

# **Stakeholder Engagement**



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## 1. Introduction

**For NGN to deliver its corporate vision it has always been clear that we must work closely with our stakeholders providing them with the opportunity to comment and give feedback on our services.**

The additional stakeholder engagement work which Northern Gas Networks has undertaken for the RIIO-GD1 price control review is a natural progression of the work which was already well established in the network. We have used stakeholder engagement as a key tool since 2005 in providing feedback on how we are performing and developing action plans to address key concerns and issues from our customers and other stakeholders.

Section 5.3 of our business plan sets out details of the previous engagement activities within NGN and section 3 of this appendix provides more detailed examples of the output of these activities.

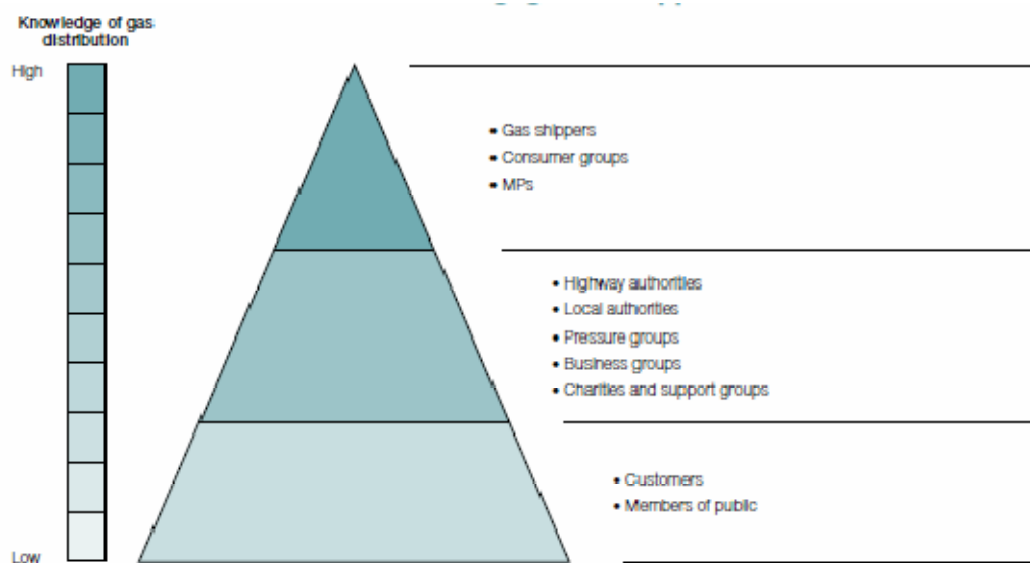
For our RIIO–GD1 business plan our strategy was to get stakeholders more involved than ever before. To do this we have had to build up new relationships and ensure our stakeholders were knowledgeable about our business. This was achieved by briefing our stakeholders and taking them on a journey through to Plan submission and beyond. We identified a core of interested stakeholders that are extremely willing to offer their support, advise and explain how things work in their business that could possibly be transferred into NGN.

Section 5.4 of our business plan summarises the approach we have taken and section 2 of this appendix provides more detail behind this approach.

The results of our stakeholder engagement feed into all areas of our business plan and are summarised in section 5.2. The remaining sections 3, 4 and 5 of this appendix provide more detailed examples and analysis of the feedback we have received from our different stakeholder groups.

## 2. NGN Approach to Stakeholder Engagement for RIIO GD1

Our approach to stakeholder engagement for the RIIO-GD1 business plan built on the existing engagement activities already carried out by NGN, examples of which are set out in section 3 of this appendix. In order to deliver a comprehensive and inclusive approach to Stakeholder Engagement, NGN developed a strategic plan, with input from independent experts. Section 5.4 of the plan explains our high level strategy which broke our stakeholder community into three groups and used different techniques of engagement for each of the groups.

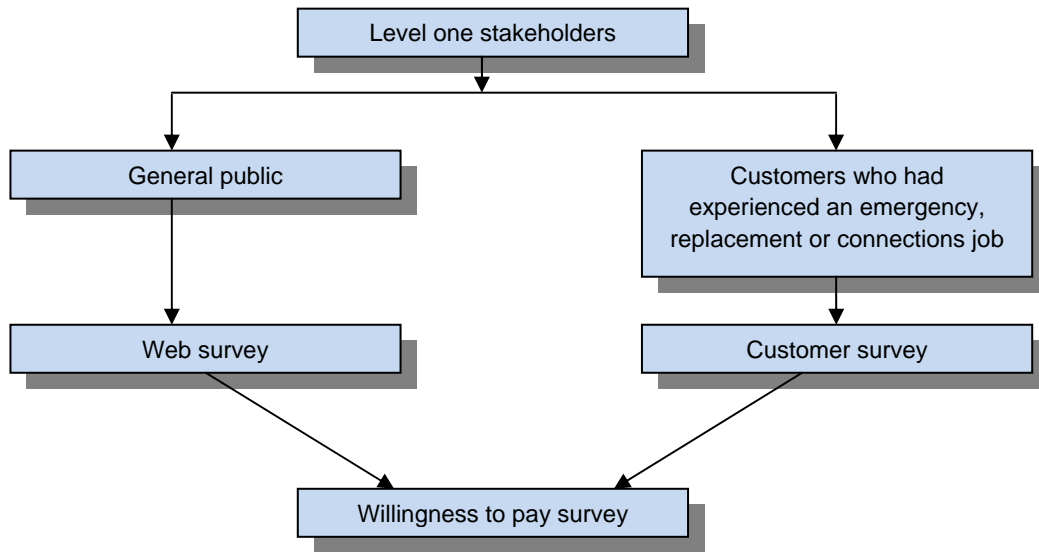


To support the whole of the stakeholder engagement programme we created a specific internet 'Portal', called "Talkspace" whereby our stakeholders could directly give feedback. [The portal](#) contains a message from our CEO, our two brochures, advice, a stakeholder survey and a [video](#). Any visitor to our website could provide feedback by this mechanism but we particularly targeted level two and three stakeholders via this mechanism where they did not wish to participate in our detailed feedback methods.

TalkSpace allows NGN to engage with a wide range of stakeholders, targeting relevant information specific to certain groups and conduct a variety of surveys. To date, the site has had over 1000 hits and the feedback received has confirmed the business is operating in-line with stakeholder expectations. TalkSpace also has a legacy factor incorporated and can be used to support future stakeholder engagement activity or for internal communications between Northern Gas Networks staff.

### Level One Stakeholders

The diagram below sets out the process we followed for level one stakeholders



The web survey was carried out by an independent research company who selected the participants from the general public on a random basis. All the participants were based in our region. The detailed survey results are set out in Sub Appendix A5c.

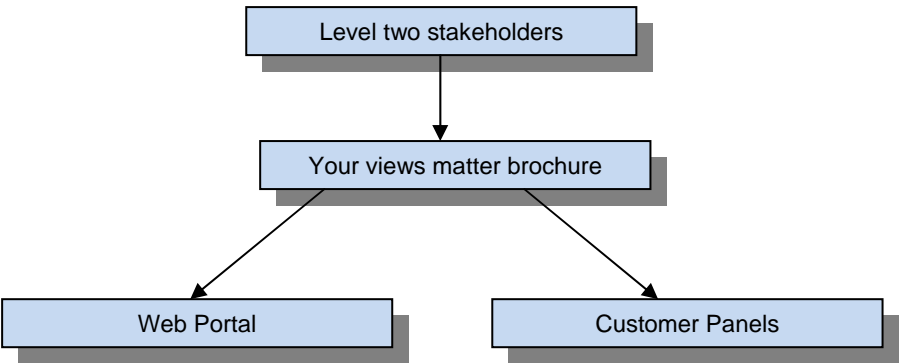
The customer survey was carried out by an independent research company who selected participants from a database of customers who had completed an impression card and indicated a willingness to provide further feedback on our activities. All these customers had therefore had direct experience of an emergency, replacement or connections job carried out by NGN and some understanding of our role and activities. This survey was carried out by telephone. The detailed survey results are set out in Sub appendix A5c.

After we had completed the two initial surveys we went away and costed some of the proposals that came out from these surveys and we tested the strength of view through a willingness to pay survey. This survey was carried out by an independent research company and participants selected at random from customers who had completed an impression card. This survey was again carried out by telephone. The detailed results are set out in Sub appendix A5d.

A summary of the results of the combined level one feedback is set out in section 4 of this appendix.

Level Two Stakeholders

The diagram below sets out the process we followed for level two stakeholders

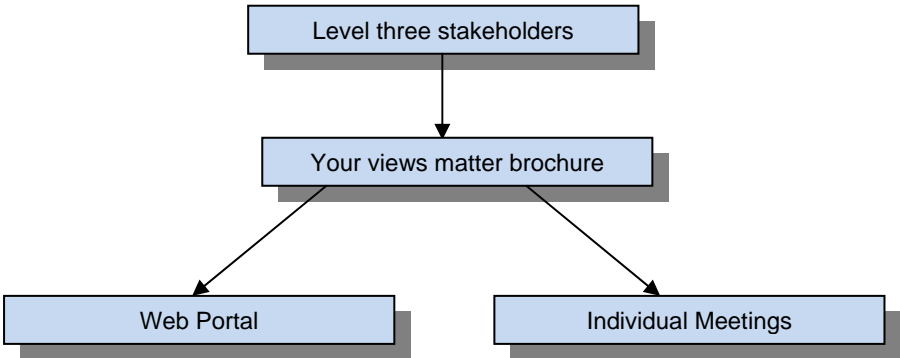


A booklet, ‘Your Views Matter’ was produced and posted to a wide range of known stakeholders within our region providing them with background on our company explaining the process and asking them to participate either directly through our customer panels, one to one meetings or via the web portal. This group included all large customers, highway authorities, local authorities, major charities, regional business organisations and national organisations. Over 3000 were booklets were posted out. A copy of the booklet is set out in attached as Sub appendix A5a.

Following this exercise we received sufficient interest to create good representative and well informed customer panels. A summary of the results of the combined level two feedback from these panels is set out in section 5 of this appendix.

