

NGED Customer Panel

29 September 2022

nationalgrid



Joining the Zoom meeting

- **Download the Zoom app** from the app store and open the App when you're ready
- Join meeting by using the Zoom link in the invite
- Select that you would like to connect using audio or video and **select 'JOIN'**
- Pre meeting: members join meeting at 9.45 (not open to WPD, Gabby to lead discussion and collate any CP questions for the full meeting)
- 9.55am – WPD to join the meeting
- All participants other than the presenter to use 'mute' while presentations are underway, and unmute should you wish to ask questions (welcome throughout)
- We will share the slides during the meeting and circulate/post online afterwards



Attending

29 September 2022 - Zoom

Customer Panel members	
Hafez Abdo	University of Nottingham
Ellen Cox	Cadent Gas
Helen Ewing	Severn Trent Water
Richard Hellen	The Schumacher Institute
Ron Loveland	Welsh Assembly Government
Gabby Mallett	Customer representative - Chair
Eddie Proffitt	Major Energy User's Council
Kate Robbins	Wessex Water
Mike Rowe	Vulnerable customer representative
Beatrice Tooke	British Red Cross

National Grid:	
Paul Branston	Regulatory & Govt Affairs Manager
Richard Allcock	Stakeholder Engagement Manager
Carl Henshaw	Emergency Planning Officer
Kester Jones	Connections Strategy Manager
Nicki Johnson	Stakeholder Engagement Officer

Customer Panel Agenda

29 September 2022 - Zoom

- 09.45 Closed member session – optional for all members
- 10.00 **National grid and stakeholder engagement update**
Richard Allcock, Stakeholder Engagement Manager
- 10.15 **Winter preparedness – black start/rota disconnection**
Carl Henshaw, Emergency Planning Officer
- 10.45 **COMFORT BREAK**
- 11.00 **Connections and Access Significant Code Review**
Kester Jones, Connections Strategy Manager
- 11.35 **RIIO-ED2 Draft determinations**
Paul Branston, Regulatory & Government Affairs Manager
- 12.05 **New Community Matters Fund**
Nicki Johnson, Stakeholder Engagement Officer
- 12.10 **AOB and update from the Chair**
Gabby Mallet, Chair, WPD Customer Panel
(Performance slides included for info in slide pack)

National Grid and stakeholder engagement update

Richard Allcock
Stakeholder Engagement Manager

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The National Grid rebrand

On 21 September we reached an important milestone on the integration of WPD into National Grid **(The date changed by two days to respect the period of national mourning)**

Since July we've been contacting PSR customers and other stakeholders informing them of the rebrand, and we have started using National Grid Electricity Distribution as our internal name

We've also been advising customers of the rebrand through routine contact via our contact centres, system letters, website banners and social media messages

Rebranding has also rolled out to office, depot and main site signage, and vehicle liveries



What has changed?

The National Grid name will fully replace WPD:

- **Website** - rebranded as nationalgrid.co.uk (distinct from the group website 'nationalgrid.com')
- **Social media** - new social media handles
- **Contact centres** - will answer the phone as 'National Grid'
- **Email addresses** - changed from WPD to 'nationalgrid.co.uk' email addresses
- **Customer and stakeholder communications** - publications and reports will be rebranded to National Grid
- **External/internal office signage in the main offices** - most sites will have been rebranded by now
- **Vehicle livery** - most vehicles will now be branded National Grid
- **PPE and ID cards** - new ID cards are being issued and PPE distributed

Social media changes

Social media handles:

- Customer service Twitter page - will change from @wpduk to @gridcustomersuk
- Our Twitter News handle @wpduk_news will be merged with National Grid so we'll post from @nationalgriduk
- Our Facebook and Instagram pages will be retained but edited to Grid Customers UK @gridcustomersuk
- For LinkedIn we will be using National Grid's page @nationalgrid
- We will also use National Grid's YouTube channel @nationalgriduk

The future of the Customer Panel

- The NGED Customer Panel will be retained
- There are no plans to merge or dissolve the Customer Panel
- Your collaboration and support remains highly valued
- As our brand takes shape, we are planning Customer Panel surgeries on improving our web pages for PSR customers (late 2022) and reviewing our customer leaflets (early 2023)
- Next meeting 15 December 2023 (more later)

Business Plan engagement

Our customers face very challenging times, we need stakeholder insights to help us make tough decisions around the impacts of the Draft Determination

- Ofgem's proposed ~20% reduction is across all expenditure it will impact our Business Plan Commitments in different ways and to different extents
- We are seeking help to re-assess the ambition of our 42 Business Plan Commitments in light of the Draft Determination and the current wider landscape in which we will be delivering (more later)
- Illustrating a straightforward reduction for each commitment, allowing delegates to understand potential impacts and assess the importance of each commitment
- Our final round of Business Plan workshops saw events to date in Birmingham, Milton Keynes and Nottingham attract almost 100 delegates
- Remaining events in the (re-scheduled) programme will take place in October
 - Cardiff (hybrid) on Monday 10th October
 - Bristol on Tuesday 11th October, and
 - Cornwall on Thursday 13th October



Winter preparedness – black start/rota disconnection

Carl Henshaw
Emergency Planning Officer

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Winter preparedness

Rota disconnections

- The ENA will work with the Government and lead a national communications effort
- The Emergency Power Cut Rota plan will be published at 18:00 the day prior to the schedule starting
- The ENA emergency website will be live and we will launch a banner on our homepage to link customers to it
- We can text our customers to ensure they are aware of their block letter and signpost the ENA website for information/tips
- We will amend our telephony messages with critical information for customers
- We can keep customers as up-to-date as possible as the situation develops

Winter preparedness

Rota disconnections – information for customers

- NGED will proactively post information for customers – for example (not an exhaustive list)
 - Issue a warning on the website to enhance energy usage reduction, including FAQ's such as:
 - Why is it necessary to implement emergency power cuts?
 - What is the Emergency Power Cuts Rota?
 - How will people know if they will be affected?
 - How do I find my block letter?
 - Some people need electricity for medical reasons. What should they do?
 - What should people do to prepare ahead of the Emergency Power Cut Rota being implemented?
 - Use social media to inform as many customers as we can, using statements like:
 - Network operators are working with @ng_eso to keep electricity flowing to as many people as possible but there is not enough electricity being generated to meet demand
 - To provide power to the majority of people in Great Britain, some people will have a temporary #powercut. If you're affected, we anticipate being able to reconnect you by [late evening]
 - Not everyone will have a #powercut and while extremely unusual, this is a controlled process which power companies are prepared for and use to protect the wider network. We will continue to provide updates here

Winter preparedness

- Q & A with Carl Henshaw, Emergency Planning Officer

Connections and Significant Code Review (SCR) update

Kester Jones
Connections Strategy Manager
September 2022

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Connections overview

01	Access SCR update	03
02	Incentive on Connections (ICE) update	08
03	Trigger Point –EHV reinforcement update and EHV multiple budget estimates	11
04	Digitalisation of connections update	14
05	Engage with us	18



Access Significant Code Review (SCR) update

What is a SCR?

