

## Report on Northern Powergrid's Customer Engagement Group meeting in May 2020

### Summary

The Customer Engagement Group<sup>1</sup> held its 4th session looking at Northern Powergrid's early work on developing its business plan for Ofgem's RIIO-ED2 price control process. This is the plan that will cover the 5 years 2023-2028.

At this meeting we focused on Northern Powergrid's plans for **safety, reliability**, and how it intends to achieve **net zero carbon emissions** in its operations.

In view of the current restrictions on travel and face to face gatherings as a result of **Covid-19**, we also discussed how Northern Powergrid's modified plan for engagement activities is progressing and whether it is still able to gather stakeholder views effectively.

### Safety

We heard that Northern Powergrid (NPG) have a very low tolerance to risk in this area and managing safety is an integral part of all their work. Robust processes are in place to assess and manage risks and also to assess contractors. The highest risk areas for RIIO-ED2 are working with electricity; the proximity of the public to some assets; working at height; and road risk.

We encouraged NPG to treat contractor safety in the same way as safety for its own staff, and to investigate opportunities for increasing the effectiveness of its public information programmes by closer partnership working with other infrastructure companies (such as Network Rail). We also asked them to consider both what legacy from the COVID response should be included in the business plan, and what new risks they might need to manage as a result of the forthcoming shift from network to system operation.

### Reliability

This section of the business plan relates to the way the network and operations respond to events (which can result in power cuts). It has important interactions with the company's approach to customer service and vulnerability. The focus for ED2 is on improving the performance experienced by the worst served customers, rather than seeking across the board improvements for everyone.

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<sup>1</sup> If you want to find out more about the role of the Customer Engagement Group look here:

<https://www.northernpowergrid.com/custom/news/about-the-customer-engagement-group>

We agreed that it is sensible to focus on the worst served customers, and we encouraged NPg to make further use of benchmarking against other network companies to improve its performance. We also asked the company to test customers' attitudes to interruptions to supply as they become more dependent on electricity for heating and charging their cars, and to how long power cuts can be before they are considered very disruptive.

### **Net Zero Carbon Emissions**

NPg recognises that it should lead by example in reducing the carbon emissions associated with its own operations (NB Electrical losses in the network are treated separately as they are just one part of a very complex supply system which needs to be optimised from end to end).

It has a clear framework to guide its decisions for reducing carbon emissions and will be consulting stakeholders on a series of options for reducing emissions during ED2. We encouraged NPg to test how people feel about the relative importance of global issues like carbon reduction and local ones such as air pollution. We also encouraged NPg to take a similar approach to reducing the carbon footprint of its contractors as for its own work. Finally, we encouraged NPg to explore innovative ways round the ban on network companies generating electricity, eg by entering into agreements with 3<sup>rd</sup> parties to generate on NPg premises.

### **COVID-19 and Stakeholder Engagement**

We heard that almost all the planned stakeholder engagement activity is going ahead, but is being conducted via video conferencing etc to avoid face to face contact.

NPg is planning to undertake a programme of work to test customers willingness to pay for certain things, and their willingness to accept some service shortfalls. They are planning to establish an advisory panel, and the CEG asked to be consulted in advance on this work. The CEG also advised that careful consideration needs to be given to consulting people with different levels of financial stress (both ongoing, and related to the COVID pandemic response).

### **Further Information**

If you would like further information about the topics covered in this note, or about any other aspect of the Customer Engagement Group's work please contact us at [ceg@northernpowergrid.com](mailto:ceg@northernpowergrid.com)