Level Three Stakeholders

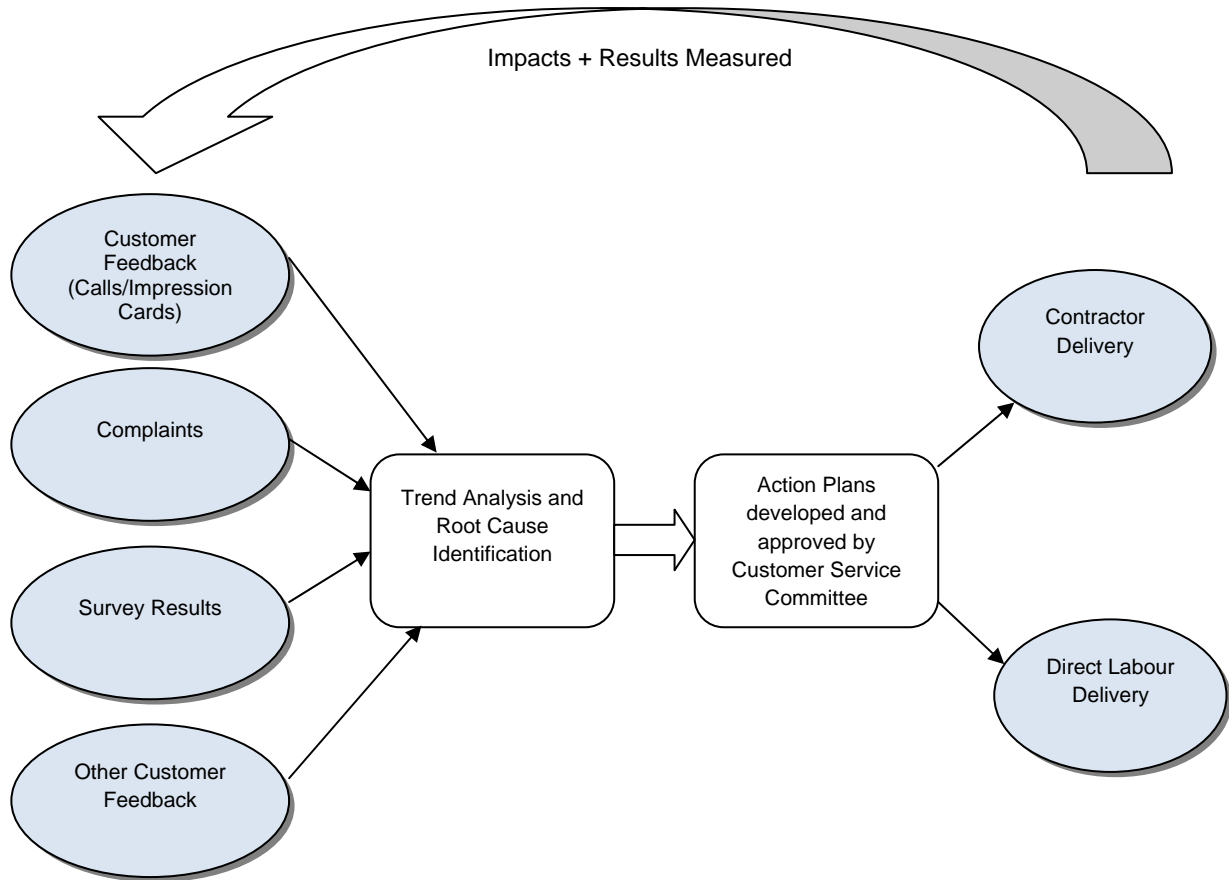
The diagram below sets out the process we followed for level three stakeholders



The ‘Your Views Matter’ booklet was posted to all MPs, large customers and gas shippers who operate within our region. A variety of one to one meetings were held with a range of stakeholders. A summary of the results of the feedback from these stakeholders is set out in section 6 of this appendix.

### 3. Examples of Existing Engagement

#### Summary



The above diagram illustrates how NGN uses customer feedback to monitor its own performance, uses this data to identify where improvements in customer service can be made, develops action plans to deliver these improvements and measures the impact.

This continual feedback loop has operated successfully for several years and has been adapted and adjusted based on experience of what has worked and what has not. The Customer Service Committee contains the CEO and other senior Directors of the business as well as senior directors from our contracting partners. It currently meets on a weekly basis.

#### Direct Feedback on our Works (Impression Cards / Follow Up Calls)

Getting instant feedback when we have completed work is a key feature of our approach to stakeholder engagement and customer service improvement. We have tried various mechanisms to achieve this. In recent years we have used impression cards but in 2011 we have moved to a more pro-active follow up telephone call.

An Impression Card (IC) was delivered to every property upon the completion of Replacement, Repair and Connections works. The card asked the customer to complete a simple ten question survey following completion of the work. The response rate well exceeded expectations and allowed us to gain immediate feedback from our customers.

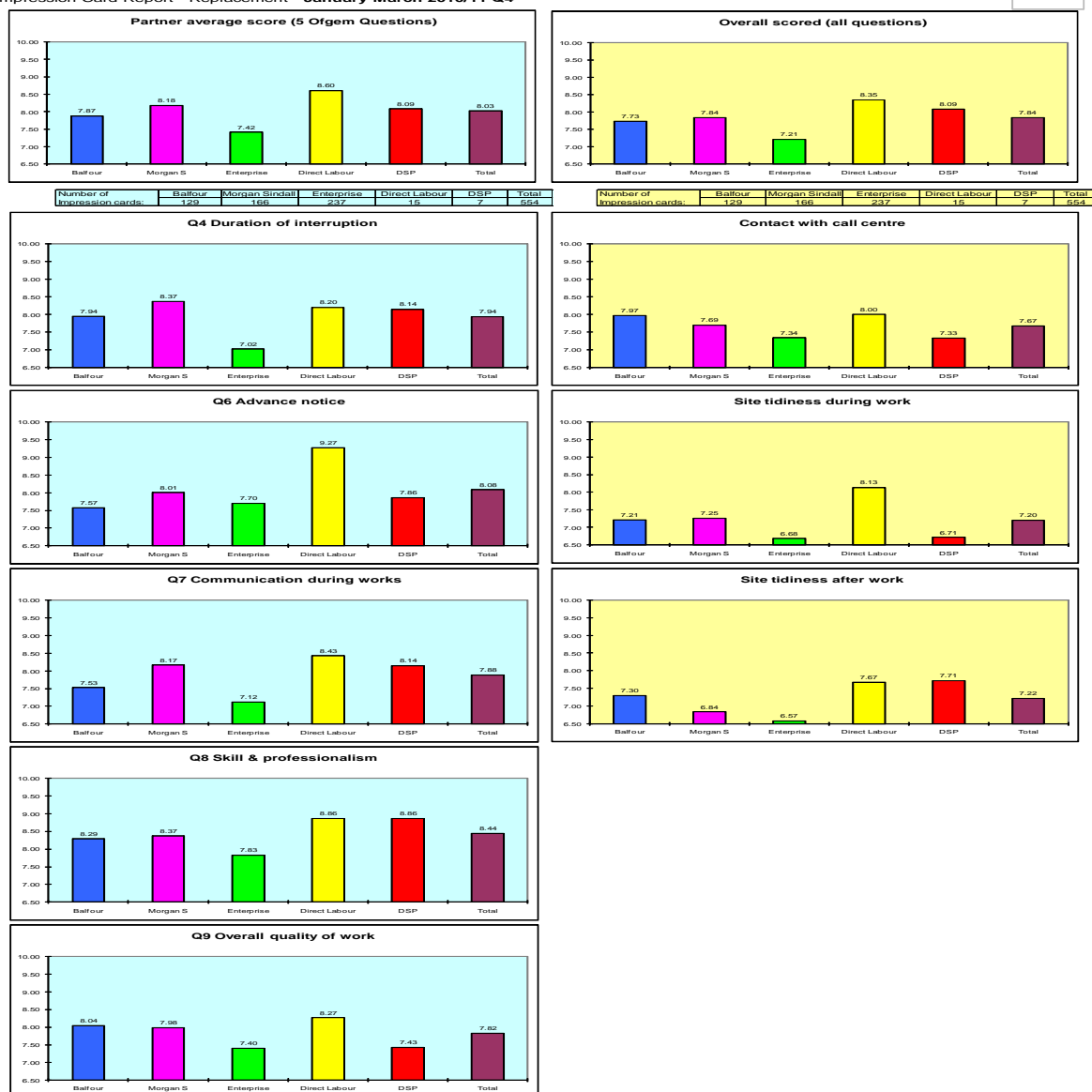
## Appendix A5: Stakeholder Engagement

This feedback enabled us to both resolve problems before they escalated into complaints and provided us with valuable information in order to improve our overall standard of customer service. Customers who provided particularly low scores were contacted by the customer team in order to offer apologies and to understand their issues in more detail. Information was then passed to the area operations managers and ultimately to the teams responsible for the work.

Good feedback and accolades were also fed back and the individual or team rewarded as appropriate. Analysis of all impression card feedback was carried out to identify customer service trends and identify priority areas for improvement.

The example below shows the data that was gathered through the impression cards for one quarter in relation to our replacement activity. The data shows the relative performance of our different delivery partners including our own direct labour organisation. In addition customers had a free text field to include additional comments which we used to identify areas of concern not picked up by the set questions.

Impression Card Report - Replacement - January-March 2010/11 Q4





## Appendix A5: Stakeholder Engagement

Recently, the process of gaining instant impressions from our customers has been changed to that of proactive telephone calls, rather than an impression card. Every customer affected by our work will now receive a telephone call once work is complete and asked for their general views about the standard of service they experienced. This data is reviewed and analysed on a weekly basis.

Below is high level example and summary of the data collected.

### Proactive Call Summary

Business Area	Jobs comp in previous week	Calls made	% calls made v work comp	Contacts made	% contacts made v calls made	% contacts made v work comp	Accolades	Negative Comments	% Negative Comments
Enterprise	442	122	28	101	83	23	22	6	5.94
Balfour Beatty	292	210	72	166	79	57	0	2	1.20
Morgan Sindall	143	95	66	53	56	37	1	0	0.00
E&R	168	135	80	91	67	54	1	4	4.40
Carillion	85	85	100	36	42	42	1	1	2.78
DSP	132	80	61	68	85	52	0	7	10.29

## Complaints

The number of Complaints received in the network reduced significantly from 2007/8 to 2010/11. During that time we have followed a process which records complaints by type (24) and against the causal element of the business, down to local area/patch and even down to individual teams and engineers.

Complaints and enquiries are a vital form of customer feedback. Once a complaint or enquiry has been resolved, root causes of both are analysed in depth and shared with operational managers and contracting partners to ensure improvement plans and actions are in place.

Avoidance of repeat complaints is particularly important, with first time resolution delivered wherever possible. When this is not possible, we operate a four level escalation process. This process allows complaints to be escalated by the customer to Manager and Director level should they remain dissatisfied. All complaint data is collated and provided both to management at high level customer meetings and to operational staff to allow full visibility of current issues.

An example of improvements made as a result of customer complaints and from gaining stakeholder feedback is that of reinstatement. In line with the guaranteed standards of service we have a requirement to complete private reinstatement within five days.