- A significant code review (SCR) is a way in which Ofgem(industry regulator) reviews industry codes and speeds up industry reforms and changes.

What DOES this SCR cover?

- This SCR covers changes to Connection Charges (specifically reinforcement) and the definition and choice of access rights to our network.

What is changing with connection offers?

- Demand - DNO fully funds reinforcement and recovers through Distribution Use of System (DUoS).
- Generation - customer only contributes to reinforcement at the same voltage level as the Point of Connection.

What is changing with access?

- Where we can't immediately provide the full capacity requested due to reinforcement requirement then we may need to issue a curtailed offer and estimate and cap the actual curtailment. We can't offer curtailed offers to small users/customers. Curtailed offers will have to have an end date as they are a short term solution whilst we reinforce.

Access Significant Code Review (SCR) update

Why now?

- Make it easier to reinforce the electricity grid for our customers.
- To facilitate net zero and the connections of Low Carbon Technologies (LCTs)
- Transforming the way in which the costs associated with new connections are charged and how access to the network is managed, with the aim of accelerating development of a net zero energy system capable of delivering clean and affordable energy.

What does this mean for us?

- We'll need to update systems, processes and train those staff planning and delivering new connections.
- We'll need to monitor curtailment (planned v actual) and we may need to purchase flexibility services.

When do the changes go live?

1st April 2023

National Grid | Customer Panel - 29th September 2022



Connection Boundary reforms

The Ofgem Decision on Access and Forward Looking Charges Significant Code Review sets out different connection charging depths for Demand and Generation Connections, subject to the application of a High Cost Threshold.

Funding Reinforcement

Demand:

DNO fully funds reinforcement and recovers through DUoS

Generation:

Customer only contributes to reinforcement at the same voltage level as Point of Connection.

Introduce High Cost Cap for Demand

Demand set at £1,720 per kVA

Determined using quotation information from DNO's

Generation remains at £200 per kW

Speculative Developments

Clarification that phased developments are not always treated as speculative developments i.e. a phased housing development.

Introduction of a methodology for connections with planned phases or future expansion which would otherwise be deemed speculative.

ECCR 2017

The Regulations will require revision to remove the requirement for second comers to contribute towards previous reinforcement works.

Ofgem and BEIS are discussing solutions for customer funded reinforcement.

Access Rights

Non-Firm Access Arrangements

Introduction of new non-firm (curtailable) access rights for distribution connected users.

Eligibility:

Where there is a need for reinforcement and a need for curtailment to manage local network constraints

Excludes customer interruptions from faults

Excludes interruptions resulting from the transmission network

Curtailment Limits

DNO will set the curtailment limit and include this in the connection offer.
The DCUSA needs to define the parameters used to measure curtailment.

If the DNO needs to curtail above the agreed limit, then they must procure this service from the market, where it is economic and efficient to do so.

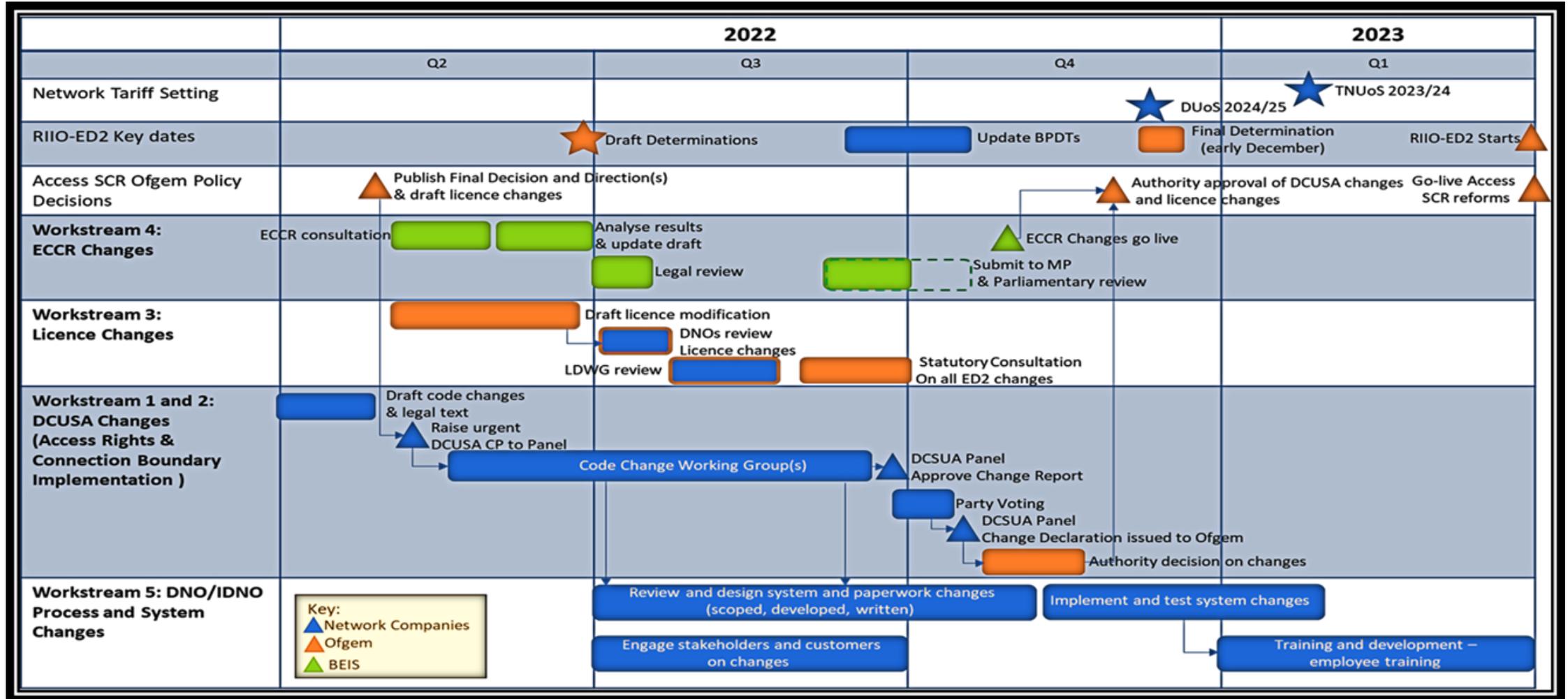
An 'exceeded curtailment price' will be introduced to cap the unit price of flexibility a DNO must procure in these scenarios.

End Dates

Non-firm arrangements will have explicit end dates, after which the connection will need to be made firm or non-curtailable.

Exceptions apply where the customer has not requested a firm connection or if they do not wish to fund reinforcement above the HCC.

