improving safety."*

PAUL JCL JOHN CRADOCK LTD HEGARTY BUILDING & CIVIL ENGINEERING CONTRACTORS

Safety engagement with John Paul Construction:

ESB Networks used a live webinar to engage with 89 participants at the offices of the CIF on the Code of Practice for Avoiding Danger from Overhead Electricity Lines. The webinar was recorded for continuing engagement on the CIF training virtual academy and on YouTube, where there were a further 125 views.

Joint Utility Forum:

ESB Networks and other members of the Joint Utility Safety Forum made up one of the expert panels at the annual CIF Health and Safety Summit. The summit brings together stakeholders in the construction sector to share knowledge, experience and promote best practice solutions for improving safety, health and wellbeing. The Joint Utility Forum, founded by ESB Networks, includes Gas Networks Ireland, eir and Irish Water. The group work together to bring forward a cohesive and coordinated view in relation to utility safety when carrying out construction work.

Benefits

This case study is an example of stakeholder engagement in order to maintain and improve safety awareness in the construction sector. One of the measures of the impact of these engagement activities is the number of fatalities and serious injuries associated with contact with the electricity network. The most recent construction industry fatality involving the electricity network occurred in 2012.

When we compared the number of electricity incidents recorded and classified as using third party construction, we have observed a reduction from a total of 218 in 2018 to 195 in 2019. We hope that our work done engaging with industry in 2019 will result in further reductions in 2020.

We implemented comprehensive public safety media campaigns across TV, radio, digital and social media platforms to effectively engage with the public, farming, construction and leisure sectors, and during storms.

Performance metrics as outlined in the Measures of Success section confirmed that the campaigns were effective.

CASE STUDY 8

NEW ONLINE **CONNECTIONS**

Purpose

In ESB Networks, we are continuously looking for ways to improve how our customers interact with us. Red C Research has highlighted that customers who apply for a new connection want more information and also want to be able to apply online and track.

Implementation

Ipsos MRBI were commissioned in 2019 to conduct qualitative research exploring the customer journey of applying for an electricity connection online using an early online prototype. The current website and experience, plus a series of new concepts, were examined by potential new customers as well as existing users of ESB Networks' New Connections service. Feedback from these sessions and recommendations from Ipsos MRBI led to a redesign of the product with a more customer-centric approach.

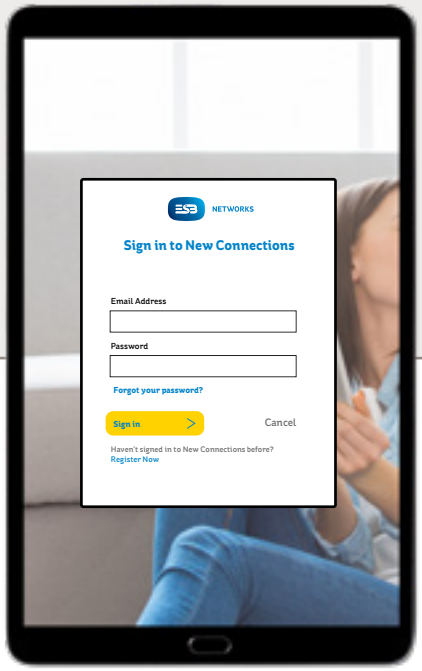
Impact/Benefit

The launch of the New Connections online process now means that all our customers can now apply for a new connection on our website (with the exception of Generator Connections and Unmetered Supply). In addition to the online application, Domestic and small Commercial customers will also be able to track the progress of their application from Application to Service Live, and will be able to see a 60-day countdown timer when they log in and view their application. The countdown timer will give them an estimated time for connection in line with our Customer Charter targets.

We will be sending our customers regular updates by email, to let them know how their application is progressing. If their application is missing something which will hold up the process i.e. ducting confirmation, electrical wiring certificate or supplier registration, they will receive a reminder notification.

Customers will also benefit from online support, with tips available throughout the online application journey. We will measure and monitor customer feedback through built-in customer surveys to review their experience and satisfaction with the new process.

Online Connections went live on 24th February 2020.



CASE STUDY 9

LEAN **CONNECTIONS**

Purpose

The continued connection of renewable energy generators and large demand customers to the electricity network continues to be a key organisational priority for ESB Networks, and a strategic enabler of Ireland's Climate Action response.