Customers felt that this was too long and consequently we have improved our process to enable all reinstatement to be complete within three days. This process is carefully

## Appendix A5: Stakeholder Engagement

monitored, with all parties required to submit a weekly report to the CEO customer meeting detailing reinstatement statistics and reasons where any failure occurs.

Examples of the data produced and analysed are shown below.

EMERGENCY & REPAIR COMPLAINTS RECEIVED	W/E 18/11/2011	YTD (TGT 700)	WORKLOAD (PRE'S)	COMPLAINTS PRE'S
1 - NORTH TYNE - PAUL COMMON	0	14	9,957	11711
2 - CUMBRIA - BRIAN DOBSON	0	6	4,576	11763
3 - WEAR - MARK JOHNSON	0	20	12,322	11616
4 - TEES - PETER BATES	0	28	11,612	11415
5 - NORTH RIDING - GORDON THOMPSON	0	18	7,683	11429
6 - BRADFORD - IAN CUNNINGHAM	0	35	8,147	11233
7 - LEEDS - RICHARD HYNES-COOPER	0	36	11,263	11313
8 - EAST RIDING JOHN PICKERING	0	40	12,317	11308
9 - PENNINES - DENNIS LANGAM	0	40	9,464	11236
REINSTATEMENT - NORTH (NEW COUNTY)	0	6	10,696	111783
REINSTATEMENT - YORKSHIRE (DOOCEYS)	0	7	14,500	112071
NETWORK MAINTENANCE	0	2		

EMERGENCY & REPAIR COMPLAINTS RECEIVED	PLANNER GROUP	ROOT CAUSE
NO COMPLAINTS RECEIVED		
300966967	5 - NORTH RIDING - GORDON THOMPSON	QUALITY OF WORK
300966108	ACCOUNTS PAYABLE	POLICY

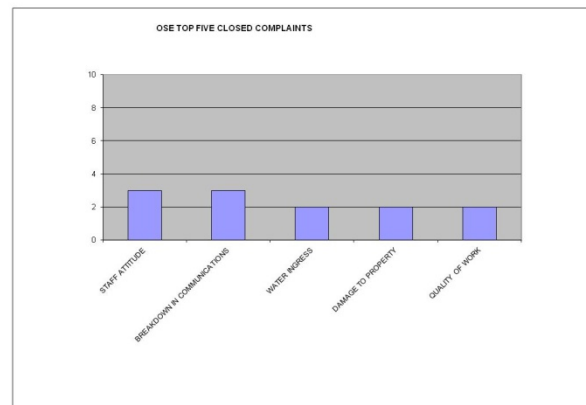
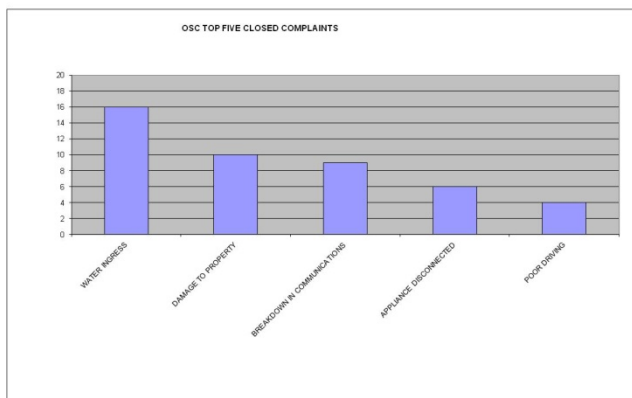
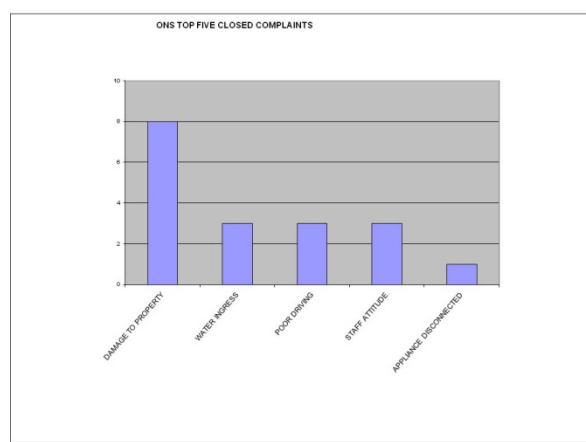
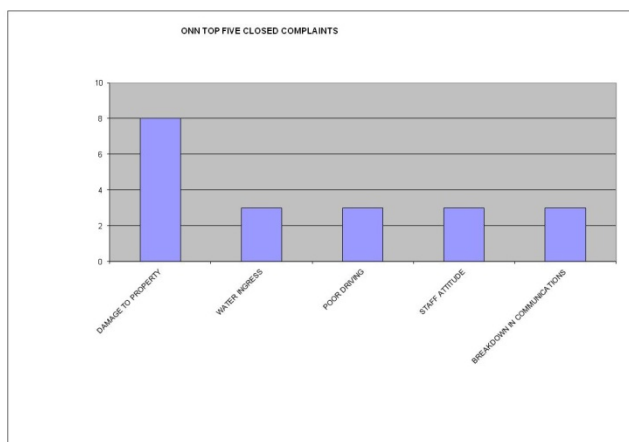
OUTSTANDING REPAIR INVESTIGATION SHEETS	PLANNER GROUP	DATE CLOSED
NO OUTSTANDING INVESTIGATION SHEETS		

EMERGENCY & REPAIR ACCOLADES RECEIVED	PLANNER GROUP	CATEGORY
300976276	9 - PENNINES - DENNIS LANGAM	SKILL & PROFESSIONALISM
300978225	5 - NORTH RIDING - GORDON THOMPSON	SKILL & PROFESSIONALISM

BACK OFFICE COMPLAINTS RECEIVED	W/E 18/11/2011
CUSTOMER TEAM	0
ADMIN SUPPORT	0
DISPATCH	0
DIVERSIONS	0
ACCOUNTS PAYABLE	0
TOTAL	0



### Customer Survey Results

NGN has continually used the results of the quarterly Ofgem surveys to target areas and initiatives to improve our performance. Up to 2009 we commissioned additional survey work to provide wider feedback on our activities and benchmark our performance not just against the other GDNs but also against the general industry.

This survey revealed the areas of greatest impact and importance to customers and measured the overall satisfaction with these factors. Some of the key priorities for improvement (PFI's) included length of time to complete a job, attitude of the workforce, keeping appointments, keeping customers informed of progress and maintaining site tidiness. Some of these areas were not at the time being picked up by the Ofgem surveys.

We ceased carried out independent surveys when the results we were seeing started to duplicate the feedback we were receiving through the impression cards and when the quarterly surveys were improved.

### Other Customer Feedback Mechanisms

Enquiries - With the introduction of the new telephony system in 2010, we have been able to better record and monitor the number of incoming telephone enquiries and develop approaches to reducing the number of such enquiries through for example better data on our website.

Customer Liaison Officers - The role of a Customer Liaison Officer (CLO) was to assist our front line staff in addressing customer concerns and ensure instant actions were taken when problems arose. As described in our business plan we are now putting more emphasis on our front line staff to get things right in the first instance.

Public Meetings - When an operational manager identifies a mains replacement project which may be difficult to complete without significant impact upon the local population, a public meeting will be arranged to enable Northern Gas Networks to deliver some key messages about the work.

Website - Our website has the facility for customers to contact the company to raise issues, ask questions and make complaints. Annually we receive approximately 850 contacts, of which around 10% are complaints, and are included in the overall numbers recorded in the network.

Education – NGN delivers a range of educational programmes across the region including educational events at which the gas safety message is delivered to around 20,000 schoolchildren in the network each year, safety campaign into Universities and Colleges across the North of England, Carbon Monoxide (CO) safety awareness programmes and productive relationship with several Fire & Rescue Services across the North of England.

Industry Meetings and Contacts – NGN participates in a wide range of gas industry meetings and is a member of several regional business organisations. These provide views from end customers, gas shippers and other industry organisations.

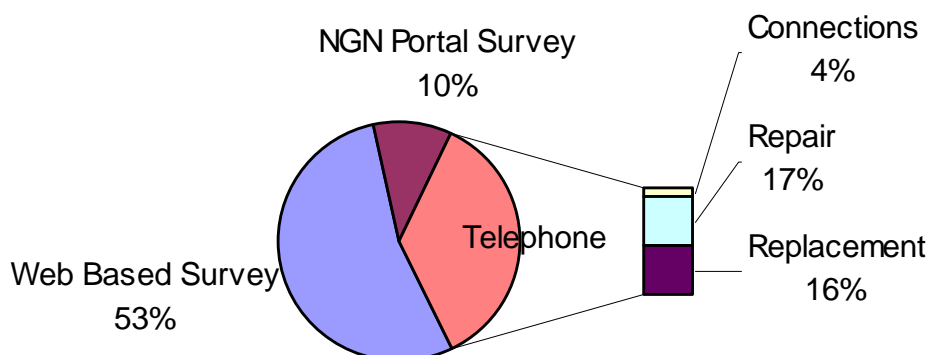
## 4. Level One Stakeholder Feedback

Northern Gas Networks engaged a market research company to advise on the most effective way of gathering and evaluating the views of the general public. The advice they gave, which the company adopted, was to speak to the general public via a web based survey, speak to members of the public who have a cross section of work carried out by Northern Gas Networks via a telephone survey, and allow anybody to contact us with their views which was carried out via a new web portal created for this exercise.

### Timetable

Jan 2011	Initial letter to landowners, highway Authorities, MPs, Suppliers, Large Gas users, etc
Feb 2011	Portal made live
Feb 2011	First Tier 1 Stakeholder Group session
Feb 2011	First set of Questions asked via web and telephone. (see Sub Appendix A5C)
April 2011	Second Tier 1 Stakeholder Group session
May 2011	Second set of questions asked via phone survey (see Sub Appendix A5D)

In Phase one the questions were the same regardless of questionnaire type and the participants were split as shown below. The telephone survey consisted of 600 customers and a further 800 people gave feedback via our web based survey. 238 people actually sought out the Northern Gas Networks web portal and gave feedback directly. The breakdown of participants on this part of the programme are set out below:



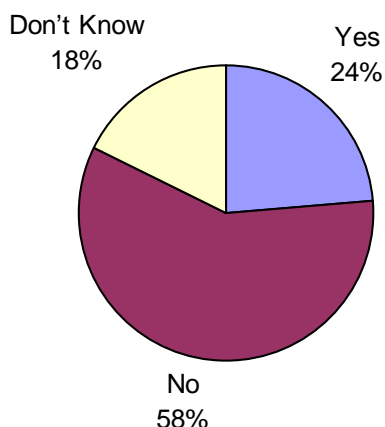
The focus of the questions presented during this part of the process was to gather feedback on our performance related to the six output categories. These directly reflect those outlined in the RIIO-GD1 Strategy Decision document published by Ofgem in March 2011 and include all the individual outputs it contained.

