

CEG MEETING 13 Dec 2021 (Meeting 38)

AGENDA

Andy Billcliff
Chris Clark
Matthew Cole
Kankana Dubey
David Flynn
Sam Ghibaldan
Matthew Hannon
John Howard
Jennifer Pride
Benny Talbot
Jan Webb
Andrew Wright

13.00 Welcome and explanation of today.

13.10 EXECUTIVE SUMMARY

1. INTRODUCTION Chapter 1.1 to 1.4 (Ofgem Business Plan Guidance)-
A Good Business Plan?

2. An open and transparent approach to Business Plans

2.1 to 2.6 - Track-record and Business Plan commitment

2.3. As a minimum requirement under Stage 1 of the BPI, Business Plans must therefore include an explanation of:

- delivery against RIIO-ED1 output targets and incentive mechanisms including, where appropriate, how performance compared against any targets/ambition declared by the company in their final RIIO-ED1 Business Plan. This must include an explanation of performance in the areas of: Connections (Time to Connect Incentive and Incentive on Connections Engagement), Social Obligations and Customer Service (Customer Satisfaction Survey, Stakeholder Engagement and Consumer Vulnerability Incentive and Complaints Metric), Reliability and Availability (Customer Interruptions and Customer Minutes Lost under the Interruption Incentive Scheme), Environment (Business Carbon Footprint, SF6, fluid filled cables, management of losses and the use of the visual impact allowance) and Safety.
- how expenditure within the control period differed from allowances set at the outset of RIIO-ED1.
- what factors contributed to differences between allowances and expenditure, and how these factors have been considered in preparing the RIIO-ED2 Business Plans. Business plans must include this information in respect of (at least) the following cost categories: Network Reinforcement, Replacing & refurbishing equipment, Network Faults, Operational Support & Business Support
- the returns companies earned over the RIIO-ED1 period, and key drivers behind these returns. These must be expressed in terms of Return on Regulatory Equity (RoRE).
- the level of profit payment distributed to investors over the RIIO-ED1 period.

- 3. Delivering value for money services for customers
 - 3.1 to 3.4 Outputs and incentives
 - 3.5 to 3.10. Proposals for bespoke outputs
 - 3.9. Meeting the needs of consumers and network users
 - 3.9 Vulnerability Strategy
 - 3.10 Vulnerability Minimum Requirements
 - 3.11 Major connections Strategy
 - 3.12 to 3.14 Major Connections Minimum Requirements
 - 3.15 Maintaining a safe and resilient network
 - 3.15 to 3.17 Asset Resilience Minimum Requirement
 - 3.11 to 3.28. Resilience
 - 3.18 and 3.19 Workforce Resilience
 - 3.20 to 3.27 Cyber Resilience
 - 3.28 Physical Security
 - 3.29 to 3.32 Climate resilience minimum requirements
 - Includes Climate Strategy and pathways to Net Zero
 - 3.33 Delivering an environmentally sustainable network
 - 3.33 to 3.35 Environmental Action Plan