

Report on Northern Powergrid's (NPg) Independent Stakeholder Group (ISG) meeting

#2 April 2025

Summary

The meeting included updates on the National Infrastructure Commission (NIC) report, a summary of the series of recent NPg Regional Workshops and Net Zero for the North (NZ4N) conference, NPg's progress on its Sustainability Strategy, a day in the life of a Customer Service Manager as well as brief updates on Clean Power 2023 and de-looping issues. The meeting also received an update on NPg's DSO Review Panel¹.

NPg's Finance Director joined the meeting discuss issues relating to asset depreciation and investability as well as giving his general view on the "State of the Nation' from a financial perspective. In addition the meeting welcomed the Chair of Northern Powergrid's Foundation Fund, who shared progress since his last update in June 2024.

NIC Report update

NPg believes overall the report was a positive outcome, with long standing positions and the time promoting them being reflected well in the report, particularly around the price control.

Nothing was of particular concern to NPg other than the level of uncertainty as to how recommendations would be received by Government. It was evident the NIC team will be more heavily involved with the implementation, which NPg believes is a positive.

DSO Review Panel

The last DRP meeting took place a couple of days after the #1 ISG meeting (24-Feb). The DRP spent time going through a useful document NPg developed which outlines the specific lines between DNO's and DSO's. The Chair confirmed the DRP Annual report is now complete and awaiting publication to the new NPg website.

Engagement Update

NPg confirmed the NZ4N Conference report wasn't written yet, and that whilst the logistics of the venue weren't ideal with moving delegates around – the event was well attended.

The Regional Workshops are a staple part of NPg's engagement programme, always being very well received in the regions, and so NPg will continue to run them. Sharing some educational information in advance is a take away, as there was a real mixed level of knowledge.

¹ Find out more about Northern Powergrid's Distribution System Operation Review Panel here: <u>DSO Review Panel Northern Powergrid</u>



NPg Broader Updates

The issue the ISG raised around de-looping had created a number of meetings in NPg's Field Operations Directorate. This will now also be a standing item at NPg's executive monthly management meetings.

NPg believes momentum is drifting a little with CP2030, despite a number of meetings that have been held to discuss the ambition of the programme. The wider connections queue numbers are expected to reduce by 2030, which will likely be major news. NPg has a number of workstreams ready to help manage this.

Vulnerability Update

NPg commented that the Community Energy Team and workstream continues in its set up, and that progress is good with things taking shape much quicker than originally planned. Requests are coming through for the team to speak at events to explain support options available. The team will soon start issuing newsletters to get the word out there, as well as developing some training packages.

Northern Powergrid Foundation Fund

Since attending last year, the Chair of Trustees for NPg Foundation Fund said the key developments have been that the fund has now recruited a team, which is based in Sunderland.

Conversations have also taken place as to how NPg want the fund to continue. Its starting point was funding resilience and there is no intention to scale that back, but the fund is keen to explore other areas it can support communities in.

Finance

The main item discussed was Ofgem's transition to a 45-year depreciation from 20 years, and the implications this has to distribution network operators (DNO), customers as well as the sector as a whole.

A day in the life of a Customer Service Manager (CSM) at NPg

One of NPg's CSM's joined the meeting to introduce themselves, and the role the play in everyday life at NPg, after an observation in a recent BPEG sub-group meeting how valuable their insights are. The CSM shared insights of his work with MP's, local authorities, large businesses, major energy customers, single premise domestic customers of NPg, as well as the work he does speaking to community groups about how important NPg is to everyday life.

Sustainability Strategy Progress

NPg updated that it now has a Sustainability Delivery Group (meeting bi-monthly), since the publication of its strategy at the end of 2023. A dashboard against the pillars of the strategy has also been created to track progress against its business plan commitments and results are currently encouraging.

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