Summarised below is the key feedback from Level One Stakeholders to the questions posed as part of the survey. Where appropriate it also includes the results of the follow-up questions which set out the results of the 'Willingness to Pay' scenarios presented on key issues.

## Safety

The primary objective of Safety is to ensure the provision of a safe network in compliance with HSE standards, and improve asset knowledge to ensure the development and delivery of investment plans.

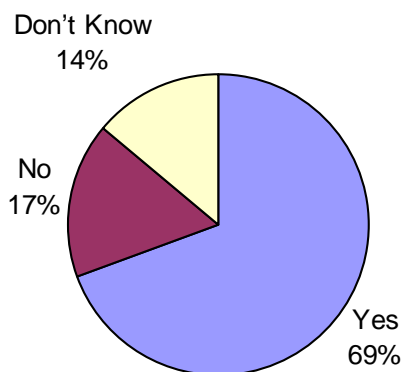
- i. **Should the iron mains replacement programme be completed in shorter time with bills increasing to cover additional costs.**



**Stakeholder feedback:** Current rate of replacement activity is suitable and should not slow down despite the interruptions it causes. However, Customers who had been involved in a gas escape want our replacement strategy to be completed within a shorter timescale.

**NGN response:** NGN's proposed updated replacement programme will continue to reduce the risk from iron mains and reduce costs when compared to the continuation of the current programme.

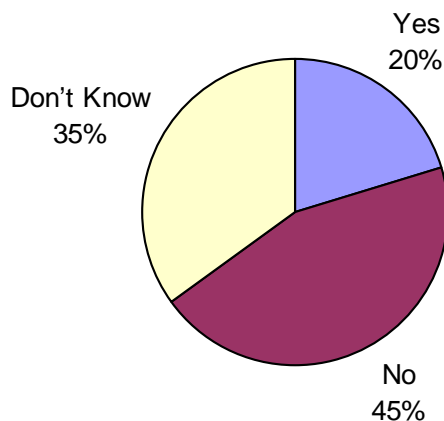
- ii. **Should the iron mains replacement programme be carried out over a longer period, cost savings allowing for a reduction in bills**



**Stakeholder feedback:** Current rate of replacement activity is suitable and should not slow down despite the interruptions it causes. However, people who have not had work carried out by NGN were happier to slow down our replacement programme to reduce the cost of their bill.

**NGN response:** NGN's proposed updated replacement programme will continue to reduce the risk from iron mains and reduce costs when compared to the continuation of the current programme. The adoption of the 3-Tier approach and the additional flexibility it provides has reduced NGN's forecast replacement expenditure crating additional value for customers.

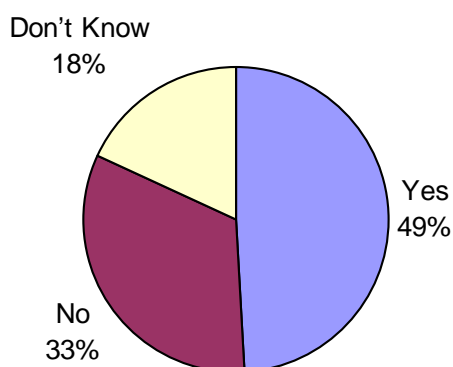
iii. Could NGN improve the safety of customers, general public and employees when carrying out works?



**Stakeholder feedback:** Replacement activity could be more focused on areas where there are a large number of leaks to reduce the number of visits to the same areas and sites to carryout repair work. Customers who had been involved in a gas escape believe more can be done to ensure their safety.

**NGN response:** NGN's new approach to network management and its investment strategy is aimed at delivering this improvement in both safety and efficiency.

iv. Could NGN do more to improve site tidiness following road works?



**Stakeholder feedback:** A varied level of perceived quality of site safety but an overall strong appreciation of NGN's approach to site safety and injury prevention.

**NGN response:** NGN is proposing a range of voluntary output measures relating to operational safety.

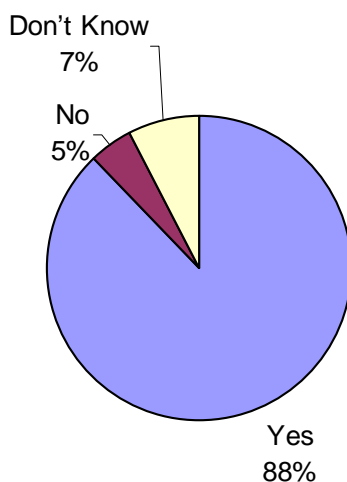
NGN have worked with suppliers and Highway Authorities to identify best practice, most suitable equipment and standards are higher than ever according to some Highway Authority managers. NGN are monitoring and driving its contractors to backfill excavations quicker than ever before.

- v. **At Northern Gas Networks we believe we have improved signing and guarding around our excavations. What advice would you give us to improve the safety of employees and the general public on our sites?**

**Stakeholder feedback:** A varied level of perceived quality of site safety but an overall strong appreciation of NGN's approach to site safety and injury prevention.

**NGN response:** NGN is proposing a range of voluntary output measures relating to operational safety.

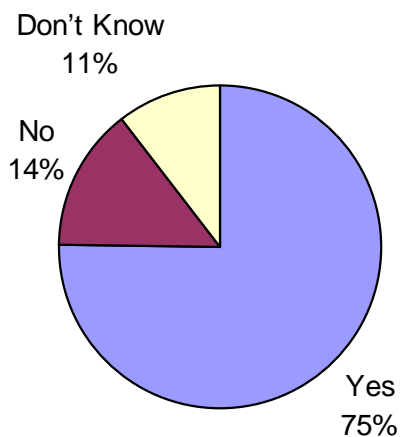
- vi. **Should reducing the number of gas leaks be a high priority for NGN both for safety and to protect the environment?**



**Stakeholder feedback:** Preventing gas leaks is a very high priority issue for all stakeholder groups. Replacement activity could be more focused on areas where there are a large number of leaks to reduce the number of visits to the same areas and sites to carryout repair work. Only 2% of people who had been involved in a replacement scheme and 3% of people who had been involved with a gas escape believed reducing gas leaks should not be a high priority compared to 15% of customers who had been involved with a connection.

**NGN response:** NGN's new approach to network management and its investment strategy is aimed at delivering this improvement in both safety and efficiency.

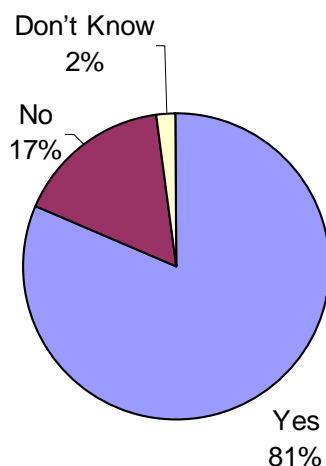
- vii. **Is attendance at controlled escapes within 2 hours and uncontrolled escapes within 1 hour acceptable? (Stakeholders advised improving the timescale would impact on bills)**



**Stakeholder feedback:** Response to emergency calls is good and the 97% target for uncontrolled escapes to be attended within one hour is suitable. Stakeholders demonstrated a concern that controlled gas escapes are not responded to in one hour.

**NGN response:** NGN will maintain the current controlled and uncontrolled emergency response performance.

- viii. **If you smell gas inside your house and after turning your gas valve off the smell seems to have gone, we will attend within 2 hours of your call. Would you be happy waiting 2 hours for our Engineer to arrive?**



**Stakeholder feedback:** Response to emergency calls is good and the 97% target for uncontrolled escapes to be attended within one hour is broadly acceptable. However, stakeholders demonstrated a strong concern that controlled gas escapes are not responded to in one hour and queried whether more controlled escapes could be attended within this time frame.

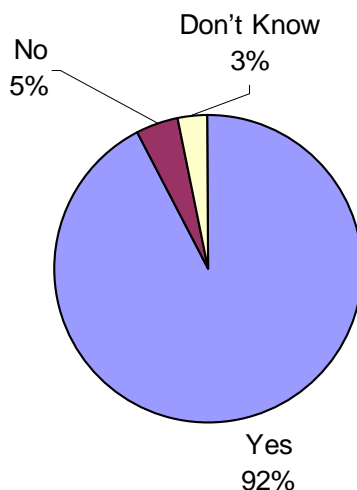
**NGN response:** NGN will maintain the current controlled and uncontrolled emergency response performance. Additionally NGN is committing to a target of attending 75% of controlled escapes within one hour.



## Reliability

The primary aim for reliability is to promote a network capable of giving long term reliability as well as minimising the number and duration of interruptions experienced over the review period.

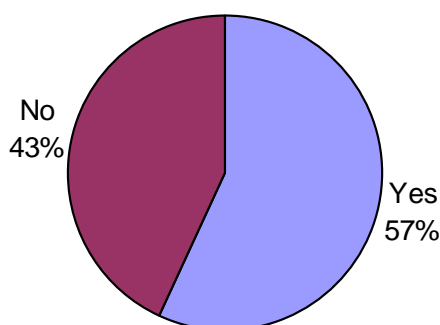
- i. **There is an expectation that gas supply is reliable, with a continuous and uninterrupted service to consumers' homes. Do you think we provide a reliable service to you?**



**Stakeholder feedback:** NGN do provide a continuous supply to the properties. Overall stakeholders believe that current levels of network reliability are good and must be maintained going forward.

**NGN response:** NGN will, as a minimum, maintain the current levels of reliability across the network and look to minimise the number and duration of interruptions for customers.

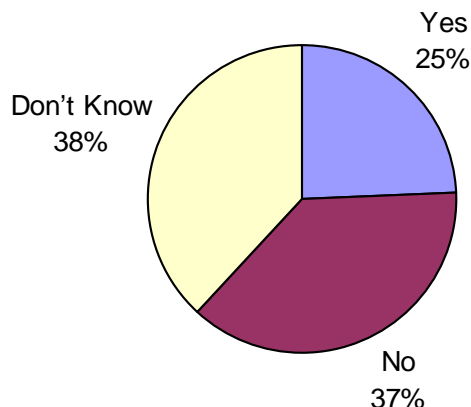
- ii. **When interruptions are unplanned NGN should always work until the problem is resolved?**



**Stakeholder feedback:** Customers should not be left without gas. 100% of customers who visited our portal said 'Yes'.

**NGN response:** We work on emergencies with a view to never leave customers without gas – If it is not possible to restore a supply, alternative cooking and heating facilities are made available.

iii. **Could NGN further reduce disruption and inconvenience when carrying out essential maintenance works**



**Stakeholder feedback:** Replacement activity could be more focused on areas where there are a large number of leaks to reduce the number of visits to the same areas and sites to carry out repair work. Results from the web based survey who have not had work done believe Northern Gas Networks can do more to avoid inconvenience than those customers who have had work carried out.