SCR Timeline



DCUSA consultation completed on 5th September

Incentive on Connections Engagement (ICE) update

Our ICE Looking Back and Looking Forward report 2022 has been submitted to Ofgem and published on the National grid website. The report includes:

- ✓ Overview of our stakeholder engagement strategy
- ✓ Looking back section detailing the engagement and ICE plan initiatives we have undertaken and delivered in 2021/22
- ✓ Looking forward section setting out how we have developed our ICE 2022/23 Plan and our planned engagement activity for the year

Ofgem will now proceed with the ICE consultation with stakeholders – we are responding to the stakeholder feedback

– www.nationalgrid.co.uk/ice



Trigger point – EHV reinforcement

Our commitment

- Improve the application process for major connections at 33kV and above by providing the reinforcement trigger level, where applicable.
- Part of our ICE 2021/22 Plan initiative – Action 15.

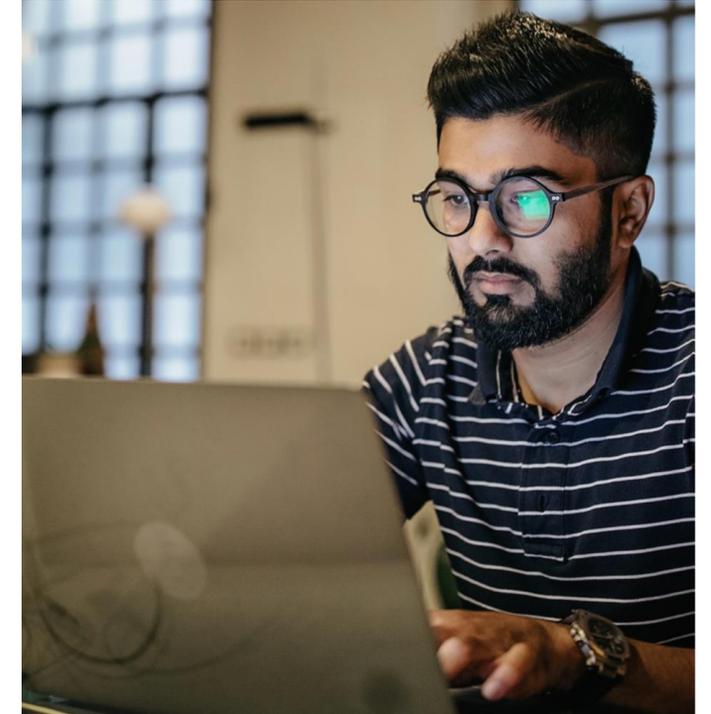
Action Number & Subject	Initiative Stakeholder Feedback	Initiative Outcome	Measure	Target Date (Q2;Q3;Q4;Q1)
15 Reinforcement Trigger Level	<p>Create something that identifies 'tipping points' where connection costs change.</p> <p>Allow the planner/designer to be pro-active in contacting the customer giving feedback on the connection. (Tipping point).</p>	<p>Improve the application process for major connections at 33kV and above to provide the reinforcement trigger level for relevant customer applications.</p> <p>The process will allow WPD to inform a customer of the level of reduction in capacity required to not trigger reinforcement, so that a customer can make an informed choice as to whether to proceed with their full capacity and pay for reinforcement, or to reduce capacity and avoid reinforcement.</p>	Positive feedback from stakeholders on the improvements completed.	Q4 Dec 2021

- Allow customers to make an informed choice as to whether to proceed with their full capacity and pay for reinforcement, or to reduce capacity and avoid reinforcement.

Trigger point – EHV reinforcement – started December 2021

How it works

- Trigger point information included in Point of Connection (PoC) letter for the connections:
 - Major connections at 33kV and above (EHV)
 - Dedicated EV charging hub requiring 1MVA or more
 - Generation at existing premises with supplies up to 100A per phase: trigger point identified for the load that can be accommodated on the existing connection without requiring chargeable connection works.
- Customers are given an opportunity to reduce their requested capacity to avoid or reduce the reinforcement costs, if they choose to.
- Customers have 2 working days to respond in writing (email) otherwise the offer is progressed on basis of initial requested capacity.



Trigger point – EHV reinforcement

Feedback

- 60% of applicants have opted for a lower capacity to avoid reinforcement costs and timescales.
- Still early days, but some customers are evidently taking the opportunity to revise their capacity and avoid reinforcement.
- Some instances:
 - ❑ Initial application request for 100MW Battery Energy Storage System (BESS). Point of Connection (PoC) Info Letter advised a reduction to 35MW would avoid significant reinforcement. Customer accepted the reduced capacity.
 - ❑ Initial application request for 49.5MW PV & BESS. Customer reduced capacity to 40MW following the trigger point information.
 - ❑ Initial application request for 99.9MW BESS. Subsequent PoC Info Letter advised a reduction to 45MW would avoid significant reinforcement. Customer accepted the reduced capacity.



Multiple budget estimating charging – EHV update

Why

Key items of note over the last 3 years

Increasing volumes of options of up to 18 options.

- 17% asked for 6 options last year.

Top ten customers are responsible for over 40% of the total budget volumes.

Outcome

- Up to 2 free budget options per site (over a 6 month period).
- A restriction of six months will apply from issue of the budget estimate(s) for further free budget estimates to be issued at a site.
- £300 charge per additional budget option afterwards (within the 6 months period).
- Only applicable to multiple budget estimates (22kV and above) from February 2022.

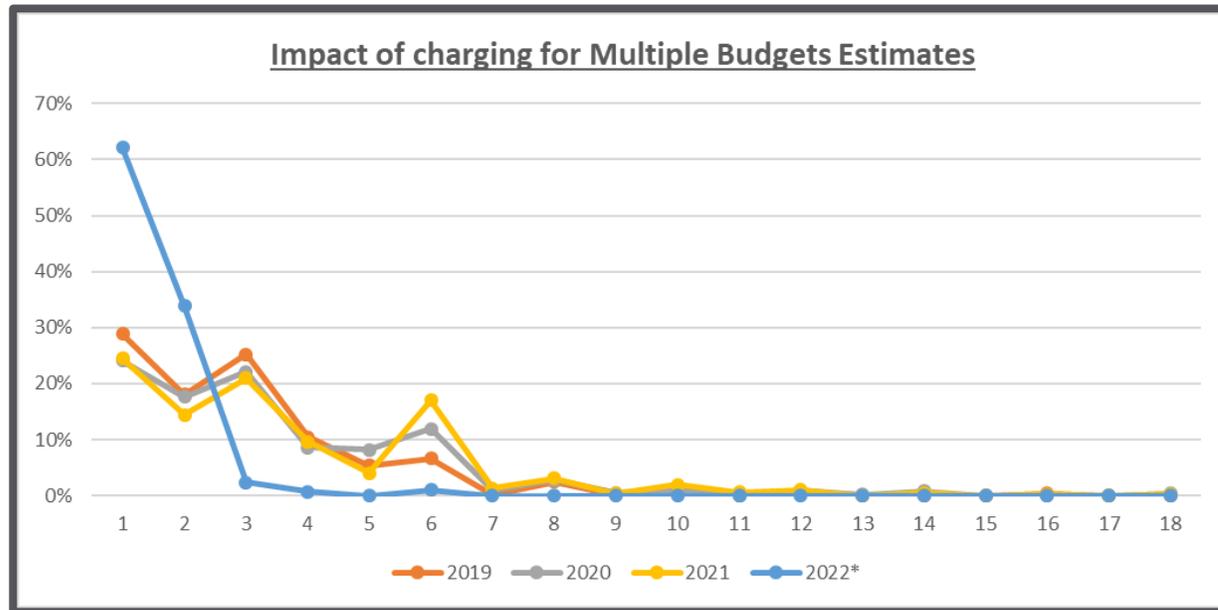


<https://connections.nationalgrid.co.uk>

Budget estimating charging – EHV update

Outcome update

The 2022 data is only based on a 6 months period following implementation of the revised approach.



