

Report on Northern Powergrid's Customer Engagement Group discussions in July 2021

Summary

The Customer Engagement Group¹ held further discussions looking at Northern Powergrid's work on developing its business plan for Ofgem's RII0-ED2 price control process. This is the plan that will cover the 5 years 2023-2028.

The main items we discussed this month were Northern Powergrid's **draft business plan** and its **Stakeholder Engagement** work, and Ofgem's 'minded to' decisions on its **Access and Forward Looking Charges Review**.

Business Plan

Northern Powergrid confirmed that its draft business plan was submitted to Ofgem at the beginning of July, and published on its website for consultation (<https://ed2plan.northernpowergrid.com/>).

The Customer Engagement Group referred to their Interim Report, which sets out the group's assessment of the company's draft plan, and raised a number of points that they would like to discuss with the company before it finalises its business plan later this year. The Customer Engagement Group's report is available to download or read [here](#)

Stakeholder Engagement plan update

Northern Powergrid advised that it is planning a further wave of engagement to test customers' acceptance of the proposals (including their impact on bills) of its draft plan once published. Feedback from this engagement will inform its final business plan.

Ofgem's Access and Forward Looking Charges Review

Ofgem has recently published some 'minded to' decisions on access and charging and is consulting on them. These form part of a wide-ranging review of access and charging for electricity networks. If implemented, these decisions will mean that:

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

<https://ceg.northernpowergrid.com/>

- less of the costs associated with making new connections onto the network will be paid by the customer who benefits from the new connection and so more will be paid by all network users;
- Customers will be able to choose between different levels of access from unrestricted to time-profiled ones (such as 'off peak') or restricted access with compensation if it is restricted.

Ofgem has not yet proposed any changes to the Distribution Use of System (DUoS) charges.

These changes may have an effect on the bills that all customers pay and Northern Powergrid is currently assessing the potential impact, and what may need to be reflected in their final business plan. We asked for a further discussion when the company is clearer about the likely impact of these changes on different groups of customers.