**NGN response:** NGN's new approach to network management and its investment strategy is aimed at delivering this improvement in both safety and efficiency.

iv. **Should the NGN 1 in 20 bad winter maximum demand policy be reviewed to cope with higher demands?**

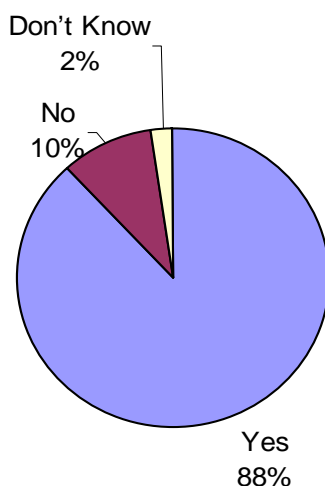
**Stakeholder feedback:** Northern Gas Networks should be prepared for the most severe winter so customers are not affected.

**NGN response:** NGN has incorporated the key learning points from the severe winters experienced in 2009/10 and 2010/11 into its operating plans going forward. Our Winter Contingency Plans will allow us to better deal with the impact of severe weather events on the provision of our key services.

## Customer Service

Customer Service is assessed via three primary outputs along with secondary deliverables.

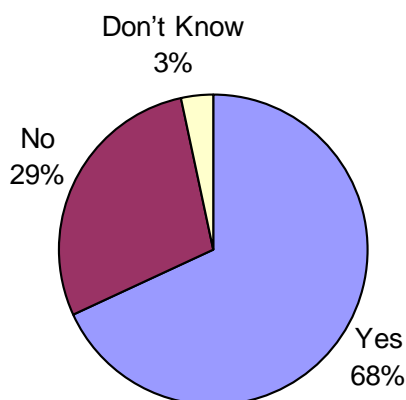
i. **Is a minimum of 5 days notice for temporary interruption of gas supply adequate?**



**Stakeholder feedback:** NGN should ensure customers are notified within 5 days prior to an interruption.

**NGN response:** NGN tracks direct labour and Contractors to ensure notice is given within standard. The target of 5 days notice will be maintained throughout the RIIO-GD1 period.

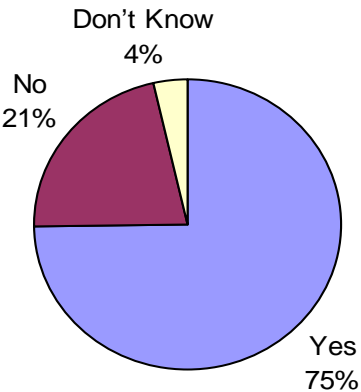
ii. **Is the complaint response within 10 days (where no site visit is required) timescale acceptable?**



**Stakeholder feedback:** Customers are comfortable with complaint resolution within 10 days so the D1 and D31 measures are suitable. Customers who have had work carried out are more acceptable to a 10 day response time than the general public who have not had work carried out.

**NGN response:** NGN is committing to a 10% year on year reduction in complaints in the RIIO-GD1 period. Additionally we are committing to a target that 20% of all complaints will be resolved within D+1. With 99% of all complaints resolved within D+31.

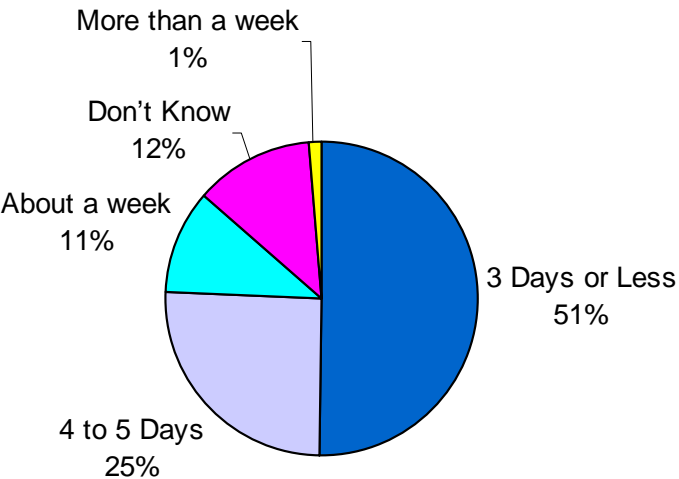
iii. Is the reinstatement of excavations on private land within 5 days adequate?



**Stakeholder feedback:** NGN should ensure all private reinstatement is completed within 5 days.

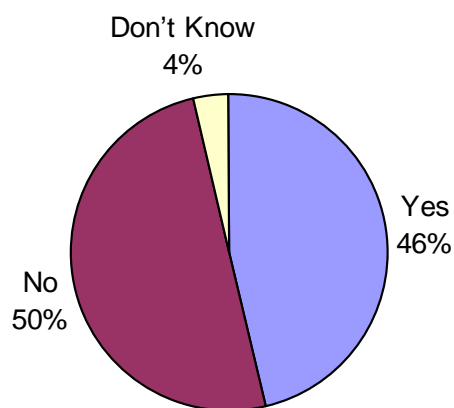
**NGN response:** NGN tracks direct labour and Contractors to ensure reinstatement is completed within timescales which and continual improvement is made. We are targeting reducing.

iv. How long should NGN take to complete this reinstatement?

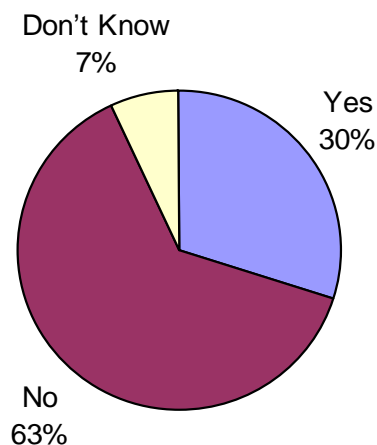


NGN presented stakeholders with a range of costed options for reducing the timescales associated with reducing the timescales for reinstatement below current levels.

## Appendix A5: Stakeholder Engagement



Reinstatement within 3 Days

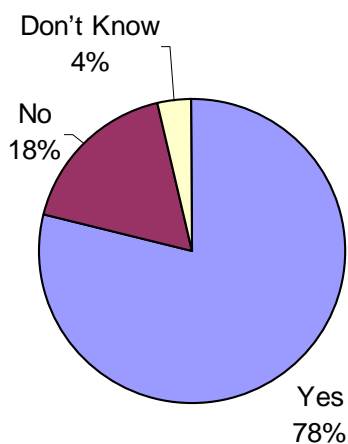


Reinstatement within 1 Day

These options ranged from an additional £2.70 per job for reducing the timescale to 3 days to £8 per job for a reduction to one day. The results summarised above show that there was no strong support for reducing these timescales if it involved an increase in costs.

NGN are not proposing to reduce the current standard below the current 5 days timescales. However, we are working with our contracting partners to identify how we can most efficiently reduce the time taken to reinstate our works going forward.

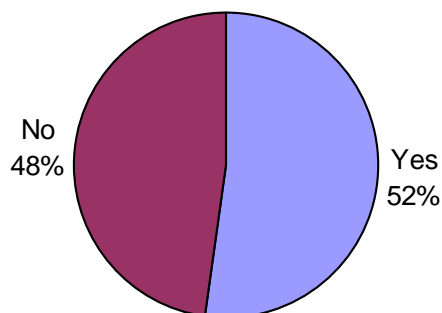
- v. **At present if we are working at your property and there is a fault on your appliance, we isolate your supply and you will need to get a Gas Safe plumber to carry out a repair and relight all your appliances. If we were to offer a service that ensured all vulnerable customers were not left without gas it would cost an extra 16p per year on your bill – would you be happy to pay this?**



**Stakeholder feedback:** Stakeholders are willing to pay for vulnerable customers to have their gas supply reinstated following work at their property.

**NGN response:** At this moment in time due to legislation, this is not possible. NGN will continue to look at the issue and ensure that we have access to relevant information on vulnerable customers in our area and that alternative heating and cooking arrangements are made for these customers until the supply has been restored.

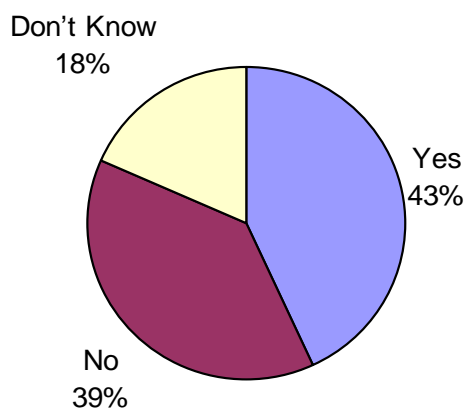
- vi. **Is answering 90% of telephone calls made to our call centre within 30 seconds acceptable?**



**Stakeholder feedback:** Stakeholders felt that timescales for answering calls could be improved from the current standard and would like to see all calls answered more quickly.

**NGN response:** NGN's actual performance over the last three years has been greater than the 90% within 30 second standard. We have achieved a figure of 95% of calls achieved within 30 seconds. We will seek to ensure that this level of service is at least maintained going forward.

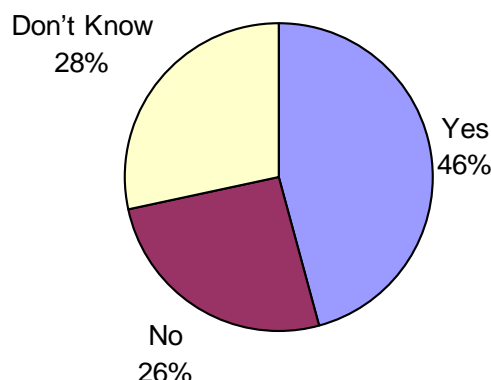
- vii. **Should NGN improve their advance notification when intending to carry out work near to customers' properties?**



**Stakeholder feedback:** Customers who had been impacted by mains replacement works asked that they be given greater advance notification than that which is currently provided.

**NGN response:** NGN fully complies with the requirement to provide 48 hours' advance notification of a gas supply interruption due to planned mains replacement work. This is delivered by operational personnel on-site during the works. Additionally, NGN provides an advance notification letter of the physical works commencing, usually two weeks before the start of on-site activity. In light of stakeholder feedback, we are currently examining further ways of improving the recognition of advance notification. This includes greater use of the NGN website, on-site advance notification information boards and other media.