Implementation

In 2018, ESB Networks carried out a review of how we deliver our Renewable Connections projects, and in 2019, we undertook several interviews with our Renewables customers, Irish Wind Energy Association, Irish Solar Energy Association and our employees. Feedback from all groups indicated that an innovative approach is required to connect the increasing volumes of generation connections forecast for Enduring Connection Policy (ECP) and Renewable Electricity Support Scheme (RESS) auctions out to 2030, and for targets set in the National Climate Action Plan.

ESB Networks welcomes this feedback and is committed to acting on it. In 2019, we established the Lean Connections Project to make improvements to how we deliver our major infrastructure projects. The project, working collaboratively with the technical experts involved in all stages in the delivery of Renewable Connections, will review and analyse how we currently deliver our Renewable Connections, identify areas where we can improve our performance for our customers, and embed lean ways of delivering this work. We will provide regular updates to key stakeholder groups as the project progresses.

Impact

The project has completed its planning phase. In Q2 2020, we will commence the detailed review and analysis of existing processes and development of new lean processes, to reduce overall connection times for new generation, adopting relevant best practice methodologies, and increasing standardisation across the administrative and design processes, as well as for the physical connection technologies used.

The tangible success of the Lean Connections Project will be observed through quicker stakeholder connection times and improved industry feedback.

04.

MEASURES OF SUCCESS

CUSTOMER EXPERIENCE

81% customer satisfaction for our **Customer Care Contact Centre.**

81% overall customer satisfaction *(Nov 2019)*

SMART METERING

Second wave of customer research shows an **increase in awareness** of smart meters in the two initial rollout areas.

34% awareness after first wave of customer research

62% awareness after second wave of customer research

SAFETY AND ENVIRONMENT

Campaign metrics for **Construction Safety Week**

Social media video views

477,452 Safety Week video views

212,601 Pre-Safety Week video views

Impressions across social media

1.3m

955K

406K

2.6m

Website views

The safety week page was the top viewed page on the website during this period.

Landing page	Schedule page	Video page	Partners page
9,860	**4,746**	**1,866**	**1,076**

INNOVATION

Polls taken during the Innovation Forum in November 2019 showed that over 93% of respondents believed their understanding of ESB Networks' innovation activities had increased over the previous 12 months.

93%

68% of respondents agreed that ESB Networks was focusing on the right innovation projects to deliver on the transition to a lower-carbon society.

20 focus groups with representative sample of residential and business customers countrywide.

20 bilateral meetings with our strategic customers/ stakeholders.

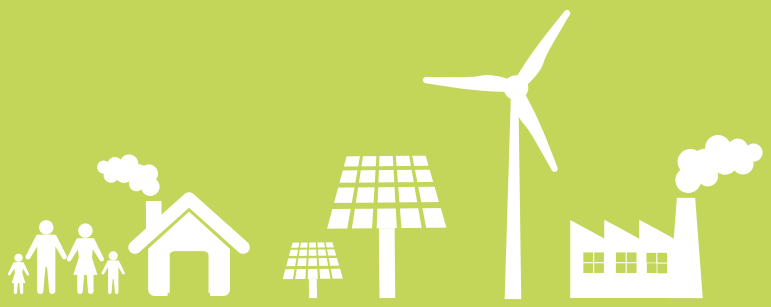
Four countrywide workshops with business stakeholders. Engagements informed our PR5 planning process and the resulting proposed focus of investment in the electricity network.

Quantitative **survey** of representative sample of residential customers via online survey of 1,001 adults aged 18+.

PRICE REVIEW 5

Four-month campaign

(local media; radio and interviews; online surveys; workshops; community events) to select five Ambassadors to work with the project team and trial the use of new **low-carbon technologies** in their homes and businesses.



Feedback

"I think there is huge interest in the project and everything about it"

Carol Leahy, Part-Time Teacher

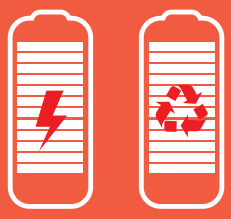
"There is definitely trust in what ESB Networks is trying to achieve"

Rose Spillane, Bar and Restaurant Owner

THE DINGLE PROJECT

61% more connection offers processed in 2019 compared to 2018 involving increased levels of customer engagement through connection method meetings.

12 connection offers to Battery Energy Storage projects, providing system support services, thus enabling increased renewable generation on the network.



CONNECTING RENEWABLES


ESB
NETWORKS