

Ref	Date raised	Topic area	Challenge raised	Brief Description	NPg Owner	Date due for response	Response by NPg	CEG view of NPg response	Status	Open/Closed
C1	11/11/2020		Local Area Energy Planning	<p>The CEG recognises the description of the Local Area Energy Plans by the Energy Systems Catapult (2018) as enabling “stakeholders, led by local government, to interrogate different energy futures for an area and to develop the most promising, cost-effective options for decarbonisation. For network operators, it provides a foundation for justifying and planning network upgrades. Local Area Energy Planning develops a shared vision as a basis for targeting investment, encouraging innovation, securing value for money and gaining public understanding and support”.</p> <p>Such an approach is likely to be an essential element of developing the type of robust evidence that would be required to engage and convince Ofgem to fund investment proposals for decarbonising the energy system based on locally assessed need and priorities rather than on a central set of forecast outputs (which Ofgem itself recognises could lead to higher costs or an underestimation of investment needed in different regions).</p> <p>The CEG also recognises that the policy framework for LAEPs is not yet firmly settled but encourages NPg to take a proactive approach to developing local partnerships, particularly with local and combined authorities across the region that it serves. This may be particularly productive with those authorities that are progressive in this area, for example in support of pathways to decarbonisation and hitting net zero by 2050 or before. Capacity, and detailed plans, exist within the West Yorkshire Combined Authority (and its constituent local authorities) as well as at and within the North of Tyne Combined Authority (and its constituent local authorities including Newcastle) and the North Yorkshire and York Local Enterprise Partnership (which includes North Yorkshire authorities and the unitary City of York).</p> <p>The CEG also actively encourages NPg to consider using its expertise and influence to support capacity building and stimulate engagement by those authorities that are under resourced or otherwise less able to make effective progress.</p> <p>The potential for building wider networks of influence and stimulating greater collaboration among key players (including other network operators) is also encouraged as part of this challenge. The CEG has made reference to certain examples that may be worthy of consideration (notably Greater Manchester).</p>	Patrick Erwin (Jim Cardwell)		<ul style="list-style-type: none"> In principle we accept the Challenge. This aligns almost exactly to the role we set out in “Emerging Thinking” on the ED2 plan last summer, to play a key facilitating role in decarbonisation and providing regional coordination and appropriate leadership. This will be given effect by a range of propositions in the plan, but a key proposition is to allocate dedicated headcount to support LAs in developing LAEPs. This will be explored in the decarbonisation propositions paper ahead of draft plan. We are doing a lighter touch version of this in the remaining years of ED1 working in partnership with NGN (and we hope also Cadent from later this year), but we are not currently fully resourced to do this and building the extra capacity to do it will take considerable time given the expertise needed. <p>UPDATE – 7th May 2021</p> <ul style="list-style-type: none"> <i>Building on joint engagement on this subject, we have created and published a joint Charter with Northern Gas Networks, outlining four principles and actions we</i> 	<p>7/05/2021</p> <p>The importance of Local Area Energy Planning is significant for all parts of the country, but is particularly critical in the North East and Yorkshire because of the specific opportunities for hydrogen, which may lead to different trajectories for decarbonisation than much of the rest of the UK.</p> <p>In the gap between final business plan submissions there are those at the leading edge, such as West Yorkshire, who may be closer to the levels of evidence needed to justify a degree of differentiation compared to other DNOs and within licence areas around paths to Net Zero that isn’t present today. Leaving the door open to developing plans by other actors would acknowledge the need for the final plan in these areas to be as up to date as possible, recognising that unlike ED1 the gap between draft and final submission may have a more important function than just allowing for changes driven largely from within the regulatory process. Stakeholders in all cases need more time than is available to provide all the evidence that may be needed, but the deadline of the final business plan being submitted may allow for the plan to better align with</p>		Closed

