Attendees:

Members	Company Representatives
Trisha McAuley, Chair	Cordi O'Hara, NGED President
Barbara Anderson	Paul Branston, Director of Regulation
Cheryl Hiles	Chris Hayton, Director of Corporate Affairs
Regina Finn	Graham Halladay, Director of ED3
Una Brosnan	Laura Benkis, Stakeholder Engagement Lead
Rahoul Bhansali	Danny Maggs, Stakeholder Insights Officer
Russell Greenslade (online)	Marena Lesskiu, Stakeholder Engagement Officer
	Emma Pamplin, Director of Customer Excellence
	Will Clothier (Yonder)
	Tom Mansfield (Yonder)

Note: Agenda was revised on the day of the meeting due to storm Amy, but all items were appropriately discussed by members.

Apologies and Declarations of Interest:

Apologies	Declarations of Interest
Duncan McCombie	None
Rob Gross	

At the beginning of the meeting, the ISG met in closed session, without NGED representatives.

Item One: President's Update

- The ISG heard from Cordi O'Hara, President of NGED, who gave an update on several key strategic updates, including:
  - Welcoming new CEO of National Grid Plc, Zoe Yujnovich.
  - Update on the timeline and upcoming milestones for the ED3 programme.
  - Briefing on the company's ongoing engagement with Ofgem.
  - The emerging ED3 strategy.
  - The company's approach to the upcoming Sector Specific Methodology Consultation (SSMC).

Item Two: Customer and Stakeholder Engagement Update

- The company updated the ISG on what progress has been made against the three- phase engagement plan that was set out at the first ISG meeting.
- Members heard that phase one – Discover and Define – had been completed and a range of activities had taken place to test language, engagement approaches, and accessibility of materials with both customers and stakeholders.

- The outputs of Phase One have been captured in the company's ED3 Vision Document, which has been shared with ISG Members for comment before publication.
- The company received challenge from members on the approach to engagement and the requirement for future engagement phases to be set out more clearly in advance, and for engagement methods and questions to be developed in a more strategic way.
- The company offered assurance that Phase One was about discovery and testing approaches and that the engagement and research to be delivered in Phase Two and Three of the programmes will be robust and developed in line with engagement best practice. The ISG will be engaged with and asked to assure the future engagement strategy before roll-out.

Item Three: Consumer Value Framework Development:

- The ISG were presented with the company's approach to establishing a Consumer Value Framework (CVF) in ED3 to better capture and communicate the diverse value of the company's activities, moving beyond average metrics to reflect regional and individual differences.
- Members stressed the importance of moving beyond average consumer measures to address the needs of specific groups, such as vulnerable customers or those with higher resilience requirements, and to reflect regional variations.
- There was significant discussion about the need to translate technical and policy language into terms that are meaningful and accessible to consumers, using real-life examples and stories to illustrate value constructs.
- It was clarified that the CVF is not intended as a benchmarking tool for regulatory comparison but as a means to demonstrate value creation and support business plan delivery, with a focus on regional and temporal differences.
- The ISG agreed that the CVF should expose regional differences in consumer value and avoid being used as a simplistic benchmarking tool, instead supporting collaborative and context-sensitive regulation.

Item Four: Consumer Research: Early Findings (Yonder):

- The ISG heard from Yonder, who are supporting the company with initial consumer research. Members heard about the six initial research areas that are being explored with domestic customers: reliability, reassurance, value for money, readiness, cost, and monetisation.
- Research techniques were discussed in detail, including surveys, interviews, and modelling. The Yonder methodology, which includes both internal and external validation with customers, was highlighted as important to ensuring that proposed solutions genuinely reflect customer priorities.
- Members were supportive of the approach taken so far, but suggested the company does detailed work on segmentation to make sure equivalent research can be carried out with key groups like vulnerable customers, DSO customers, connections customers etc.
- Welfare provision was discussed as an illustrative example, showing how insights can help to shape potential solutions within the emerging customer strategy. Members were keen to see more detailed examples at future meetings.

Item Five: Early Proposals for Ofgem Price Control Process

- The company updated members on the introduction of Early Proposals – a new approach that asks DNOs to submit early proposals for ambitious and progressive new commitments or delivery mechanisms that could be incorporated in ED3 to benefit customers.
- Members discussed potential focus areas and gave feedback on six potential early proposal outlines that the company presented.
- The company will do further work the develop early proposals for inclusion in the SSMC and will share with ISG members before submission.

Item Six: Next Steps and Wrap Up:

- The ISG provided feedback on the meeting materials, requesting more clarity upfront on asks and outcomes required from the items. Members also highlights the importance of aligning workstreams and joining up research efforts to present one complete picture of activity for the ISG to engage with.
- Meetings dates were proposed for the next 12 months and future topics for deep dive discussion were also set out for discussion.

Recorded Actions:

1. **Action and challenge logs**: Revisit the template to incorporate 'We said, you changed it' approach.
2. **Working Structure**: Chair to engage Ofgem on ways of working.
3. **Slide Structure**: to be updated to make asks more explicit.
4. **ISG Meeting Plan**: Share forward view of agenda planning.
5. **SSMC Summary**: Share the Sector Specific Methodology Consultation Summary with the ISG.
6. **Yonder Slide Pack**: Share the Yonder Slide Pack with the ISG.
7. **Planning Meeting**: Establish a planning meeting with the ISG Chair at a mid-way between meetings.
8. **President's slides**: Share the revised President's slide pack with Members.
9. **Early insights report:** Share the Phase 1 early insights report with Members.
10. **Warm Homes**: Cheryl to share Warm Homes' customer journey.
11. **Engagement Strategy:** Company to share detailed engagement strategy with Members for input. To include assumptions, hypotheses, and objectives, identifying gaps and potential partnerships. Also show customer journeys and segments.

Recorded Challenges:

1. **Cross working**: Need to work effectively with partners – there's no use providing funding for solar panels if people's windows are broken.
2. **Criteria and Data:** Consider engagement framework factors beyond typical consumer perspectives, including prioritisation criteria and data quality.
3. **Customer-friendly language:** terminology presented in the slide pack is complex and should be clarified by NGED to ensure customers recognise its significance and can support our initiatives. Looking ahead, it is important to build the business plan using accessible language that is both customer-friendly and free from unnecessary jargon.
4. **Research Questions**: Explain what and why of the questions we are asking

consumers and stakeholders.

5. **Golden Thread**: NGED able to evidence the customer journey to customers, stakeholders, and Ofgem.
6. **Customer and Stakeholder Segmentation**: ISG seeks clarity on customer and stakeholder segmentation, showing who is involved in research and the reasons. It is also necessary to outline the methods used, their value, and their relation to customer journeys.
7. **Societal Value:** Focus on the societal benefits and funding for essentials (like hospitals) by NGED, rather than just EV chargers or decarbonisation; prioritise what truly impacts people.
8. **Value and Consequences**: Demonstrate the value and impact to the network if we delay activities to future price control.
9. **Deliverability and Outcomes:** Outline programme deliverability; how would NGED plan to deliver the outcomes in the CVF.
10. **Collaboration with DNOs**: Boundary issues have not been addressed, especially regarding collaboration with other DNOs. NGED is required to include this information in order to present the early proposals to Ofgem.
11. **Environment & Sustainability**: Not mentioned in the Early Proposals. NGED should have it as a stand-alone proposal so as to not have underrepresented.
12. **Early Proposals Content**: Evaluate the proposals' content to determine whether they are marginal and consider any specific perspectives NGED may hold regarding them.
13. **ED3 Programme Thread:** NGED to demonstrate the thread that links each part together.