

RIIO-ED2 Overarching Working Group – Meeting 2

From: Ofgem RIIO-ED2 team

Date: 17 January 2020

Time: 10:00-16:00

Location: Ofgem, Canary Wharf, London – Room 1.05

1. Present

James Veaney , Christoph Gräfe, Tom Wood – Ofgem

Caroline Ainslie – SPEN

Paul Auckland – ENWL

Paul Branston, Nigel Turvey - WPD

George Day – Energy Systems Catapult

Patrick Erwin, David Wilkins – Northern Powergrid

Paul Jarman – University of Manchester

James Hope – UKPN

Andy Wainwright – National Grid ESO

Beverley Grubb, Peter Williams – SSE

Judith Ward – Sustainability First

Myriam Neaimeh – University of Newcastle

Matt Cullen – EON

Maxine Frerk – SGN CEG / GridEdge

David Healey – Keele University

James Kerr – Citizens Advice

Yonna Vitanova – Renewables UK

Andrzej Michalowski – WPD (via teleconference)

Catalina Guillen Rozo – Zenobe (via teleconference)

Richard Sidley – Transmission Investment (via teleconference)

Rick Parfett – Association for Decentralised Energy (via teleconference)

Rebecca Hassall-Lees – ENWL (via teleconference)

1. Minutes of previous meeting and updated terms of reference

- 1.1. The group made no further comments on the minutes of the December meeting and the Terms of Reference.

2. Recap of group function

- 2.1. Ofgem provided a recap of the purpose of the working group, emphasising that it was not within its remit to provide answers to questions on other workstreams outside of

the RIIO price control programme (DSO, access, for example) but to consider how the price control may need change to accommodate different outcomes in those areas.

3. OAWG priorities/subgroups proposal

3.1. SP and SSE gave a presentation on priority work areas for the group to focus on. The establishment of five additional groups led by the DNOs was proposed: Strategic Investment, National/Regional Planning and scenarios, DSO considerations, Competition and Data.

3.2. Ofgem agreed to collate expressions of interest from group members in joining these new groups and forward them to the Energy Networks Association.

4. Asset Lives

4.1. Northern Powergrid gave a presentation on the impact of and potential issues arising from asset lives policy.

4.2. The group welcomed this discussion and members generally agreed that more discussion detailed may be appropriate in a future Ofgem finance working group session

5. Strategic Investment

5.1. SP gave a presentation on potential approaches to strategic investment in RIIO-2.

5.2. Several members of the group commented that this provided a useful framework for considering potential funding routes for projects, dependent on the level of uncertainty involved. Ofgem agreed to collate any comments from group members on the presentation.

6. Provision of EV connections to vulnerable customers

6.1. E.ON gave a presentation on the potential role of DNOs in the delivery of EV charge points to vulnerable customers.

6.2. Some group members commented that the DNO's may not be able to carry out this type of work, and this would need to be clarified we're this type of arrangement to be considered further.

7. Smart Street and ED2 considerations

7.1. ENWL gave a presentation on its Smart Street project and, in particular, what may need to change in ED2 to facilitate this type of project – for example, the application of the existing CBA criteria and the collection of cost and activity data in relation to emerging areas.