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							<p><i>will be applying over the next year to support the evolution of LAEPs in our region. Our joint commitments include supporting a single conversation, in which Local Government does not need to navigate between the networks; providing expert advice to local projects that seek to explore and plan for a range of pathways; developing a joint plan for how to most effectively share data that will support LAEPs; and working closely with Ofgem and central government, to identify funding for LAEPs.</i></p> <ul style="list-style-type: none"> • <i>Specific engagement on this subject is continuing with City of York Council, Newcastle City Council, York and North Yorkshire Local Enterprise Partnership, Durham County Council, West Yorkshire Combined Authority, among others.</i> • <i>Our engagement with BEIS local energy team has confirmed they support our approach to LAEPs, specifically:</i> <ul style="list-style-type: none"> ○ <i>for both network operators to engage with stakeholders jointly, as set out in the Charter;</i> ○ <i>for networks to see themselves as a key stakeholder in LAEPs but not to fund LAEPs through the bills; and</i> ○ <i>defining the four stages of LAEP maturity (four maturity levels were defined together with NGN: 1.Target; 2.Strategy; 3.Pathways; 4.LAEP).</i> • <i>BEIS also shared that they view the ongoing work via the Borderlands Growth Deal as a</i> 	local decarbonisation plans (more important due to national government's own net zero work lacking specifics but with huge policy ambition, requiring local leadership to play a greater role than would otherwise be necessary in order to meet Paris and forthcoming Glasgow commitments).		

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							<p>trial for energy master planning which should develop a model approach to developing LAEPs elsewhere.</p> <ul style="list-style-type: none"> • We are continuing to engage on our proposal for regional LAEP advisors (part of our DSO Strategy). 				
C2	11/11/2020		Northern Powergrid's role, as an Anchor Institution, in Building Back Better	<p>The CEG is aware that the actions necessary to control the COVID-19 pandemic are having a substantial impact on the economy of the region served by Northern Powergrid. The CEG challenges the company to seek opportunities to take advantage of the current market to bring forward investment activities, thereby helping to restart the economy but also to benefit future bill payers by keeping costs low.</p> <p>The CEG notes the importance of Anchor Institutions for the region and so also challenges the company to consider opportunities to fulfil this role in collaboration with other regional Anchors such as Yorkshire Water, various Local Authorities and Academic Institutions.</p> <p>Context: Anchor Institutions can be defined in several different ways. In essence, they are organisations that can have a significant positive impact if they consciously and strategically apply their long-term, place-based economic power. This is particularly the case if that is combined with their human and intellectual resources, to better the welfare of the community or region within which they operate. In the first instance Anchors tended to be associated with local authorities, health care settings and places of higher education. Latterly, however, a more inclusive definition has evolved and our list of Anchors includes social housing providers, utility companies and established regional employers.</p> <p>It is recognised that Anchors create most value when they are fully engaged with their locality and work in partnership with each other, so that they can learn together and build sustainable strategies over time. The impacts created by Anchors can result from the services they provide, the amount of money they spend and the number of local people they employ. For example, the purchasing power of one or more Anchors can be very significant. A study carried out by the Joseph Rowntree Foundation and Leeds City Region Enterprise Partnership, identified that were the 10 participating Anchors to shift 10% of their total spending to suppliers in the city region this could be worth somewhere between £168-£196m/pa, an increase of more than 20% of local spend.</p>	Patrick Erwin		<ul style="list-style-type: none"> • Challenge accepted. • Through the Green Recovery Scheme, we have already identified £30m investment to bring forward in ED1. In early February we will also launch a call for evidence to identify a number of proactive investment schemes for accelerated development in the next 2-3 years. • More generally we have decided to develop and adopt a Sustainability Strategy to support business plan building on this theme, aligned with the UN SDG. This approach will help us frame our role in a holistic, strategic way, informed with a broad view of what environmental, social and economic sustainability looks like. <p>NPg response plan:</p> <ol style="list-style-type: none"> 1. Individual actions, working with Leads across all business plan areas, in particular environment, vulnerability, O&T, decarbonisation and communities. 	7/05/2021	<p>The Green Recovery Scheme is to be welcomed, and sets a clear direction of travel.</p> <p>The anchor institutions agenda includes a focus on procurement value and the specific contribution NPG can make. Drawing together the commitments across the plan, and specifically framing what economic and social impact they will make and the benefits beyond the direct energy system, is of particular importance to the communities in which NPG is based (so where its employment is most heavily concentrated).</p> <p>Specifically committing to engage with being an anchor institution, and collective efforts across the private sector more widely, would support the fuel poverty aspirations in the plan. Addressing the causes of fuel poverty through committed spend in indirect areas where it has a poverty reduction benefit may not be quantifiable now, but could be done retrospectively.</p>		Open