Single and dual capacity applications accounted for 96% of the budget volumes so far as opposed to 39% in 2021 following the revised approach.



<https://connections.nationalgrid.co.uk>

Digitalisation of connections update

Our plan – Getting ready for RIIO ED2

Have clear and simple customer application process, which accounts for the particular needs of different groups of customers.

This should include, but not be limited to, providing options for how customers can apply for new connections and ensure these are clearly communicated.

Self-serve tools on our website from application through to construction.

Enhancing the customer experience, to gain customer satisfaction.

Forward-thinking customer engagement – all media areas



<https://connections.nationalgrid.co.uk>

Digitalisation of connections update

NEW Connections Website

- Went live 5th July 2022 to provide clear, simple and effective information for our first time customers
- New online developments
 - **upgraded our 1- 4 application process**
 - **new self serve budget estimate tool**

New self serve budget estimating tool

- To aid customers on getting a good idea to how much their connection may cost.
- This is also a step by step process which is the first of many projects to digitalise the connections process.

Online application process for 1-4/ small commercial

- This is much more user friendly allowing us to help the customer calculate their KVA.
- Plot their connection on a satellite map.
- See a summary of their application and receive a detailed email.

New online domestic EV application

- Go live date end of 2022.
- Online domestic EV car charger connection application, to improve response time from 24 hours to minutes.
- Process to evolve into self serve tool for heat pumps and domestic solar installations

<https://connections.nationalgrid.co.uk>

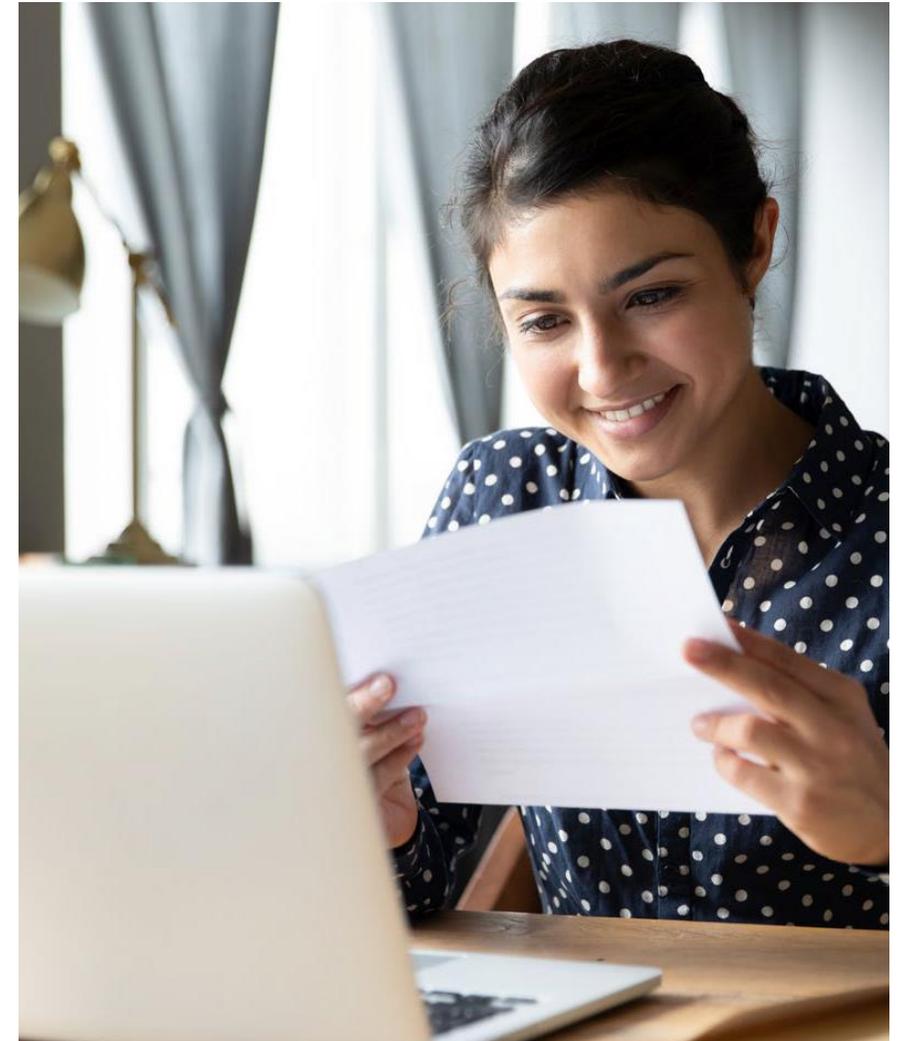
Digitalisation of connections update

Feedback – From 5th July 2022

	Connections website views	Connections applications	1-4 Connections applications	Budget estimates self serve tool
July	41,469	782	316	233
August	50,271	954	346	347
Total	91,740	1,736	662	580

Benefits to the Budget Estimate self serve online tool

- Self serve tool is a very user friendly click through process
- Only needs to provide a minimal amount of information about connection they require a budget for
- Enabling planner time to assess firm/complex connections.
- 24/7 process for customer satisfaction, many customers like to have the option of applying out of office hours
- No cap on how many times one applicant can apply.
- The traditional route budget estimate could take up to 10 working days, on the self serve tool takes 10 – 15minutes



Digitalisation connections future

Future 2023

Online self serve firm quotation

Click & Connect

Fully digital customer journey.