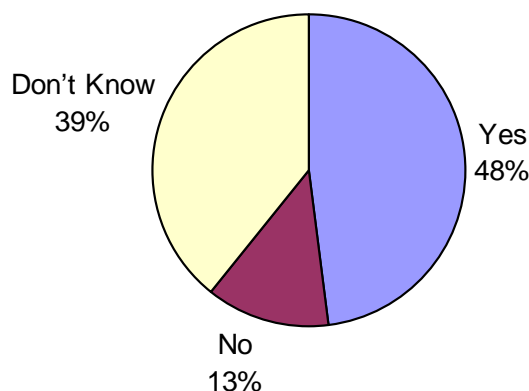
viii. **Should NGN do more to inform customers of what they do and seek customer opinions?**



**Stakeholder feedback:** Stakeholder engagement and management has been viewed as inclusive and useful throughout GDPCR1 and the RIIO-GD1 planning process; this should be maintained.

**NGN response:** NGN has a long term stakeholder engagement strategy that is linked directly with its customer service strategy and which builds upon the successful engagement exercise undertaken as part of the development of this plan.

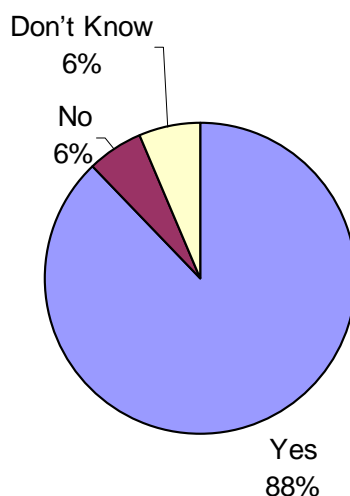
ix. **Feedback is acted upon to improve NGN performance**



**Stakeholder feedback:** Stakeholders felt that NGN should provide key account holders for large NGN customers and provide other front line staff with training to improve service levels. This should include those dealing directly with industrial users.

**NGN response:** All frontline staff are being given additional training on customer service. We are placing more emphasis on our front-line staff to deliver improvements in customer service. Going forward, account management for large sites will be covered by our stakeholder strategy.

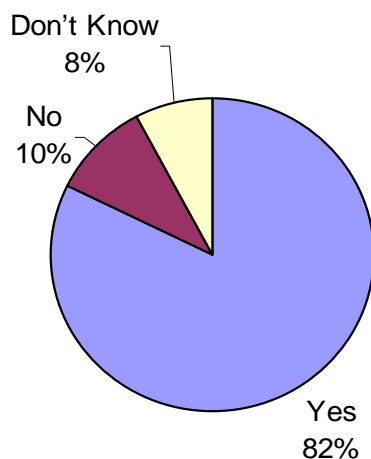
- x. **When interruptions are planned, NGN should ensure supply is reconnected within the same day at all times**



**Stakeholder feedback:** There was strong support for a position where customers are never left without gas. Customers who have had work carried out believe NGN should ensure the supply is reconnected much more than the general public who have not had work carried out.

**NGN response:** We work on emergencies with a view to never leave customers without gas – if it is not possible to restore a supply, alternative cooking and heating facilities are made available.

- xi. **Planned replacement works should be programmed between February and November to avoid bad weather months**



**Stakeholder feedback:** NGN should not carry out planned replacement work in the winter months and focus on gas escapes and repairs.

**NGN feedback:** We have examined this feedback and have discounted it for the following reasons. Reducing the timeframe to complete the annual replacement of more than 520km of iron mains with new polyethylene mains would create additional and unacceptable pressure across the whole process chain. Removing the ability to utilise four months of the calendar would require a significant increase in resources over the remaining eight months of the year. This would increase contractor costs, increase pressure on highways authorities

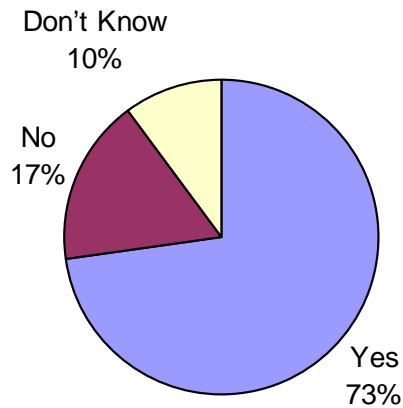


## Appendix A5: Stakeholder Engagement

and produce an overall increase in the costs of our mains replacement activity, which would inevitably be passed on to consumers. At a time when NGN is under more pressure to keep overall costs down to reduce the impact of gas distribution on overall energy bills, we made the judgement that increasing the costs of our mains replacement works would be unacceptable.

## Social Obligations

i. **Should Carbon Monoxide testing be carried out by NGN when attending all gas emergencies?**



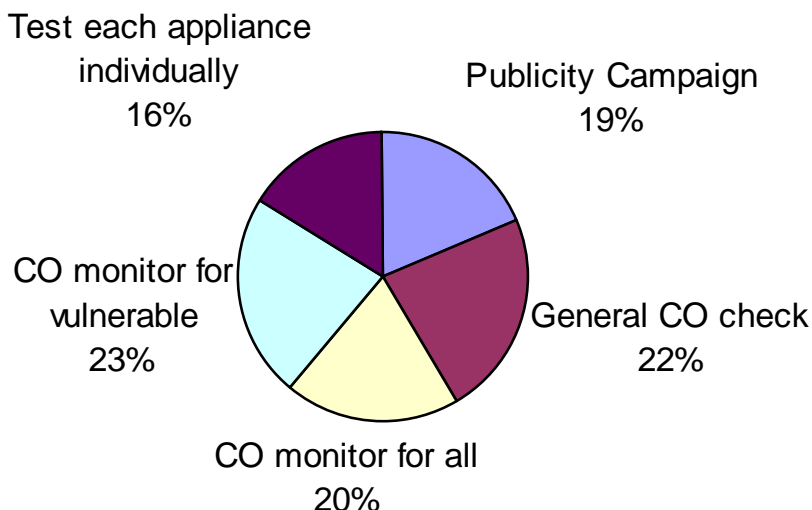
**Stakeholder feedback:** When NGN engaged the general public, 73% of those asked believed we have a responsibility to do more about carbon monoxide (CO) issues, such as:

- raising awareness of the risks of CO across the network;
- ensuring the public understand how to prevent the risks of CO;
- actively reduce the risks of CO on our network; and
- stakeholders, such as local authorities, believe NGN should carry out CO detection in properties and leave monitors with vulnerable customer.

**NGN response:** NGN is committing to delivering two key initiatives relating to CO during RIIO-GD1.

- Delivering a customer awareness programme in conjunction with strategic partners across the network to enhance the understanding of the risks and safety precautions relating to exposure to carbon monoxide in properties.
- Introducing new procedures that will see engineers carry out atmospheric testing for the presence of CO at every property attended in response to a gas emergency call. NGN is imminently trialling this approach.

- ii. **At present when we are working in your property, we only carry out a visual check of appliances for presence of Carbon Monoxide. Potentially Northern Gas Networks could do more. Which option / options, if any do you think we should go for?**

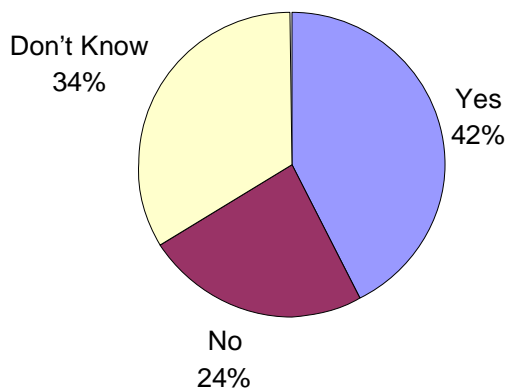


**NGN response:** NGN is committing to delivering two key initiatives relating to CO during RIIO-GD1.

- Delivering a customer awareness programme in conjunction with strategic partners across the network to enhance the understanding of the risks and safety precautions relating to exposure to carbon monoxide in properties.
- Introducing new procedures that will see engineers carry out atmospheric testing for the presence of CO at every property attended in response to a gas emergency call. NGN is imminently trialling this approach.

We will look to work with the wider gas industry over the RIIO-GD1 period to identify further ways in which we can play a greater role in addressing issues relating to carbon monoxide.

- iii. **Should NGN do more for local communities?**

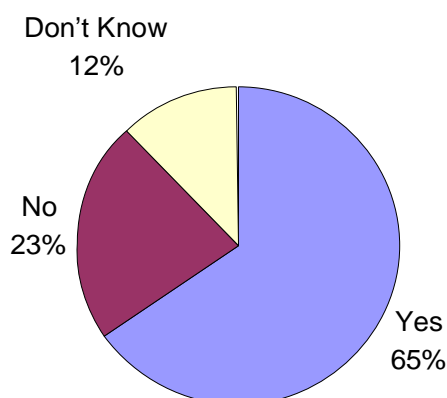


**Stakeholder feedback:** Stakeholders told us they wished to see a greater level of activity from NGN in local communities, though aside from an increase in CO awareness, they were not specific.

**NGN response:** NGN has a comprehensive Corporate Social Responsibility (CSR) strategy which demonstrates the company as a responsible corporate citizen within our geographic area. This strategy delivers a level of community engagement across the North of England, some of which may not be immediately visible to the stakeholders who were involved in our engagement works. This includes the annual delivery of our Northern Green Networks environmental support scheme, which delivers sponsorship and donations to local groups and organisations which are delivering real and tangible benefits to their local communities. The scheme has been running for five years and 68 groups have benefitted from across Yorkshire, northern Cumbria and the North East, which have shared £240,000 worth of grants. Projects which have been supported range from community allotments in Bradford to bat-boxes in Berwick and bird sanctuaries in Workington. We also provide ad-hoc donations to a wide range of local charities, including to members of our own workforce, to demonstrate our belief in supporting worthy causes.

Additionally, in parallel with our planned mains replacement works we are delivering a gas safety educational program into schools; developing a Smartphone gas safety application; providing staff and management time to both industry and non-industry groups and organisations; and have a positive outlook to the wider corporate social responsibility agenda.

#### iv. NGN should visit schools to inform children how the business works



**Stakeholder feedback:** NGN should have a comprehensive schools education programme relating to gas safety.

**NGN response:** NGN delivers each year a comprehensive schools education program to thousands of young people across the North of England; this has three separate elements with the first two being proactive and the third being reactive.