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							<p>2. CEG review of sustainability strategy once drafted.</p> <p>UPDATE – 7th May 2021 & 19th May 2021</p> <ul style="list-style-type: none"> • <i>Our sustainability strategy is a core part of our ED2 business plan (annex 3.2A) and that frames the importance of our role as an infrastructure provider and anchor organisation in our region. We have a key role in delivering a sustainable, low carbon future and we take a long term view on everything we do. Our strategy has three core pillars:</i> <ul style="list-style-type: none"> ○ <i>Social – being a force for good for our colleagues and communities; developing, supporting, and protecting them.</i> ○ <i>Environmental – protecting our environment for the benefit of future generations, driving and facilitating decarbonisation and adapting to climate change.</i> ○ <i>Economic – creating long-term value through sustainable growth and keeping bills affordable for our customers.</i> • <i>This strategy will be tabled at the Operational subgroup in early June and comments address before final submission.</i> • <i>Clear links to our sustainability strategy will be made in all relevant elements of the business plan including LAEPs and Community Energy Advisors.</i> • <i>Also fed into giving customers a stronger voice with additional capacity for engagement across delivery of</i> 			

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							<p><i>all the plan, particularly decarbonisation.</i></p> <ul style="list-style-type: none"> <i>In addition to the Green Recovery investment initiative previously referred to we continue to expand our social impact programme, where we align social initiatives with major investment works to meet specific local needs. Through extensive community outreach, in partnership with local stakeholders, we design an engagement and social programme in a way to maximise a project's lasting social impact, using our position as an Anchor organisation to benefit the local community. We will continue to develop this by defining medium and longer term sustainability targets and continuing to embed the roll out of social impact in the remaining years of ED1.</i> 			
C3	01/12/2020		Workforce Diversity Strategy	<p>The CEG believes that the inclusion and diversity are integral to the issues of workforce and skills development. Northern Powergrid is facing a number of challenges in ensuring that it will have a workforce capable of supporting the achievement of the ambition set out in its Emerging Thinking consultation and attracting talent from as wide a pool as possible will be essential to addressing these challenges. Given the current profile of its workforce, accessing, attracting, and retaining a pool of people that fully reflects the diversity of the communities served by the company represents a huge opportunity as well as a challenge. The CEG is not convinced that the proposals it has so far seen represent an appropriately ambitious approach. We would like to see a workforce strategy that underpins the company's vision, with a set of metrics and milestones that will facilitate regular monitoring of progress towards the vision throughout ED2 and beyond.</p>	Andy Bilclough		<ul style="list-style-type: none"> Fair. Challenge anticipated given Diversity, Equity & Inclusion (DEI) is a step change "big ticket" item for ED2 and beyond both for our company, sector and is a 'hot topic' on the global agenda. Early CEG desire for DEI from the outset, despite making it clear in our first interaction, we were only talking to them Workforce Renewal and Skills agenda. This was ahead of the Ofgem guidance document on Workforce Resilience being published. In line with Ofgem guidance to CEG, DNOs are required to work collaboratively with their respective CEG to establish 	<p>6/5/21</p> <p>We understand that there are has been change with executive responsibility and subject lead within the organisation, which has created an understandable delay.</p> <p>The CEG appreciates and acknowledges the hard work that Andy and Adam have led with short notice.</p> <p>It is good to see npg working with other DNOs on metrics.</p> <p>The CEG reviewed and discussed a progress paper at the CEG meeting on 30th April.</p>		Open