Pre site visit through virtual digital video

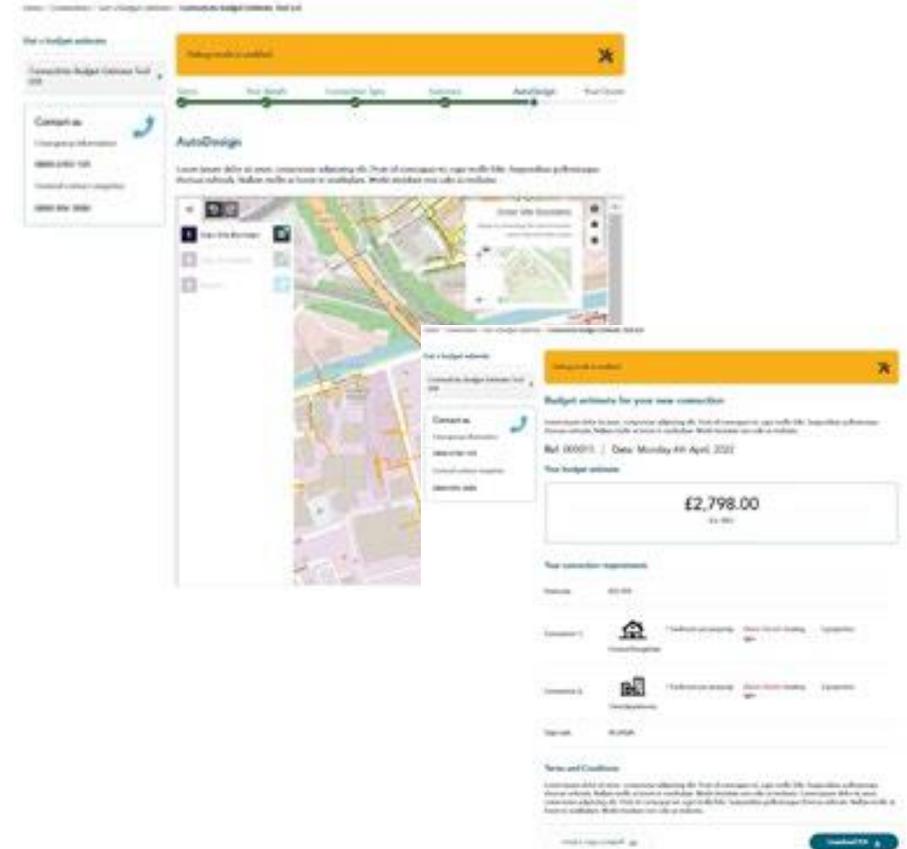
Online self serve application

Full quotation, with a design.

Payment online

Schedule your delivery

With full application tracking facility through our
NEW Customer Portal



<https://connections.nationalgrid.co.uk>

Engage with us

Application journey

- Please engage with us at the earliest opportunity.
- Discuss your plans with us at an early stage, it can help to provide and establish the viability of an individual scheme.
- To arrange a connection surgery, we have set up 3 x specialist surgeries to help with your enquiry.



Speak to someone

We are here to answer your questions.

0800 0963080

Call us: Monday to Friday, 8am - 5pm

Alternatively, fill in a queries form and we will call you back the following day.

[Request a callback](#)



Connection Surgery Appointments

Undertaking a Connection project can be complex but we're here to help. If you would like to discuss your plans with one of our Engineers or Planners then you can request a Connections appointment.

[Find out more](#)



Community Energy Appointments

We are committed to working pro-actively with community energy groups and recognise that the volunteer led approach and complex nature of their projects means that community energy groups need more time and support to engage in the process of connecting to the network. If you would like to discuss your plans with one of our Planners you can request a community energy appointment.

[Find out more](#)



Net Zero Surgeries

We can assist in providing an understanding of process, timescales, technical considerations, consents/legal requirements and possible constraints involved with either making a single connection to the network in a particular area or a more strategic approach to decarbonisation across a region. If you would like to discuss your plans with one of our Engineers or Planners you can request a net zero surgery appointment.

[Find out more](#)

<https://connections.nationalgrid.co.uk/engage-with-us>

Engage with us

Stakeholder event

Connections annual workshop event – online or in person

16th November 2022

Villa Park,

Birmingham

B6 6HE

This event can be attended online or in person. We will be asking participants to tell us their views on connections.



Contact us to ensure you receive an invite:
Email Penny - pcarolan@nationalgrid.co.uk

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RIIO-ED2 Draft Determinations update

Paul Branston
Regulatory & Government Affairs
Manager

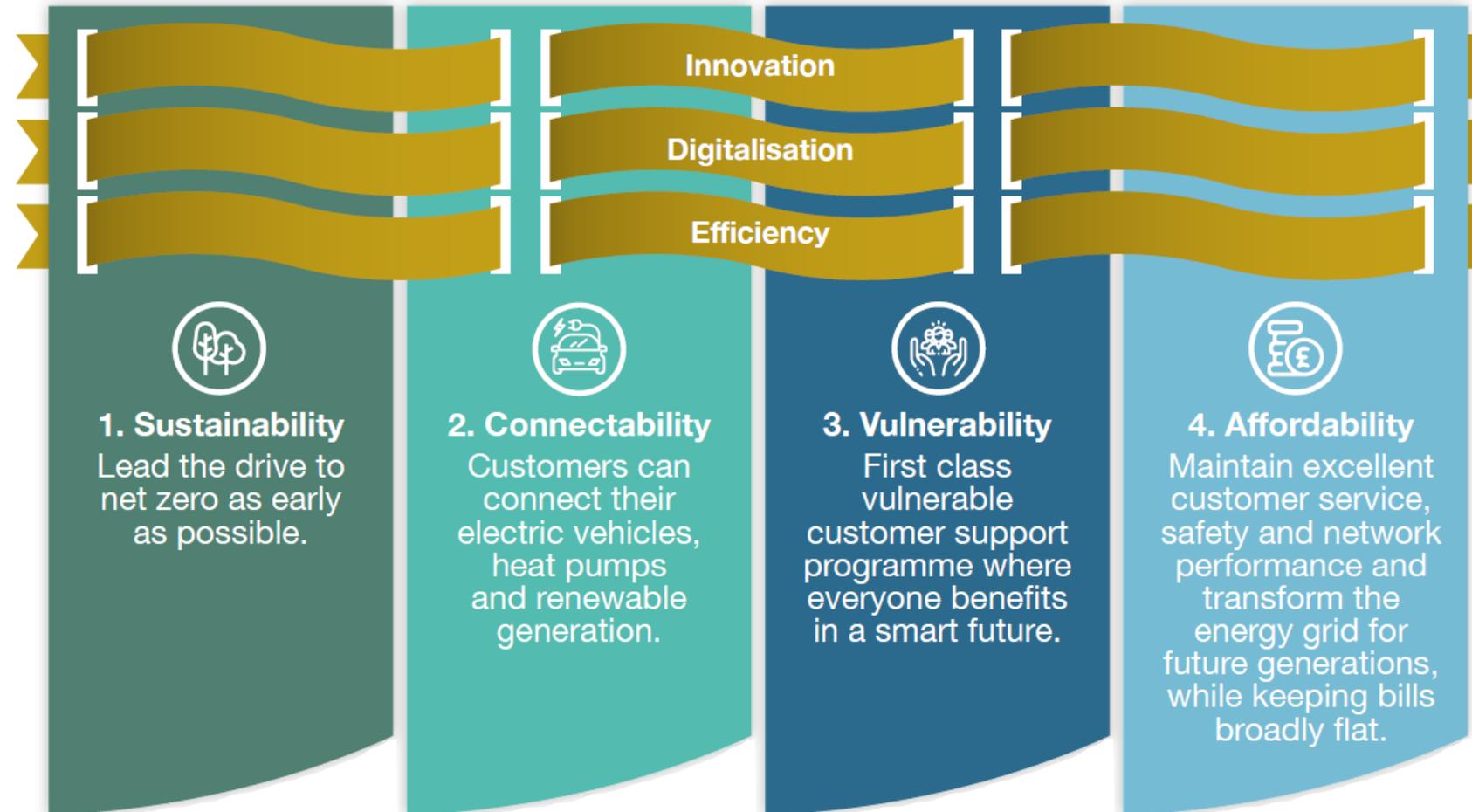
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An ambitious plan for the future – recap of our plan

A transformed energy network to drive net zero by as early as 2028 across our region

- Four overarching outcomes for our customers
- 42 core commitments co-created with 25,000 stakeholders
- £6.7 billion investment for our customers required to deliver net zero
- £1.4 billion expenditure increase, but keeping bills broadly flat
 - Thanks to huge efficiencies, innovation & digitalisation



Draft Determination outcomes

How Ofgem's proposals impact the investment and ambition of our Business Plan



We asked for £6.7 billion (difference = ~£1.3 billion). Ofgem's determination equates to approximately £11 savings per annum for the domestic customer



For RIIO-ED2 we have currently have £1.06 billion to spend each year which is still slightly higher than in RIIO-ED1



Some of the £1.3 billion has moved to uncertainty mechanisms (Around £300 million for load related expenditure & cyber security).