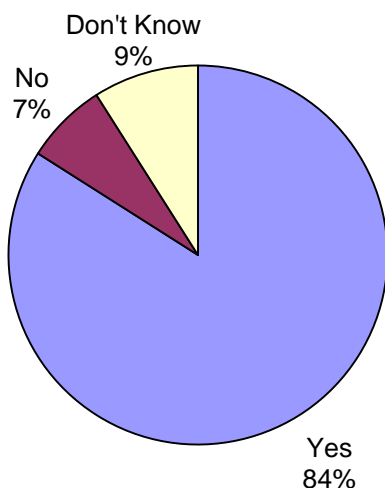
Through our mains replacement program, which each year sees the replacement of c.530km of metallic mains with polyethylene pipes, we engage with local schools in the areas where we are carrying out the work. This takes the form of a proactive approach to the schools, where we offer to make a formal visit and provide a short demonstration on gas safety, called PlaySafe StaySafe. Our trained personnel advise the young people of the dangers of

gas, what to do if they smell gas and the need to avoid playing near our excavations in the local area.

The second facet is our work delivering gas safety presentations through the Crucial Crew program across our area. Crucial Crew events are organised in distinct geographic locations, held at a central location. Schools across that area are invited to attend and hear presentations from several organisations, traditionally the Police, Transport Police, other blue light services and the utilities, to deliver a comprehensive safety message.

The third element of our program is fully reactive, where we respond to requests from groups such as Cub Scouts and Brownies to deliver a gas safety presentation to groups of young people as part of the wider Corporate Social Responsibility program.

### v. The Fuel Poor scheme should be continued



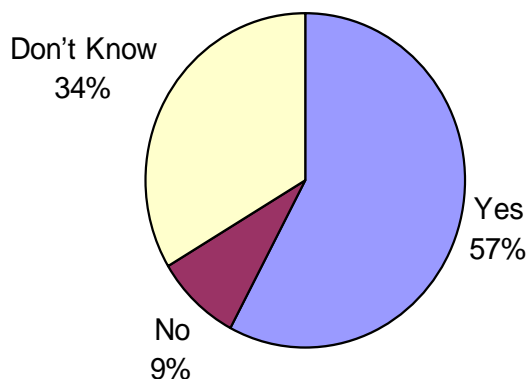
**Stakeholder feedback:** Strong stakeholder support for the continuation of an initiative to connect fuel poor customers to our network.

- The current programme for extending the gas network into socially deprived areas is supported by our stakeholders.
- NGN was challenged to extend the fuel poor scheme.
- It was also suggested that other sectors of society, such as outlying rural areas, should be considered for a similar scheme.

**NGN response:** NGN is committing to connecting an additional 6,500 fuel poor customers to our network over the RIIO-GD1 period.

## Environment

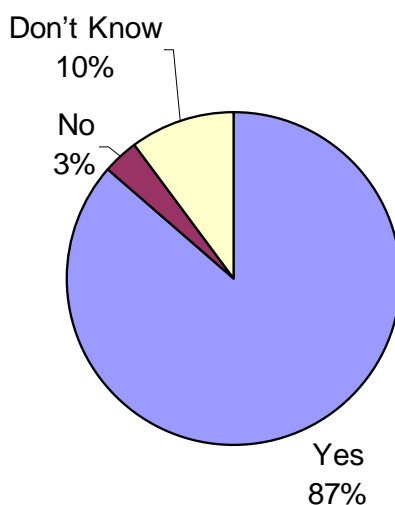
- i. Do NGN do enough for the environment e.g. by using no dig techniques and reducing the amount of excavated material being disposed of at landfill sites.



**Stakeholder feedback:** NGN should do more to minimise its impact on the environment, by increasing the amount of no-dig mains works and increasing the amount of spoil used for recycling.

**NGN response:** More than 90% of our planned mains replacement work is completed by using no-dig technologies and we are actively pursuing ways of increasing this. We plan to increase the amount of recycled aggregate material we use, maintaining a level of 80% across the RIIO-GD1 period. Additionally, through our network innovation investment programme we will continue to research and evaluate new ways of improving our ability to use recycled materials and strive to embed sustainability through our network operations.

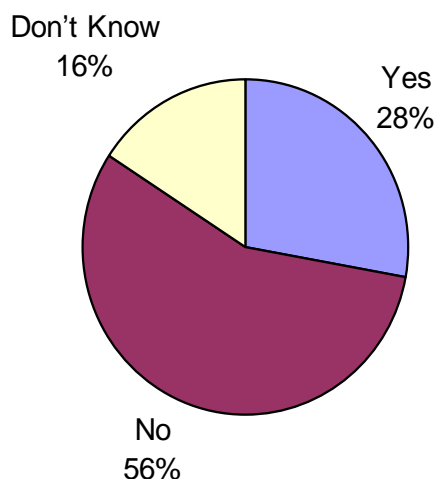
- ii. Should NGN support the introducing the use of gas produced from waste?



**Stakeholder feedback:** Strong support for GDNs to take an active role in assisting the development of bio-methane technology but, do not expect GDNs to finance or subsidise these schemes.

**NGN response:** NGN has introduced voluntary standards of service for dealing with enquiries and the provision of information. We are actively exploring innovative approaches to address issues surrounding the injection of bio-methane.

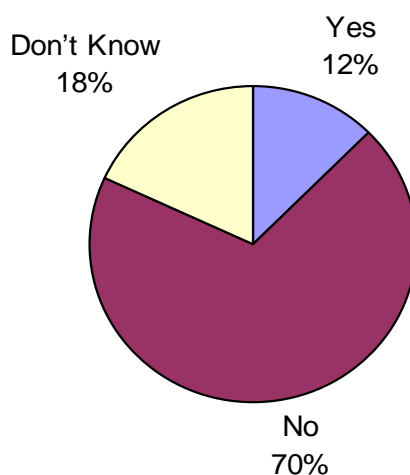
**iii. Do Gasholders have an impact on the visual amenity of an area?**



**Stakeholder feedback:** Most stakeholders were aware of the role of gasholders and had, over time, become immune to their visual impact.

**NGN response:** Gasholders have been in place for decades, some for more than 100 years. They were traditionally built close to former gasworks sites and/or the edge of centres of population. Many have seen homes and businesses built closer to them in recent years, increasing their visual impact. We have a plan to demolish holders over the next few years.

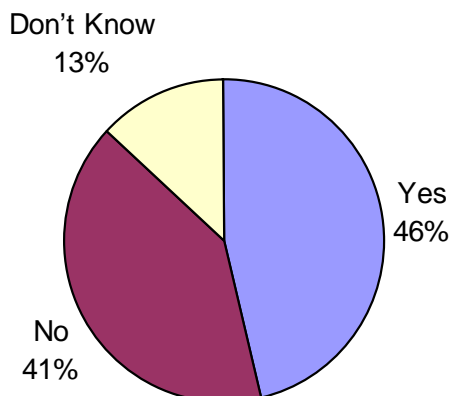
**iv. Gas holders should be demolished and the additional costs added to bills**



**Stakeholder feedback:** Without having an understanding of associated costs, stakeholders felt it would be too expensive to demolish gasholders.

**NGN response:** We will carry out a full cost evaluation and ask you your views again.

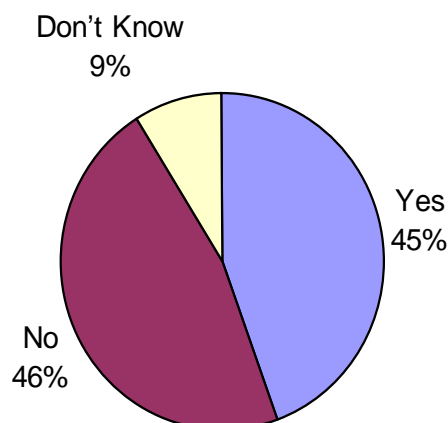
- v. **To demolish all Gas Holders would add an extra 48p per year on your gas bill. Would you be happy to pay this to remove all the gas holders in our network?**



**Stakeholder feedback:** When presented with the calculated costs of demolishing gasholders during RIIO-GD1, a majority of stakeholders were in favour of demolition.

**NGN response:** On the basis of this feedback, NGN has planned to remove all network gasholders during RIIO-GD1.

- vi. **To regenerate the land following the demolition of the holder would cost an extra £1.48 per year. Would you be happy to pay for this?**



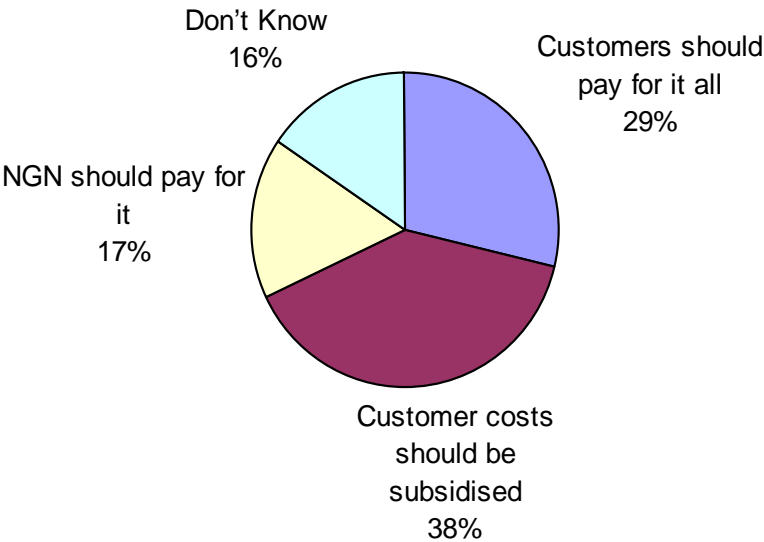
**Stakeholder feedback:** NGN sites with contaminated land should be remediated. However, stakeholders do not think that this should result in higher costs.

**NGN response:** NGN have excluded the reinstatement of gasholder sites from its RIIO-GD1 business plan. Any reinstatement costs will be reflected in the value of the land if it sold following decommissioning of the gas holders. Customers will not bear any costs of this reinstatement.



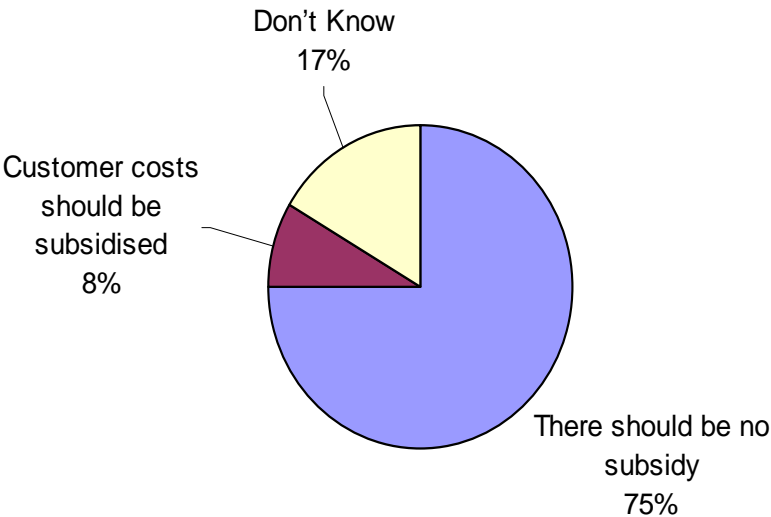
Connections

i. Should the cost of connection to the NGN network be subsidised?



