

**Independent Customer
Engagement Group
(CEG):
High Level Minutes**

Thursday 8th November 2018

Attendees:

CEG Chair: Zoe McLeod

CEG Members: Tony Diccio
Helen Fleming
Mike Foster
Simon Griew
Dr Kerry Mashford
Victoria Pelka
Ian Rowson
Martin Silcock
Leslie Sopp
Janet Wood

Apologies: Rish Chandarana
John Kolm-Murray

Cadent Staff: Mark Belmega (Head of Customer Performance)
Richard Court (Head of Regulation & External Affairs)
Dave Moon (Head of RIIO-2)
Debbie Mitchell (Stakeholder Strategy Manager)

Technical Secretaries:

Gemma Norton (Stakeholder Engagement Manager)
Amy Brooks (RIIO-2 Engagement Advisor)

Cadent staff supporting specific agenda items:

Chris Train (CEO)
Simon Fairman (Director of Network Strategy & Safety)
Colum Goodchild (RIIO-2 Asset Investment Manager)
Stephen Hassall (RIIO-2 Framework Development Manager)

Secretary: Anne-Marie Clarke

These high level minutes provide an overview of the third session held on the 8th November 2018 (the **Meeting**).

The use of the word Cadent and Company are used interchangeably and refer to Cadent Gas Limited.

Meeting Governance and Chair Update

The Meeting began with the Chair Zoe McLeod holding a private members session with members of the CEG, after which Cadent representatives joined the Meeting.

Governance matters were considered including updated declarations of interest, approval of the prior meeting minutes and a review of the status of actions and challenges recorded on the relevant logs.

No new or changed interests were declared.

The Meeting then received an update from the Chair on meetings attended in her role as Chair of the CEG, including attendance at meetings of the CEG chairs, a meeting of Ofgem's RIIO-2 Customer Challenge Group (**CCG**) and an Ofgem Stakeholders workshop.

Outputs: Approved minutes and status of actions and challenges.

Actions and challenges: A total of 6 actions were raised during this section of the Meeting.

Challenges taken forward by Cadent to date

The Company presented to the Meeting the challenges raised to date and the actions being taken.

During this session the CEG questioned which challenge the Company was finding most difficult.

Defining success and challenge definition

During this session the CEG discussed and confirmed their definition of a challenge, and how they would measure the CEG's success, considering the benefits and costs of the CEG, input and output indicators, outcomes for consumers, costs of the CEG and the process for recording impact. A performance framework, including process and effectiveness indicators was taken forward for final review by the CEG members.

A key question asked by the CEG was "Does, and should, the influence of the CEG extend beyond the business plan?".

Outputs: Draft CEG performance framework and process and effectiveness indicators

Keeping the energy flowing – Our ambition

The Meeting received a presentation from the Company, providing a response to the following CEG Challenge:

- Cadent to articulate its vision for the Company, including linked to this, the drivers for its engagement strategy and how it goes beyond Ofgem's minimum requirements.

The CEG raised a number of questions during this session, including but not limited to around: the future of gas and how the Company were engaging with BEIS and the public on this, decarbonisation ambitions and associated risks in RIIO-2 and beyond, the role of customers and communities and comparisons to other gas networks.

Actions and challenges: A total of 3 challenges were raised during this section of the Meeting.

Improving our Network and the way it operates

The Company presented an overview providing the context and history to the legislative requirements for three outcome deliverables of the business plan, namely

- Mains replacement,
- Asset health, and
- Asset data.

The Meeting then held breakout sessions to consider:

- Delivering a safer, more reliable and lower costs pipe network
- Maintaining sustainable service levels from non-pipe assets

Presentations from the breakout sessions were made to the Meeting covering the strengths, questions about the approach and areas for development/gaps of the two areas presented by the Company.

Outputs:

Summaries of strengths, questions about the approach and areas for development/gaps covering the two areas presented by the Company.

Actions and challenges: A total of 1 challenge was raised during this section of the Meeting.

Cadent representatives left the Meeting.

Meeting conclusion

The Chair held a a private members session to discuss the agenda matters covered during the day.

The Meeting then closed.

Outputs: Actions for the CEG.