We were the only company rewarded in the Business Plan Incentive

Draft Determination impacts on our commitments

Overall the Draft Determinations, while very tough, are a platform to work closely with Ofgem to achieve the very best outcomes for our customers

However if there is no movement we seemingly face two options:

1) Deliver all 42 commitments but at a reduced level: reduce the scale of our delivery and ambitions across all commitments by ~20%

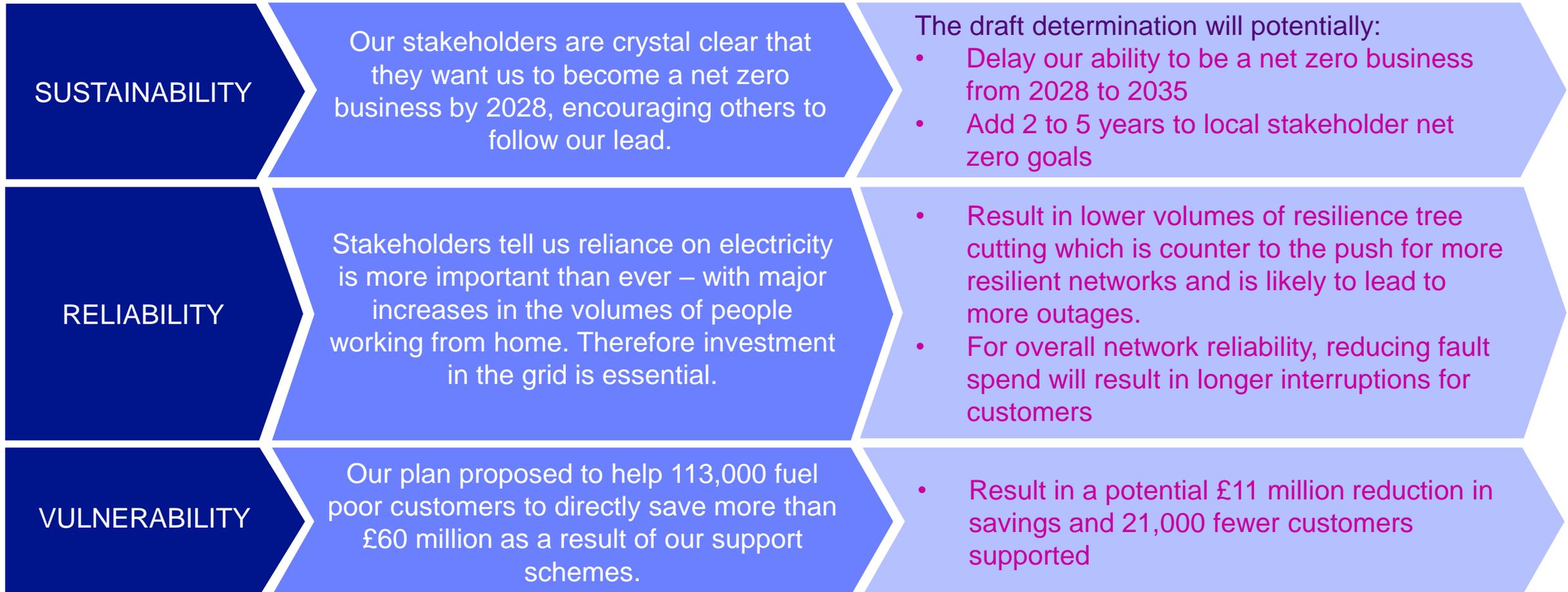
2) Deliver a smaller number of commitments overall and drop some stakeholder priority areas: Prioritise the top commitments only (e.g. network reliability and safety) do not deliver 5 to 10 commitments in their entirety

The impact will likely need a compromise between these options – we are working with stakeholders to understand the potential approach we take to adapt to the impact



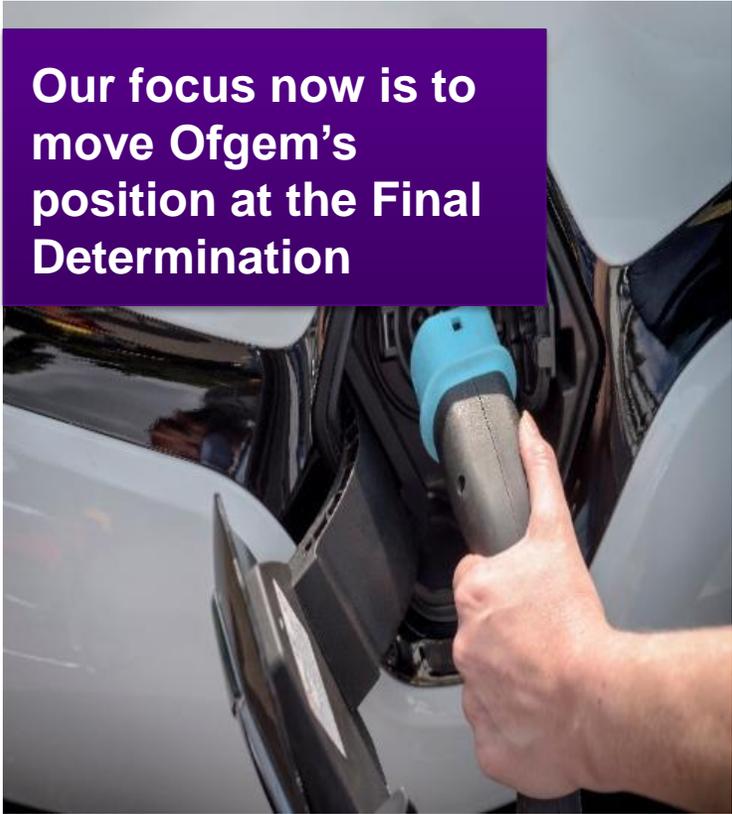
What a reduction in investment could mean

Ofgem's proposed ~20% reduction in total expenditure could result in reduced customer outputs which our stakeholders strongly supported