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							<p>appropriate key workforce resilience metrics and a consistent approach to reporting, to increase openness and transparency across the sector – so not surprised to see reference to metrics within the CEG challenge.</p> <ul style="list-style-type: none"> There needs to be recognition that NPg is typical of companies within the energy sector and is reflective of how many students take STEM subjects in education. Changing the balance will take years – this is a multi-price control period, not an ED2 only, agenda item. <p>NPg response plan:</p> <ol style="list-style-type: none"> Further analysis on leading DEI companies within the Energy Sector – with benchmarking/case study referencing to UKPN, National Grid and EON. Access to BHE DEI framework – including individual platform DEI action plans, including content challenge on DEI propositions/initiatives. Intervention plan established for Workforce Resilience with further internal support obtained for specifics of DEI and Skills and external challenge from Non Exec Director identified. Considering options regarding bolstering support into BAU operations within People team to free up capacity to devote more time to Workforce Resilience as well as reviewing how 	<p>Compared to other parts of the business plan, progress on workforce resilience remains less formulated.</p> <p>It was explained that NPg is engaging an external advisor to support their workstream on DEI, which is welcomed.</p> <p>We also understand there is material is being collated but was not ready to share at the time of the CEG meeting. Overall the CEG remain of the view that progress on DEI for the business plan require significant work. This is an area that has been highlighted as important by the CEG and NPg stakeholders.</p> <p>CEG members observed engagement sessions stakeholder strongly fed back that they did not see NPg as representative of the demographic they serve.</p> <p>We are not convinced that the current proposal for DEI is ambitious enough. We would encourage NPg to be bold and look at setting a strong vision for how it will ensure that it represents the communities it serves.</p> <p>DEI is not a ‘hot topic’. It should be an integral part of a workforce resilience plan. Viewing DEI in this prism, and using language such as ‘hot topic’ can be unhelpful.</p>		

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							<p>external consultants Towers Watson Willis may be able to support further.</p> <p>5. Contact made with Utilities HR Leaders Forum to identify key leaders to share best practice and ideas, including sector specific contacts for DNOs to establish interest in co-ordinated approach to workforce resilience metrics.</p> <p>6. Enhancements to propositions required to strengthen ambition and specificity.</p> <p>7. Follow up call held with Justin McCracken to discuss CEG feedback and actions agreed regarding sub-group structure for the development of workforce resilience metrics.</p> <p>UPDATE – 7th May 2021</p> <ul style="list-style-type: none"> • <i>The Workforce Resilience strategy in our draft plan submission will lay out our vision for a more diverse workforce, underpinned by an increasingly inclusive culture that promotes equal opportunities for all.</i> • <i>The regulatory requirements for DEI set by Ofgem are not prescriptive, however Ofgem has set out clear ambitions for the industry to make a step-change improvement.</i> • <i>For draft plan submission, in July 2021, we will have formulated our high-level DEI strategy and propositions. Work will be underway to develop the more comprehensive strategy and action plan, which will</i> 			

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							<p><i>continue throughout 2021 and we will have published our DEI strategy externally by the time of full plan submission in December 2021.</i></p> <ul style="list-style-type: none"> <i>• Our ambition levels for increasing diversity will reflect a long-term, non-discriminative approach to increase diversity, predominantly, at entry-level positions where we have by far the largest intake of new colleagues through our Workforce Renewal programme. This will have, by far, the largest impact on increasing workforce diversity, by volumes. The positive actions we will take will seek to increase the number of applicants from minority groups so that there is a greater probability of more numbers being successful in getting roles.</i> <i>• Our DEI strategy will be tailored to and integral to delivering business needs – increasing skills and capability needs, growing work volumes, higher levels of customer satisfaction and optimising the business to deliver efficiently. A more diverse workforce will enhance our ability to achieve these.</i> <i>• Our priority areas are – gender, economically disadvantaged and ethnicity.</i> <i>• Actions we intend to take include: Increasing our pro-active schools programmes targeted at increasing the uptake of STEM-courses, particularly focussed on females, attraction to the sector and provision of direct entry routes (such as work</i> 			

