

Stakeholder Newsletter

December 2018



Gary Stokes
Stakeholder Engagement Manager,
Electricity Transmission

Our Performance 2017/18



The 2017/18 summary performance report for Electricity Transmission is available on our website.

The report explains how we're delivering against our five RIIO output categories, how much we're spending, and how these costs are reflected in household electricity bills.

You can view, print or save a copy by clicking [here](#).

Welcome

Welcome to our fourth Electricity Transmission stakeholder newsletter.

In this latest edition, we share the latest on our engagement activities and how we're starting to shape our future plans based on what you've been telling us.

You can also find a link to our performance report for 2017/18, along with the usual information on how you can get involved.

And we provide an update on our independent Stakeholder Group and some of the challenges they've given us so far.

We'd also welcome your feedback on this newsletter, our website, and how we're generally sharing information with you. Please [email me](#) directly with any feedback, and thanks again for your support.

Challenged by our Stakeholder Group

In previous editions, we've talked about how we're building our business plans by listening to what you want from us, working with you to understand the choices you'd like us to make, and then making sure that our next submissions to Ofgem deliver what you need from us as efficiently as possible.

That's probably what you'd expect us to do anyway, but this time we're also being challenged by our independent Stakeholder Group, both on how we're engaging and how we're building our plans to reflect what we hear.

So far, the Group has challenged us to:

1. Go further with our engagement, to engage in more detail with even more stakeholders

2. Increase our level of direct engagement with consumers
3. Ensure that we can show the 'golden thread', which links our engagement and insights with what we include in our business plan

We've started to incorporate these challenges into the next phase of our engagement activities.



To find out more about our Stakeholder Group, please [click here](#).

Consulting with you on our plans

In early 2019, we're planning to consult on what our stakeholders have told us so far about their priorities. We'll ask for views on our suggestions for how we might incorporate stakeholders' feedback into our business plan (we're due to submit our first plan to the Ofgem Challenge Group in July 2019).

In our New Year consultation, we'll also provide our first indications for the range of our total expenditure in the RIIO-T2 period (2021-26).

Get involved in building our business plans

You can still get involved in shaping our future business plans across a range of topics. We're continuing to talk to our stakeholders about:

-  Network reliability
-  The future of networks
-  Resilience
-  The environment and communities
-  Connecting to and using our network
-  Being transparent and easy to work with
-  Innovation

To get involved, please email gary.stokes@nationalgrid.com



Visit our website for more information

To help keep you up-to-date with our latest engagement activities, and to make it easier for you to get involved, visit our [Your energy future](https://www.nationalgrid.com/uk/your-energy-future) website.

Building a regulatory framework to meet our stakeholders' needs

As well as making sure the content of our business plans delivers what our stakeholders need from us, we also need to make sure that the regulatory framework within which we operate is fit for purpose for all parties involved.

Between September and November this year, Ofgem has hosted more than 20 workshops in London and Glasgow, covering how they will assess our costs for the RIIO-T2 period (2021-26), what incentives should exist for networks to deliver better outputs, and how networks should be encouraged to innovate and work together as a 'whole system', plus financial issues such as the cost of equity and the cost of debt for RIIO-T2.



These groups include the three transmission owners in Great Britain (us, Scottish Power and SSE), and stakeholders such as Citizens Advice, Sustainability First and the Renewable Energy Association.

Following these workshops, Ofgem will be consulting on the transmission regulatory framework in December, giving all stakeholders an opportunity to have their say.

Throughout this process, we're making sure that Ofgem is aware of our own stakeholders' priorities.

To receive notifications about this and other Ofgem consultations, you can [sign up](#) via their website.



Shaping our plans on network resilience

We held a stakeholder workshop on 23 October 2018 in Canary Wharf, London to discuss how we should continue to protect our network against external threats.



Key headlines from the workshop were:

- The need for a resilient electricity network is likely to increase in the future
- Cyber attacks are seen by many stakeholders' as the biggest short-term threat, and climate change could have the greatest longer-term impact
- Our current approach to physical security is supported
- For cyber resilience and black start recovery, we need to be joined up with the right organisations to ensure a coordinated approach
- Our approach to extreme weather resilience needs to be flexible, forward looking, and adapt to likely future changes

We are incorporating what we heard at the workshop with feedback from other engagement activities and (with input from our Stakeholder Group and Ofgem's Challenge Group) are using this to develop our RIIO-T2 business plans.

Read more on resilience

The Energy Research Partnership (ERP) report 'Future Resilience of the UK Electricity System' is now available on the [ERP website](#).