



# Customer Engagement Group At Western Power Distribution **Membership role description**

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# About Western Power Distribution

Western Power Distribution (WPD) is the electricity distribution network operator for the Midlands, South West England and South Wales, serving 7.9 million customers. It keeps the lights on by building, maintaining and repairing a network of overhead lines, underground cables and substations. WPD must develop and maintain a reliable, safe and robust network of assets supported by a service which is flexible enough to meet the varying needs of consumers as the business evolves to meet the requirements of a low-carbon future.

WPD is regulated by the Office of Gas and Electricity Markets (Ofgem) which establishes how much money distribution companies like ours are entitled to, and what we have to deliver for that money. Currently, around 16% of a typical household electricity bill, approximately £100 a year (or 27p a day) comes to WPD to distribute power.

## Purpose of the Customer Engagement Group (CEG)

Ofgem sets the RIIO price controls for the various monopoly businesses in the energy sector. For electricity distribution (RIIO-ED2) the next price control period will run from 1 April 2023 to 31 March 2028. This is the culmination of a process whereby the businesses will develop a strategic business plan to meet regulatory, environmental and customer needs.

As part of the business planning process WPD will be required by Ofgem to establish a Customer Engagement Group (CEG). This group will independently scrutinise and challenge the company's business plan and the quality of engagement undertaken to inform it.

The CEG should provide assurance to Ofgem that WPD's business plan understands and addresses the needs and preferences of customers. It should accomplish this by supplementing and reviewing the stakeholder engagement that WPD undertakes to develop their plans.

The membership of the CEG will support the group's Chair in challenging WPD's plans, collectively delivering an informed and well-rounded environment in which to scrutinise all aspects of the business plan.

A full overview of the CEG can be found in the group's Terms of Reference.

## Role description

Members of WPD's CEG will, as part of their role, be expected to undertake the following:

- Provide input on one or more specialist topics, shaping the group's discussion and the challenge of WPD's business plan
- Be independent of WPD, Ofgem, any other organisation or group of customers – demonstrating impartiality throughout all meetings and interactions with the company
- Challenge the breadth, depth, and quality of WPD's stakeholder and customer engagement and the process through which this engagement has shaped the company's business plan
- Challenge WPD's strategic priorities and approach, the options considered, and the justification behind decisions

## Member requirements

The membership for the group will be selected based on their ability to meet the following criteria:

- Willing and able to challenge WPD's assumptions, vision and business plan
- Able to deliver this challenge in an independent and constructive capacity
- Track record of representing the interests of consumers
- Proven cooperation and communication capabilities with experience negotiating and building agreement on complex issues, at senior levels
- Understanding and appreciation of robust governance procedures, specifically the importance of transparency and independence
- Commercially-minded, with a focus on the end result for the customer
- Experience operating in the energy or other regulated utility sectors
- Able to declare and mitigate any actual or potential conflicts of interest
- Have the necessary time and availability to commit to the role for the duration of the appointment
- Knowledge of stakeholder engagement and/or customer research
- Key skills include: leadership, critical thinking, consumer advocacy, communication and interpersonal skills (written and verbal), negotiation, integrity and financial astuteness.

## Expertise & knowledge

A member, in addition to meeting the criteria above, should also provide expertise in one or more of the specialist areas below:

- **Customers**
  - Customer research / representation
  - Stakeholder engagement
  - Major users
  - Needs of current and future users
  - Vulnerable customers
  - Fuel poverty
  - Regional / local issues
  - Local Government and/or Combined Authorities or Local Enterprise Partnerships
- **Future energy systems**
  - Energy system transition (DSO)
  - Innovation
  - Future energy scenarios
  - Low carbon technologies
  - Distributed generation
  - Energy storage
  - Community energy (including non-traditional business models)
  - Sustainability & environmental improvement
- **Traditional energy systems**
  - Energy supply
  - Wider utilities sector (gas / water)
  - Electricity transmission
  - Electricity distribution (technical understanding)
  - Regulatory framework / price control planning
  - Outputs and expenditure
  - Resilience
  - Research, including digital inclusion

## Time commitment

The estimated time commitment for this role is approximately 12-15 days a year, which will include:

- 4-6 formal meetings of the CEG a year, rising where necessary to meet workload
- Preparation days outside of formal meetings to review content, discuss and prepare comment
- Onboarding process (including site visits if appropriate) in March / April 2019
- Commitment to serving a term of 4 years (to March 2023)

## Remuneration

We will remunerate group members at an agreed rate, or with a contribution to a preferred charity, or other arrangements as appropriate.

## Initial timeline

28<sup>th</sup> March 2019

- Members appointed
- Onboarding day for the entire group
- Site visits (if appropriate)

29<sup>th</sup> April 2019

- Second onboarding day for the entire group
- Site visits (if appropriate)

6<sup>th</sup> June 2019

- CEG meeting

15<sup>th</sup> August 2019

- CEG meeting

3<sup>rd</sup> December 2019

- CEG meeting