Our response and next steps

We have the opportunity to influence the Final Determination



Our focus now is to move Ofgem's position at the Final Determination

Response to the Formal Consultation which closed 25th August 2022

Direct Interaction with Ofgem: Providing additional information and engaging at working group level

**Engaging our stakeholders including MPs to obtain support for increasing the allowed expenditure.
Six stakeholder workshops in September and October to discuss the impact on core commitments and reductions in deliverables**

New Community Matters fund – Panel feedback

Nicki Johnson
Stakeholder Engagement Officer

nationalgrid



Community Matters Fund – Fuel poverty - £2.5million

Supporting charities, community groups and local authorities with funding for the below projects of up to £10,000 that benefit fuel poor customers:

- Supporting individuals to access support with fuel payments
- Providing energy efficiency or heating solutions
- Expanding existing services that work to combat fuel poverty
- Training for staff/volunteers to look out for signs of fuel poverty
- Supporting individuals who may be rurally/socially excluded to access LCT info
- Provision & support for ‘Warm Banks’ – communal spaces/hubs

Christmas fund– £0.5million

This fund will engage local teams and MPs, asking them to nominate a good cause that would benefit from additional support over Christmas:

- £500,000 to be utilised
 - £10,000 per distribution area
 - £2,000 for each MP (There are 184 MPs, this is based on 115 responding)
-
- Any feedback on either of these funding schemes, please email [**njohnson@nationalgrid.co.uk**](mailto:njohnson@nationalgrid.co.uk)

NGED Customer Panel – update from the Chair

Gabby Mallett
Chair, Customer Panel

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December meeting

15 December 2022

- Depot Location - we could consider, for example
 - *Derby*
 - *Hinckley*
 - *Birmingham*
- Or Zoom if that's easier
- *Please confirm which you'd prefer now or by email to Gabby asap*

Further opportunities to engage

Dates for your diary, upcoming engagement events:

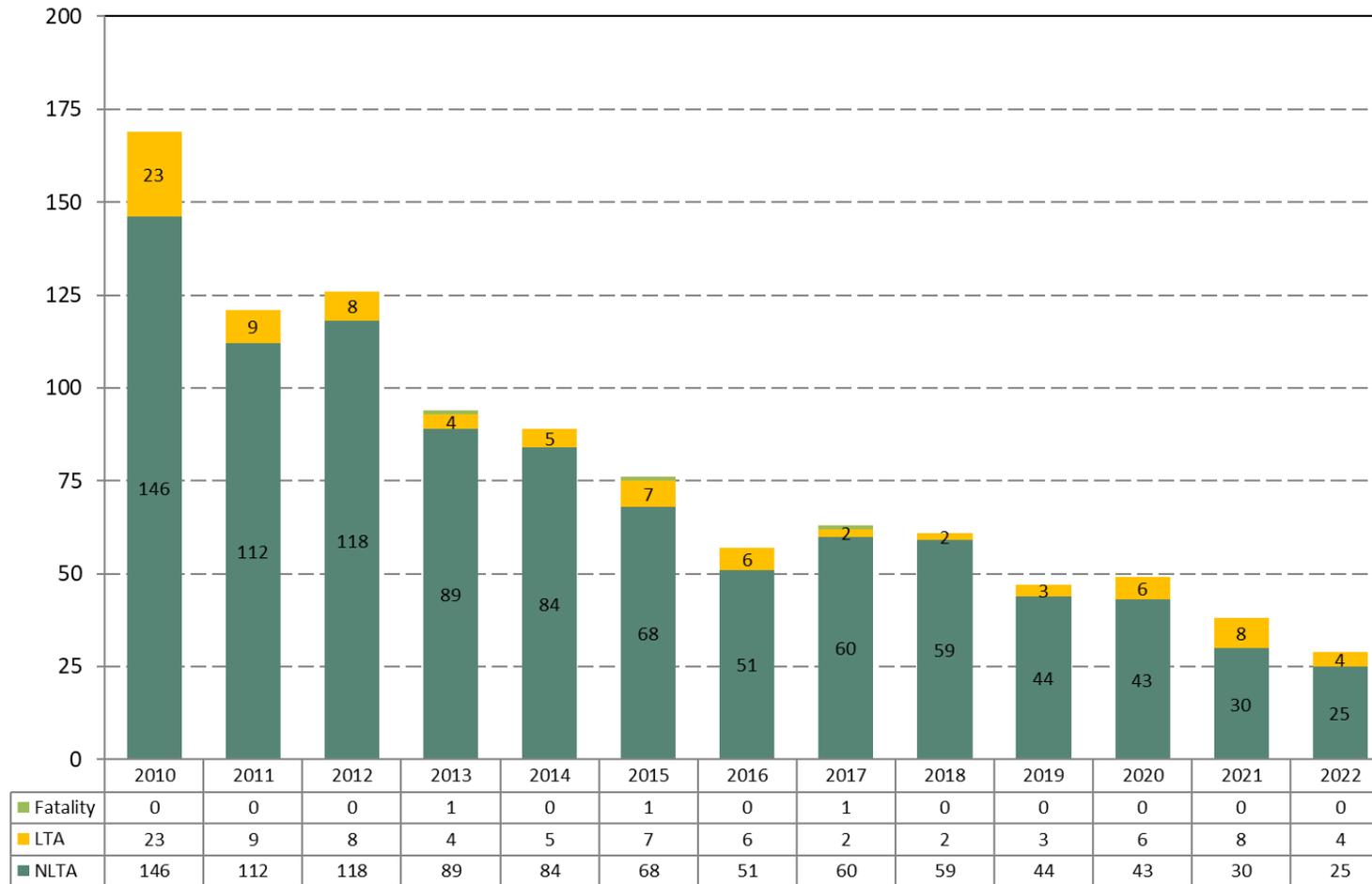
- Further Business Plan workshops (discussed earlier)
 - *Cardiff (hybrid) on Monday 10th October*
 - *Bristol on Tuesday 11th October, and*
 - *Cornwall on Thursday 13th October*
- Local network investment sessions: 11 events across 5 consecutive weeks, supporting development of local area energy plans
 - *Starting on the 18th of October 2022 – various locations*
- Net Zero Communities Forums
 - *29th September – Exeter, 7th October – Birmingham*
- Annual connections workshop
 - *16th November 2022 – Villa Park, Birmingham*