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							<p><i>placements, summer programmes, apprenticeships).</i></p> <ul style="list-style-type: none"> ○ <i>Introducing more flexible and hybrid working arrangements for our colleagues.</i> ○ <i>Enhancing workforce analytics capabilities to generate insights, diagnose risks and identify ongoing opportunities for meaningful actions that will improve diversity, inclusion and equality in the workplace.</i> ○ <i>Adapting assessment and eligibility criteria to recognise other valued attributes and open opportunities to people that don't meet standard educational requirements.</i> 			
C4	01/12/2020		Engaging Stakeholders Effectively on the impact on bills of their choices of options	<p>The CEG recognises that it is far from straightforward to explain to stakeholders the impact on bills (both immediately and in the longer term) of changes in Northern Powergrid's expenditure. In order to generate reliable stakeholder insights it is essential that this is presented in a clear and accessible way.</p> <p>In June we asked NPg to look at ways of presenting the whole life impact on bills of investments, not just the in year impact (and consider showing in year changes in % as well as absolute terms) as part of its Wave 2 engagement. Observations of some of this Wave 2 engagement have identified that many stakeholders have only a limited appreciation of the cumulative effect of small changes on their household bills, and the long term impacts have not been made clear. This substantially reduces the reliance that can be placed on the choices they make in the consultation.</p> <p>We are now asking Northern Powergrid to ensure that future stakeholder engagement sets out the impact on bills in ways which will enable stakeholders to understand the choices they are being offered in the broader contexts of both their overall current expenditure and the future commitments.</p>	Patrick Erwin (Siobhan Barton)		<ul style="list-style-type: none"> • This is a fair challenge from CEG regarding the importance of ensuring customers and stakeholders fully understand the construction of the current bill and implications and impact of any proposed change to this in order to generate reliable stakeholder insights. • We agree that the bill (and all relevant financial information) must be presented in a clear and accessible way and customers may have sufficient time given over to understand the information, question it and give a considered view. • We agree that some stakeholders have only a limited appreciation of the cumulative effect of small changes on their household bills, and more 	<p>5/5/21</p> <p>* NPg fully accepted the Challenge and worked with their engagement agencies to design material for Wave 3 and 4 to improve customers' understanding of the impact of their new business plan proposals. Materials were tested to help ensure survey questions were understood and business leads were available in most online forums to provide further explanation. There has been considerable effort made to help customers understand how an average energy bill is made up and different versions tested out with customers based on Ofgem's own breakdown, National Grid's and other companies' examples.</p> <p>*There have been lessons learned from Wave 3 that are to be applied in Wave 4 (BPAT). For example, we</p>		Closed

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							<p>work is needed to ensure long-term impacts are clear and fully understood.</p> <p>NPg response plan</p> <ol style="list-style-type: none"> 1. This is a key aspect of our Wave 3 preparations and one which is underway. We are currently seeking best practice examples from the water and gas industries to identify key learning. We are also engaging with our agency partners and experts to consider possible approaches. 2. There are two key aspect that we are considering. Firstly the framing around the acceptability questions that we seek in relation to bill impact. For example, below are example question framing from other surveys: <ul style="list-style-type: none"> • Your bill will also increase by inflation; • Other household bills may go up or down, affecting the amount of money you have to spend in general; • Your household income and expenses might change, so please be mindful of your overall financial situation when making your decisions; • Any money you pay to improve the service offered by NPg will not be available for you to spend on other things; and • Any choices you make to increase or reduce your bill in the period 2023 to 2028 are permanent changes; so they will still apply each year after 2028 	<p>were concerned that customers didn't fully understand the long-term implications of investment decisions and NPg's element of the total energy bill.</p> <p>*CEG members observed discussions with NPg customer panel members (Energy Champions) to hear their views on how best to explain bill impacts (NPg framed the questions based on the questions they highlighted in their initial response.</p> <p>Despite all this work, observation of the Citizens Panel, who had had extensive input on the issue over a prolonged period, raised concerns about their understanding of the duration of bill impacts. When tested it was found that the understanding was limited with half of the group thinking that the bill impact did not endure beyond ED2. Even after a major further intervention, only 2/3 of the panel correctly answered a multiple choice question on duration of bill impact.</p> <p>*The bill increase levels have changed as the propositions in the drafting of the plan have developed and the range of increase has been tested between around £4.70 and £6. These costs have all been associated with decarbonisation/net zero in some way and customers have heard that costs for other work streams have been held at the same level</p>		

