

Key points and summary of Customer Engagement Group (CEG) questions/discussion sessions. NB: Not verbatim.

RIIO-ED2 Customer Engagement Group – Meeting 5		
Monday 11 th May 2020	12:00 – 15:38	Virtual Conference
Meeting called by	John Howard	
Type of meeting	Customer Engagement Group	
Facilitator	SP Energy Networks	
Note takers	Ross Williams	
Chair & Timekeeper	John Howard	
Attendees	John Howard (JH) Andy Billcliff (AB) Chris Clark (CC) Matt Cole (MC) Sam Ghibaldan (SG) Matt Hannon (MH) Teresa Perchard (TP) Benny Talbot (TB) Jan Webb (JW) Kankana Dubey (KD) Andrew Wright (AW)	Andrew Jardine (AJ) Ross Williams (RW) Robyn Pender (RP) Alessio Villanacci (AV) Gillian Hurding (GH) Clare Dawson (CD)

Agenda Topic: Welcome, agenda and minutes	
1200 - 1215	John Howard
Discussion	Welcome, overview of the agenda, and approval of the previous meeting's minutes
Agenda Topic: CEG – definitions, scope and objectives	
1215 - 1230	Andrew Wright, CEG Advisor
Discussion	AW presented slides on the definitions, scope and objectives of the CEG for members to discuss and agree. Comments and discussion from the CEG focused on the following areas: <ul style="list-style-type: none"> The definition of customer, consumer and stakeholder with regards to the CEG's remit and Ofgem's enhanced stakeholder engagement guidance
Agenda Topic: BAU stakeholder engagement strategy	
1230 – 1325	Andrew Jardine, RIIO-ED2 Stakeholder Engagement Manager
Discussion	AJ gave an overview of SPENs' business-as-usual stakeholder engagement strategy, focussing on the company's approach, mission statement and principles, measuring value and social return on investment, tailoring engagement and mapping stakeholders, and accreditation. Comments and discussion from the CEG focused on the following areas: <ul style="list-style-type: none"> The values and inputs that SPEN inserts into its social return on investment tool and how that tool will be used to inform

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	<p>decisions within the RIIO-ED2 business plan. SPEN said the tool it has developed can accurately quantify and forecast the costs and benefits of an initiative over a period of time, allowing the business to perform a robust calculation of costs versus net benefit. The tool uses not only financial costs but also estimated values of social benefits using proxy data which assures assumptions are as accurate as possible. The tool is used in two ways – either to assess different options to inform decision making, or after a decision/initiative has been completed to illustrate the actual values delivered. The tool is used in the BAU and ED2 stakeholder engagement programmes, consumer vulnerability programme and was used by the RIIO-T2 team</p> <ul style="list-style-type: none"> • How Covid-19 will affect the ability of SPEN to implement its engagement strategy and plan. SPEN acknowledged the challenges posed by covid-19 in terms of implementing its engagement programme, however project engagement and CEG engagement must continue. For example, SPEN still has connections obligations to deliver, so engagement doesn't stop. The company is therefore exploring the most effective virtual engagement channels – surveys and webinars – whilst engagement in person is prohibited • How BAU engagement is feeding in to business plan engagement. SPEN said it had already used existing forums to engage on RIIO-ED2 or related matters to inform its initial thinking on a range of topics, for example on DSO. Enduring BAU stakeholder groups will be asked to feedback on specific areas of the business plan when the appropriate time arrives. • Some CEG members reflected on past experience of attending SPEN stakeholder engagement events, asking how the company aims to ensure it is engaging with the right organisations and can overcome the potential issue of stakeholder fatigue or the inability of organisations to resource participation in stakeholder engagement events. SPEN acknowledged the challenge of stakeholder fatigue. The company does, on occasion, incentivise involvement, for instance in the past the business has offered to pay travel expenses e.g. for charity organisations or set up separate bi lateral meetings for organisations unable to attend a particular event. Stakeholder empowerment, by demonstrating contribution, is essential to driving ongoing constructive dialogue, and was a big part of the RIIO-T2 business plan
Agenda Topic: RIIO-ED2 stakeholder engagement plan	
1325 - 1405	Alessio Villanacci, Senior Manager, SIA Partners
Discussion	AV gave an update on progress against the RIIO-ED2 engagement strategy, reiterating the company's overarching objectives and how it plans to meet these objectives. AV also provided a more detailed progress update on SPENs' phase 1 customer segmentation and engagement exercises, as well as its phase 2 stakeholder engagement plans.

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	<p>Comments and discussion from the CEG focused on the following areas:</p> <ul style="list-style-type: none"> • Whether SPEN will conduct Willingness to Participate analysis, since certain models and concepts, such as DSO, are reliant on an inherent willingness of stakeholders to change their behaviour. SPEN explained that it is eager to ensure stakeholders are aware of the minimum standards network companies must meet as that then provides a starting point from which they can establish if stakeholders want SPEN to go over and above this. The company would consider whether willingness to participate studies would need to be explicitly and separately drawn out as a separate exercise in the ED2 engagement strategy or if these questions would form part of individual work streams' engagement plans
Agenda Topic: RIIO-T2 User Group	
1430 - 1445	Gillian Hurding, Stakeholder Engagement Manager
Discussion	As the Secretariat for SPENs' RIIO-T2 User Group, GH outlined the company's approach for its transmission business plan, highlighting how the group had functioned and where lessons had been learned that the CEG may want to consider for its own ways of working.
Agenda Topic: Customer segmentation – qualitative interview feedback	
1445 - 1500	Matt Cole, CEG member
Discussion	<p>MC gave an update after certain CEG members observed customer segmentation qualitative interviews the previous week. MC raised five points for SPEN to clarify.</p> <p>Comments and discussion from the CEG focused on the following areas:</p> <ul style="list-style-type: none"> • Members asked if SPEN could share the proposed quantitative survey questions with the group and explain what the company will do with the results • The sequencing of the questions in relation to other stages of the customer segmentation and engagement exercise
Agenda Topic: Defining a challenge	
1500 - 1515	Andrew Wright, CEG member
Discussion	<p>AW presented his thinking on how the CEG may come to define a challenge, taking into consideration approaches developed by other utilities.</p> <p>Comments and discussion from the CEG focused on the following areas:</p> <ul style="list-style-type: none"> • The group agreed there was a need to place a loose framework around challenge criteria, however there was also agreement that too narrow a definition could constrain the ability of the CEG to carry out its functions effectively
Agenda Topic: Challenge and action log	
1515 - 1530	John Howard, CEG Chair

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Discussion	The CEG discussed the challenge and action log, checking on the progress of previous actions and considering whether any new challenges or actions should be raised.
Agenda topic: Wrap-up and close	
1530 - 1538	John Howard, CEG Chair
Discussion	Group discussion and reflection on the day's content and actions for SPEN to take forward.