YTD Performance



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Safety incidents



As at end of August 2022

*Loss Time Accident / Non Loss Time Accident

IIS Outturn 2022/23

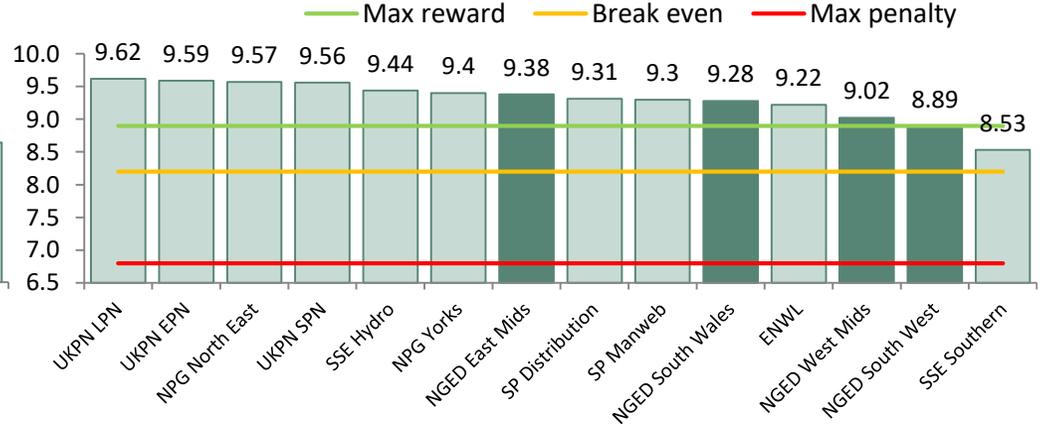
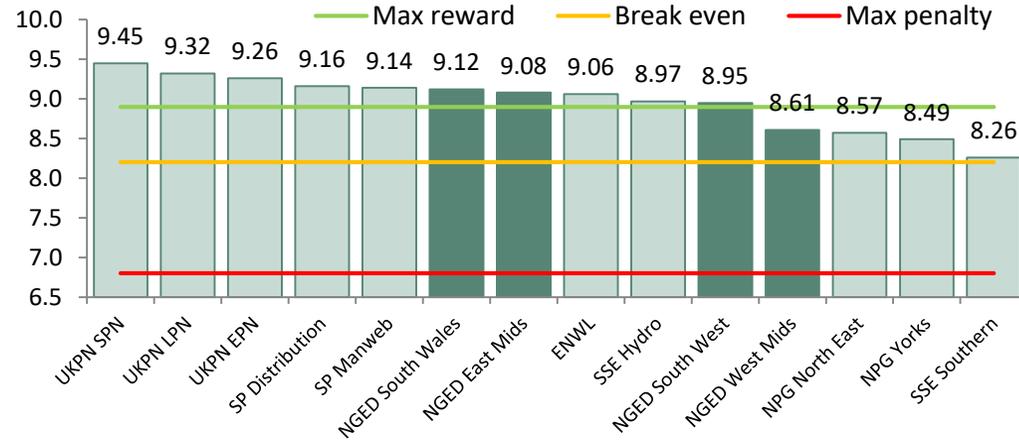
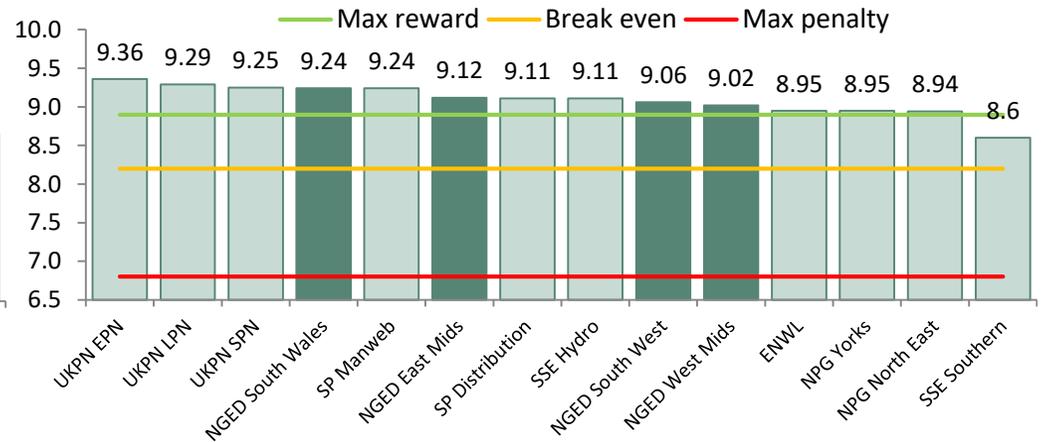
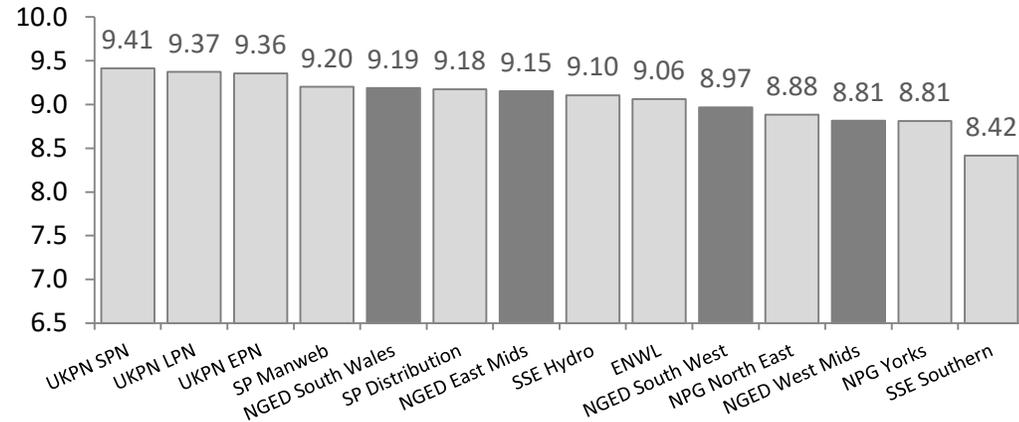
	WPD West Midlands		WPD East Midlands		WPD South Wales		WPD South West	
	CI	CML	CI	CML	CI	CML	CI	CML
Ofgem IIS Target 2022/23	77.3	50.3	49.8	34.9	51.5	32.0	57.1	42.1
IIS Outturn 2022/23	43.3	30.5	30.1	20.3	45.4	26.5	48.7	40.0
% Out Performance	44.0%	39.4%	39.6%	42.0%	11.9%	17.2%	14.8%	4.9%
*Potential reward (£m†)	24.0		23.2		3.9		3.8	

As at August 2022

*Subject to Ofgem audit

†At 2022/23 prices

Broad measure Survey – YTD to July 2022



Note: Ofgem's incentive only considers individual performance in the 3 categories. An overall score is generated for summary purposes, using Ofgem's weightings of : 30% Interruptions; 50% Connections; 20% General Enquiries

Contact Centre Performance

April 2022- August 2022

Inbound

Service	Total calls	Average speed of response - Calls 3.57 seconds
General enquiries	77,144	Average speed of response - Twitter 4 mins 27 secs
No supply	277,639	Average speed of response -Webchat 45 seconds
Calls to 105 (included above)	142,121 (51.2%)	

Outbound – Proactive

	Total call backs	Total to vulnerable customers
During fault	380,777	376,876
When ETR changes (Estimated Time of Restoration)	46,514	21,355
Post fault	121,056	54,146
Total	548,347	452,377
Total proactive text messages sent	324,193	

Priority Service Register data cleanse

	Total contacts
Customers attempted to contact	435,550
Success rate	22.1%
Onward referrals made (e.g. for fuel poverty support)	6,551 (including 2,565 referrals to fire service)