

# NGED CUSTOMER PANEL - Minutes

## 29 September 2022

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### **Attending (Customer Panel):**

EC - Ellen Cox, Cadent  
HE - Helen Ewing, Severn Trent Water (part)  
RH - Richard Hellen, The Schumacher Institute  
RL - Ron Loveland, Welsh Assembly Gov't  
GM - Gabby Mallett (Chair)  
EP - Eddie Proffitt, Major Energy User's Council  
KR - Kate Robbins, Wessex Water  
MR - Mike Rowe, PSR customer representative  
JB - Jake Burnyeat, Community for Renewables

### **Attending (NGED):**

RA - Richard Allcock  
NJ - Nicki Johnson  
CH - Carl Henshaw  
KJ- Kester Jones  
PB - Paul Branston

GM welcomed the group

### **Richard Allcock – Introduction**

RA talked about the name change to National Grid and our expectation for the Customer Panel to continue.

**Discussion:** RL noted he struggles as a professional so the average consumer won't recognise the difference between all NG aspects and that will be a challenge. On top of that, NG brand/image could be affected.

RH felt that "to bring energy to life" has multiple meanings asked NGED to try and ensure participators such as CE groups, a growing sector of stakeholder groups, are included in all the branding and leaflets. EP is part of the NGT independent user group – he felt they may benefit from NGED experience in forging links with customers.

### **Carl Henshaw talked to the group about winter preparedness and rota load disconnections (RLD).**

#### **Discussion:**

RL discussed a reliability on demand side flexibility from both business and consumer perspectives. An experiment showed customers were willing to try and change behaviour and cut demand but when push comes to shove and a cold spell hits and customers want heat it will be tricky.

It was agreed that if members had any specific questions on Demand Side Management and flexibility NJ could pass them to Ben Godfrey our Director of DSO. Questions to be sent to NJ in the first instance.

EC noted her family is already consciously reducing electricity and wondered if we are we seeing a drop in usage already? NJ to find out and report back at the December meeting.

The group discussed RLD and the likelihood of this happening. CH confirmed in the worst case scenario NG could reduce demand by 5% and each customer would get three hours without power once or twice a week (e.g. Monday morning then Thursday night). Based on 'blocks' which can be found on energy bills. Some operations, such as prisons, airports etc, would not go off power. But note that those on PSR register would not be exempt.

MK asked about the additional complication of phones going over to fibre optic feed means people can't use the phones. CH explained that the Public Switch Telephony Network will no longer work – we did lobby against this. We are attending a cross-industry telecoms group and we are keeping an eye on this. MR says fibre optic to phone has no emergency backup. Green boxes in streets are battery operated but we don't know for how long.

KR asked about NGED sharing PSR data and CH explained we would keep in touch as much as possible and LRFs might ask for data but this is a three hour event that people know about so we would hope those who need to make provisions have good time to do that.

RH noted there are a number of issues for consideration; fuel poverty, power supply vulnerability, growth of community energy and risk of rota disconnections. EC agreed we don't want to cause unnecessary concern. NGED do winter preparedness events and comms with customers (on social media, for example) and LRFs etc.

RH notes the this whole power supply interruptions scenarios issue relates by its nature, to low frequency events, but ones with potentially significant consequences - both economic and personal safety to at risk citizens. There is convergence of opportunities and needs within the electricity network that points to the urgent issue of how to address Battery Energy Storage alongside Demand Side Energy Management at various voltage levels and how this might help increase resilience as well as the ability to manage the network to accommodate Low Carbon Technologies. He wanted to check this is being addressed systematically at NG and NJ agreed to pick this up offline.

**Actions:**

- 1. NJ to ensure all follow up questions are answered by email**

Kester Jones joined the group to discuss new connections and the Significant Code Review (SCR).

JB said he had been following the SCR but it hasn't helped the community generators they are trying to connect. Whilst a new generator no longer pays reinforcement charges one level up, this would benefit an 11kv connection only. Constraints at transmission level are holding up a number of issues such as community solar projects and JB gave some examples. JB felt speculative applications are blocking the queues for other projects which could actually progress. NJ agreed to invite JB to the Connections Steering group so he could feed in first hand his thoughts at a strategic level. [Done]

RH also noted that LCTs are being prohibited. Would also be interested in whether there was an international standard. EP has attended meetings on this queue and considers 20% of applications are genuine. GM asked if this can be picked up at a surgery. NJ to investigate and feed back.

**Actions:**

- 2. NJ and GM to discuss surgery options.**

Paul Branston updated the Panel on Ofgem's Draft Determinations.

Ofgem have proposed a £1.3bn reduction the expenditure proposed in our RIIO-ED2 Business Plan, with around £300m moved to uncertainty mechanisms.

RH noted savings are in the future. PB agreed and confirmed it is tricky to forecast in a climate when oil, gas prices are unknown etc. We have done some work at NGED and Industry level and will continue to do so going forward.

EP noted a 26% increase in investment and asked where the money is coming from if NGED is not increasing bills. PB said 6.7bn is increase but savings will be through efficiency and the financing package. The cost of capital from ED1 was 6.4% but now we propose a cost of equity that is significantly lower. Inflation is an issue but in real terms we are looking to keep bills broadly flat at £100 a year.

The group discussed the 42 proposed core commitments (which started at 60+) and PB explained we have reduced them through consolidation and stakeholder feedback. We chose to continue with key commitments stakeholders wanted us to continue with.

EP wondered if the real life cost of having an EV is no more than diesel so should NGED be able to change over its fleet. PB explained electrification of our fleet did have additional investment so could now propose to invest to electrify 67% of the fleet

EP also talked about the net zero target being 2028 and asked if that will slip back to 2035 and is it fair to expect today's customers to pay or is it better to slip back. PB explained we are not putting future costs on today's customer as investment is recovered over 45 years so we want to invest today and recover costs over the economic life of the network – at least 45 years.

EP asked if the regulator can cope. In transmission 60% of the plan went into the uncertainty mechanism. So will NGED get allowance increased in a timely period? PB said there would be a significant strain on the regulator but we are working hard with them to ensure we have clear steer and investment is not delayed further. JB felt Ofgem is narrowly focussed on bringing down bill costs rather than upgrading the grid so consumers can benefit from the transition to net zero, asking if it was too late for consumer interest groups to lobby Ofgem or is it too late? PB said it's not too late – we are still working with Ofgem – consultation is closed but people can still write to them in advance of final determinations in November. Is there anything NGED can provide to JB so he can raise this at Community Energy England?

GM talked about her attendance at a recent workshop and the group preferred an in person meeting for the December 15<sup>th</sup> 2022.

**Nicki Johnson** talked to the group about the proposed next phase of the Community Matters fund and comments were invited. The members endorsed a new £2.5 million fund and supported the proposal to have the fund theme as 'fuel poverty'. The members also endorsed an additional £0.5m Christmas fund for local offices (£10k per distribution area) and MP applications.

#### **Actions:**

- 3. PB to send some information to JB**
- 4. New £2.5m Community Matters fund to be launched allowing relevant charities and organisations to apply for fuel poverty project support**
- 5. New £0.5m Christmas CM fund to be planned for Christmas**

#### **Dates of next meetings**

15 December - Pegasus office with lunch and afternoon surgeries (10am – 3pm)

15 March 2023 – tbc

15 June 2023 – tbc

14 September 2023 – tbc

14 December 2023 - tbc