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							<p>3. In addition, we are exploring means of pictorially representing bill impact information in a way that is understandable.</p> <p>4. This is also a key focus for our newly recruited Energy Champions to challenge us in our approach and help us to shape something that is clear and accessible.</p> <p>UPDATE – 7th May 2021</p> <ul style="list-style-type: none"> • Extensive efforts have been undertaken to ensure that respondents appreciate the long-term impact of business plan decisions and that this is considered in the wider context of their expenditure. • In March 2021 we co-created a set of materials with the Energy Champions to communicate bill impact. These materials were first used in the Citizen’s Panel Day Zero session on the 10th of March, they have then been used consistently each week across rounds 1 to 5 to remind of the key principles – initially £5 and then £6, but always framing this was across 45 years. • Round 6 of the Citizen’s panel focussed on bill impact and, in response to CEG feedback, we tested our assumption that respondents did understand the £6 bill impact across 45 years. Of those who responded (35 out of 47) 50% thought this was a charge that only applied to ED2 and the charging thereafter would be reset. Of the remaining, 42% acknowledged 45 years, although a small percentage 	<p>as in ED1 on a like for like basis. For the majority of customers involved in workshops/panels they recognise the need to develop the energy system to meet Net Zero but want to ensure that costs are kept as low as possible in achieving this goal.</p> <p>*Testing of the BPAT draft survey revealed that the concepts were too difficult to understand, the survey was too long, and sections could be misunderstood. Currently the agency is adapting the survey to simplify it, make it shorter and provide better explanations of proposals. A further testing exercise might prove beneficial before full roll out.</p> <p>*NPg have made great efforts to date to improve stakeholder/customer understanding and the CEG will continue to review engagement plans and review methodologies, engagement materials and the results of surveys.</p> <p>However, the evidence from the Citizens Panel is that this is such a difficult topic to communicate that the work so far has not been fully successful and results of stakeholder feedback need to be treated with considerable caution.</p>		

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							<p><i>did think that began from today and 8% selecting one of the 25 year options. This demonstrated that despite the ongoing reinforcement of the 45-year principle, there was some work to be done with the group and our materials.</i></p> <ul style="list-style-type: none"> <i>• In session 2 of round 6 we grouped panellists together based on their knowledge level. Those who had wrongly answered the question were placed together in two breakout groups with Mike Kay observing one, and Justin McCracken observing the other. Facilitation in the session focussed on assessing understanding and NPg intervention to attempt to ensure the whole group had the best opportunity to understand the principles.</i> <i>• Following the session, we repeated the poll to assess understanding of bill impact. There was a significant increase in understanding amongst the audience demonstrating the effectiveness of the technique. At this point only 10% of panellists selected the between 2023 and 2028 option, compared to 50% originally. 67% selected from 2023 for 45 years, an increase from 36%. The remaining 23% selected one of the other options which does still acknowledge the acceptance of the bill impact over a long period of time.</i> <i>• It is worth noting, however, that despite extensive discussions there was still a significant proportion who answered incorrectly.</i> 			

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							<p><i>Discussions on the night also did say that despite initial misunderstandings by many this did not materially change their view and were supportive of the £6 bill impact to support implementing the plan commitments.</i></p> <ul style="list-style-type: none"> <i>• A new bill impact infographic has been developed based on these insights and shared on our Emerging Thinking website with all the plan propositions. Our wave 3 communications plan is promoting the content to ensure that as many customers are aware and can comment and vote on our draft plan.</i> <i>• Within the acceptance testing process we have revised our narrative to talk about £6 being from 2023 onwards i.e. this is a permanent change to the bill and not just for the ED2 period.</i> 			
C5	04/01/2021		Data and Digitalisation	<p>Ofgem has made it clear that data and digitalisation will be a core concern during ED2. This builds from the Energy Data Taskforce’s recommendations on openness of data and mapping of the assets within the energy system, and the ongoing work of the Modernising Energy Data programme. The CEG is convinced that making progress in this area should be a high priority for ED2 because such data is a key enabler of smart flexible operation of the network. Failure to make early progress in this area could have significant opportunity costs later. Our challenge to the company is to set out its vision and strategy for improving data quality and analysis in more detail, to identify the specific data-driven outcomes that will be achieved during ED2 (and beyond if possible), and to identify the enablers required to implement this strategy (e.g. systems and skills) and how they will be built during ED2.</p> <p>Questions around this topic have come up on a number of our sessions recently, for example:</p> <ul style="list-style-type: none"> • The scope for finer grained analysis of reliability data to improve targeting of investment in the network. There could 	Paul Fitton (Karen Donachie)		<ul style="list-style-type: none"> • We think this is a fair challenge. The Digitalisation strategy we published in December, in line with Ofgem requirements, sets out the high-level strategic objectives and roadmap that will achieve these ambitions, however the bottom-up work being done with plan propositions has not yet aligned with this strategy. • We are comfortable that our workplan in this area will address the CEG’s challenge and the external support for this workstream will help to enable that. • We acknowledge that demonstrating the data 	<p>4 May 2021</p> <p>NPg’s response plan looks fine, and the focus on a data products and services roadmap is appropriate, especially if it can be backed with a clear view of NPg’s current-state and future-state data models, systems and data management pipelines.</p> <p>We’ve not yet seen the data products and services roadmap, but the final Proposition / Outline paper for Data & Digitalisation isn’t due to be delivered until later this month. We’ll revisit the challenge when we see those papers.</p>		Open

