
WPD CEG MEETING MINUTES - SUMMARY

MEETING	WPD CEG Meeting
DATE	12 December 2019
TIME	0845 – 1600
THEMES FOR THE MEETING	
<ul style="list-style-type: none">• Session One: Research• Session Two: Development of the Business Plan• Session Three: CEG Forward Planning• Session Four: Subgroups	

OPENING REMARKS AND REVIEW OF LAST MEETING

The CEG chair opened the session. The apologies were recorded. No conflicts were raised. The minutes of the last meeting were approved. In terms of matters arising, the chair updated the group on the progress of the other DNOs' Customer Engagement Groups as well as Ofgem's new RIIO ED2 Chair Group and the RIIO-ED2 Working Groups.

SESSION ONE: RESEARCH

The chair of the research subgroup updated the group on the progress of their review of the outcomes from the preliminary engagement phase. WPD presented an update on the research and engagement programme, including: synthesis; triangulation; and willingness to pay.

The comments and questions raised by members were:

- That the subgroup had had some comments on the preliminary engagement phase, but that overall it was pleased with what had been done.
- Concern in relation to how the views of minority voices would be weighted and managed and there was a desire to see the plan for segmentation of views.
- A desire to understand how some of the major external factors (e.g. decarbonisation) will feed into the triangulation process.
- How WPD is capturing the affordability requirements of those who aren't necessarily in fuel poverty but still need the bills to be kept down (the 'just about managing' group).
- That members felt the assumptions document was critical within the Strategic Business Plan process, and sight of it was requested.

The actions, clarifications and challenges from this session include:

- WPD to present the proposals on stakeholder and customer segmentation to the research subgroup.
- WPD to share its current assumptions document.

SESSION TWO: DEVELOPMENT OF THE BUSINESS PLAN

WPD presented on the development of the RIIO-ED2 Business Plan, including the proposed timeline for the development of the Business Plan and an overview of the different sections.

The comments and questions raised by members were:

- The desire to have a synchronized set of dates for activities to highlight when the CEG will be involved in the strands of the Business Plan development process.
- Whether there were different challenges to workforce planning for ED2 compared to the previous price control.
- That DNOs are having to take on things like DSO and the 2050 target that were not clear at the start of the ED1 Business Plan and so managing uncertainty would be crucial.
- The importance of engaging with 'pro-sumers' was raised (i.e. those who want to generate their own power).
- Whether DSO and DNO functions should be undertaken by the same company.
- That the T2 and GD2 plans have now been published and that WPD should review them to ensure that lessons are learnt.
- That decarbonisation is a huge factor that could completely disrupt the five-year Business Planning delivery period and whether it needs to be incentivized in the next RIIO framework.
- How WPD should present its role: whether the company continues to be largely reactive or whether it should be a proactive driving force, particularly regarding the decarbonisation agenda.

The actions, clarifications and challenges from this session include:

- WPD to outline the key changes in the latest guidance from Ofgem following feedback on their Open letter.

SESSION THREE: CEG FORWARD PLANNING

This session was an open discussion, led by the Chair, to agree the next steps for the CEG.

The comments and questions raised by members were:

- That a series of subgroups would be set up to work directly with the Business Plan section leads.
- That the group would develop a framework which would enable the individual subgroups to apply the same set of criteria to each of the Business Plan sections.
- That members should review the current performance reports to understand how WPD is currently performing against the ED1 Business Plan.

The actions, clarifications and challenges from this session include:

- To draft a framework to ensure subgroups work in a consistent way with the leads of sections of the Business Plan.
- To establish a set of subgroups to align with WPD Business Plan activity.
- WPD to share a breakdown of development stages for each section of the Business Plan.

SESSION FOUR: SUBGROUPS

The afternoon allowed time for the existing subgroups to put together their forward plan and build relationships with the relevant members of WPD and to address some of the clarifications previously raised. The subgroups were as follows: asset replacement; research; culture; and regional drivers / net zero.