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				<p>be considerable scope for an initial investment in data and analytics to yield large benefits in this area.</p> <ul style="list-style-type: none"> • Similarly, there would appear to be considerable scope for integrating NPg’s data with external GIS and other data in order to better characterise factors driving service failures, and so better target investment and operational processes. • Ensuring that each MPAN is mapped to its correct electrical location on NPg’s network so that the impact of service outages on individual customers can be analysed and managed operationally. As well as supporting NPg to take customer service to the next level, this would again have potential benefits for improving support for the vulnerable, targeting of investment, and managing flexibility services. • On workforce resilience and skills, much of the focus has been on recruiting through existing channels (e.g. apprentices, graduates), whereas data and digitalisation may require new points of entry to be developed (e.g. for data engineers and data scientists, who are likely to have post-graduate qualifications and/or have experience gained from other sectors outside of electricity, or energy more widely). <p>Our particular concern is that none of these examples seem to be addressed in the Digitalisation strategy, which still appears to be very generic rather than grounded in the analysis being undertaken in other sections of the plan. We would therefore like to see more emphasis on making data and digitalisation a core part of the company’s strategy in every area, rather than a separate strategy in its own right.</p>			<p>and digitalisation enablers in plan sections will help the CEG and others understand the impact these enablers are having in delivering our business objectives.</p> <p>NPg response plan</p> <ol style="list-style-type: none"> 1. We have begun by playing our propositions to each individual plan area, explaining how we have linked back to their plans. 2. This allows us to check that the alignment is correct with their plans and that there are no gaps in our plan at the same time. 3. Centrally, we have reissued the requirement on plan areas to ensure that the data and digital enablers are clearly stated in the plan sections. 4. We are also looking at bringing forward some planned work products to specifically move us forward on the data aspect of our plan to get up to speed and be able to move the dial on some of the things referenced in the challenge – for example we see the value in accelerating our data products and services roadmap as a route to demonstrate some of the detail that is suggested in the challenge itself. 5. To support this, we have also recut the plan itself to frame each improvement area and ensure it is fully resourced and the workstreams have input from the areas of the 			

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							<p>business who will receive the benefits from it.</p> <p>UPDATE – 7th May 2021 & 11th May 2021</p> <ul style="list-style-type: none"> • We have developed an open data and analytics roadmap to publish as part of the update to our DSAP in July 2021. This is going through the final stages of ratification within the business and will soon be shared in the next round of engagement with stakeholders but should help set out our vision in more clarity to all who are interested. • We have also begun scoping an accelerator programme to support the creation of a ‘data & digitalisation transformation office’ (DDTO) who will be responsible for the closing of some of our maturity gaps in the data space specifically and begin the creation of open data products and services. This is possible now we have set out our vision and strategy in this space (which again, will be published as part of the next DSAP version and previously shared with the CEG). We believe it will be possible to start small and scale this DDTO, initially relying on strategic technology partners to supplement missing skillsets whilst we learn and grow internally and as part of the wider BHE group. • Digitalisation and how this underpins the entire business plan, we believe is now clear across all areas and the dependencies linked and tracked. 			

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							<ul style="list-style-type: none"> • <i>Changing customer needs and net zero ambitions means a move to an increasingly decarbonised, decentralised and digitalised energy system is required. At the same time, we recognise the value in sharing data openly both within the sector and with wider stakeholders. Both of these factors have shaped our vision for data and digitalisation and so we seek to embrace digital platforms to enable an optimised whole energy system and by doing so will continue to provide a resilient and efficient service for our region</i> 			
C6				<p>Whilst we are satisfied that there is ambition to improve the existing standards of performance compared with other DNOs for customer engagement, NPg have not shown sufficient focus and ambition for engagement on the changes that will be needed (or are being planned by stakeholders/customers) to meet the future challenges of the energy transition. NPg's engagement plans for ED2 should reflect the need for greater levels of engagement on areas of the plan that relate to Net Zero/decarbonisation and which relate to innovation and which may be subject to uncertainty mechanisms.</p>			<ul style="list-style-type: none"> • Discussions to date have focused on how we benchmark against other DNOs and other companies and there has been minimal engagement specifically on the ED2 approach. We have yet to table our proposed commitments to support the necessary engagement for the energy transition. • We are currently scoping proposed commitments regarding our engagement approach within the ED2 period and will be mindful of this challenge as we engage with customers and wider stakeholders within the wave 3 programme. • We require additional clarification from the CEG as to their expectations 	<p>*The CEG received the outline section of the Stakeholder Engagement section of the business plan at the end of April which set out the company's overall approach to engagement in ED2. There is significant element of the future SE plan that will focus on decarbonisation, Net Zero and environmental action. There is an increase in budget over ED1 of around £3.5m for this. However the CEG has not yet seen the detailed propositions to comment more fully.</p> <p>The CEG clarified that NPg should be making efforts during ED2 to continue to engage customers on whether innovation projects and proposed programmes to address decarbonisation/Net Zero but which are still to be defined under uncertainty</p>		Closed

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							<p>reference to 'innovation and uncertainty mechanisms'.</p> <p>NPg response plan</p> <ol style="list-style-type: none"> 1. A draft of our stakeholder engagement commitments to be delivered within the ED2 period are currently in development and will then be internally reviewed with the ED2 Leadership Team. These commitments will then be tested with external stakeholders, exploring if we are demonstrating the right level of ambition to provide a stronger voice for our consumers. A draft outline will be shared with the CEG SE subgroup and discussed in the coming weeks. 2. A critical element and success factor is to ensure the right commitment to make the subsequent business changes once engagement has occurred and the plans identified. Consultation with internal stakeholders, therefore, as to the interdependencies and associated required commitments from these areas of the business are also being sought and defined. 3. In drafting the ED2 engagement approach consideration will be given 	mechanisms/NIA and SIF bids, will meet their needs/preferences.		

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							<p>to the overall costs of the programme, whether the commitments represent the level and value for money as well as consideration to bill impacts, affordability and deliverability as central consideration in development this framework.</p> <p>4. ED2 engagement approach will then be tested in our wave 3 engagement programme and adapted accordingly.</p> <p>UPDATE – 7th May 2021</p> <ul style="list-style-type: none"> • A propositions paper defining our ED2 approach has been tabled and discussed at the CEG subgroup on 23 April 2021. This paper framed what we have learnt both from ED1 delivery and the engagement process which has supported the development of the ED2 business plan. • Included within the ED2 engagement approach is the 35 core pathways already established and the builds on the delivery model to support the path to net zero. This includes dedicated roles within the engagement team to appropriately consult and engage with regional stakeholders and ensure that our plans appropriately respond to their needs. Furthermore, clear commitments and funding to raise awareness of NPg and promote associated services within our role as a DSO (e.g. open 			

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							<p><i>data, helping customers and wider stakeholders to decarbonise) was also proposed.</i></p> <ul style="list-style-type: none"> <i>• A section outline providing further detail on approach has been drafted and shared with the CEG in May. Once feedback has been received, the final write up will be completed and will clearly state the enhanced engagement to support the path to net zero.</i> 			