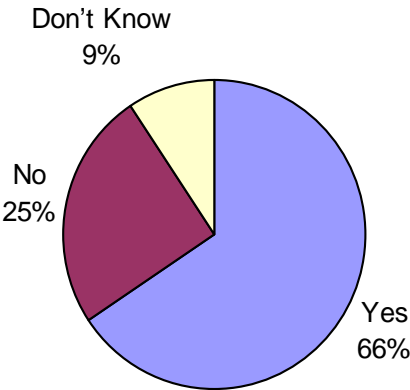
**Stakeholder feedback:** Stakeholders were asked if anyone connecting to the NGN gas network should have the real costs subsidised. There was no overall clear view.  
**NGN response:** As a result of the feedback we will maintain the status quo.

ii. Subsidy will have an impact on household bills, should the work be subsidised?



**Stakeholder feedback:** If providing a subsidy for new connectees would produce a generic increase in costs, then no subsidy should be provided.  
**NGN response:** In the light of this feedback we will maintain the status quo.

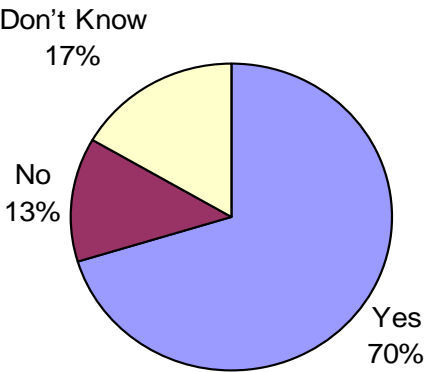
iii. Is 20 days from receiving the customer’s acceptance of a quotation adequate for providing a date for the work.



**Stakeholder feedback:** Connections customers believe the current standard of providing a date for connections work to be carried out within 20 days of a customer’s acceptance is adequate.

**NGN response:** We will continue to maintain the current quotation regime unchanged.

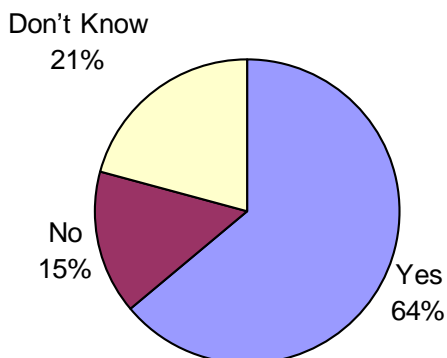
iv. All requests for new connections or alterations should be surveyed



**Stakeholder feedback:** Stakeholders believe all connections work should have a site survey to remove the risk of potential on-site complications.(However, actual Connections customers were less inclined to support this.

**NGN response:** NGN will continue to evaluate all Connections work and carry out a site survey when it required.

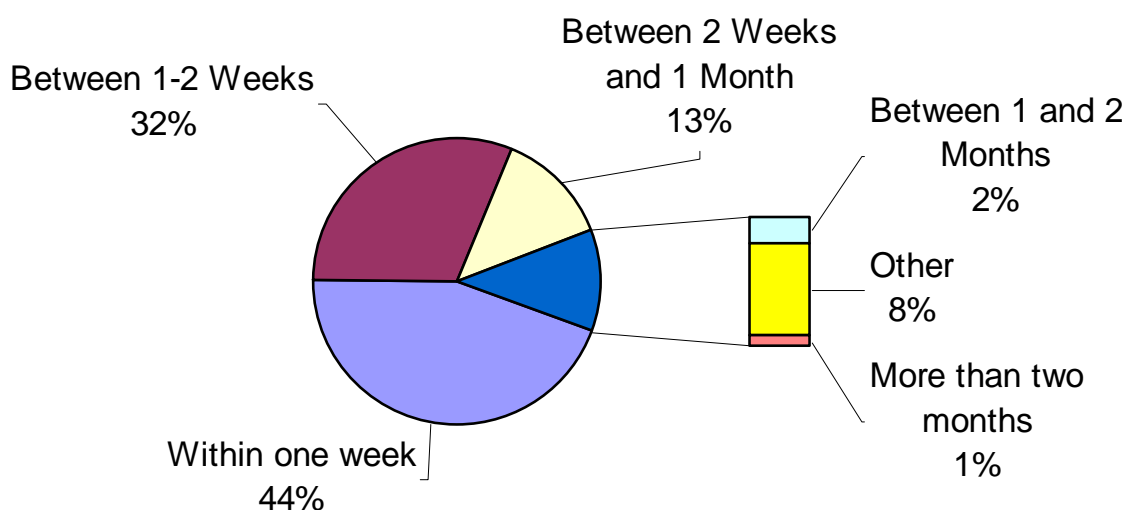
- v. **NGN should offer a service where there is no limit on the length of copper pipework reconnection.**



**Stakeholder feedback:** Currently NGN specifies the length of copper pipework which is included in the cost of a supply reconnection inside a property. Stakeholders believed that some consumers did not fully understand the implication of this and that we should not specify the maximum length of copper pipework.

**NGN response:** We will evaluate the effectiveness of our customer materials and if this is evidently an issue take steps to rectify the wording.

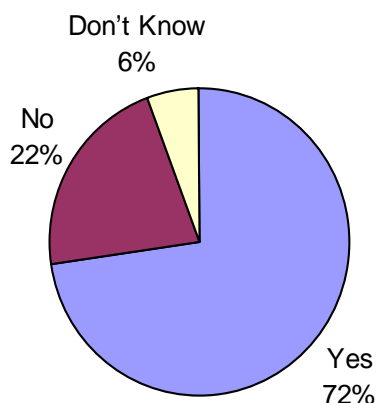
- vi. **What do you think is an adequate time scale for paying for the new gas connection being completed?**



**Stakeholder feedback:** Stakeholders were informed that NGN currently seeks a payment for Connections works 'up-front', when the customer accepts a quotation. There was a mixed response.

**NGN response:** NGN currently has no plans for changing the payment regime.

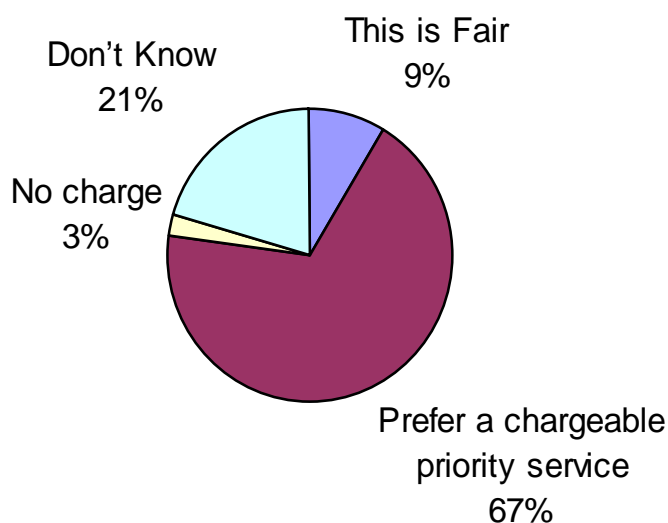
- vii. **When a customer requests a new gas supply our present standard is to ring up the customer within 20 days of payment being made to arrange a date. If we were to reduce this standard to 5 days it would cost an extra 10p per job – Does this seem acceptable to you?**



**Stakeholder feedback:** Stakeholders were overwhelmingly in favour of shortening the timeframe for providing a planned date for physical works to commence, from twenty working days to five working days, recognising the approximate cost increase of c.5p per job.

**NGN response:** We strongly believe that we should improve the length of time it takes to provide a planned date, once payment has been received. The current standard requirement is twenty working days; our current performance for providing a planned date is 4.7 days, which is ahead of what our stakeholders told us to deliver.

- viii. **If we were to guarantee a new supply would actually be completed within 20 days of payment being made. The cost of every job would rise by £97. Is this fair or would you like us to offer a chargeable priority service to customers who require an urgent supply.**



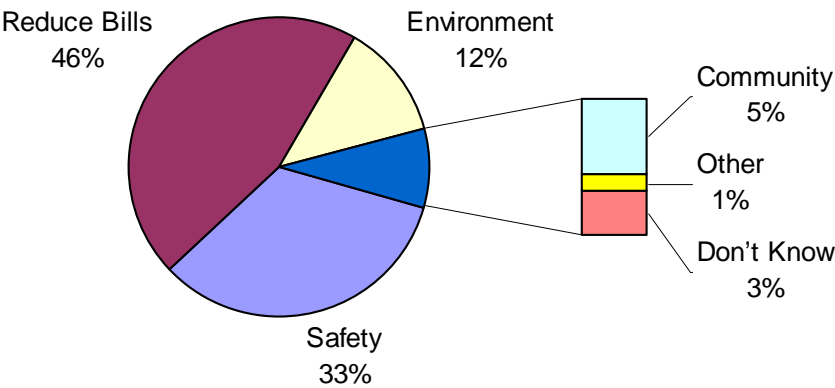
**Stakeholder feedback:** Our stakeholder engagement on connections identified several key issues.

- A quicker service, particularly in the scheduling of jobs following acceptance of quotation and completion.
- Providing an agreed plan date within five days of acceptance of quotation, would be a high quality service.
- Current standard of providing a date within twenty days of acceptance is deemed inadequate; ten days would be a more suitable period.
- New gas connections should be completed within one week of payment.

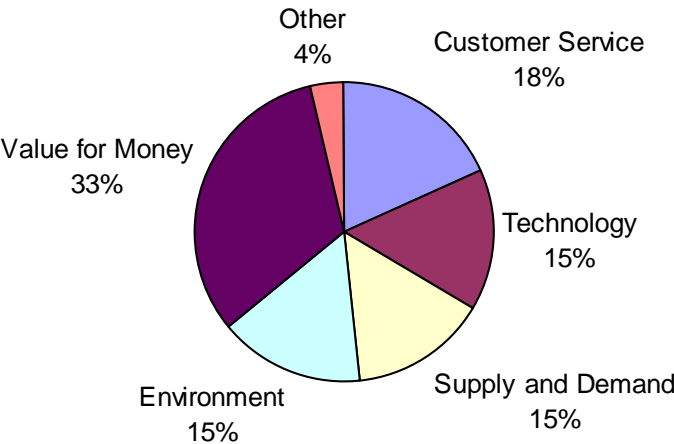
**NGN response:** At this stage NGN does not believe that there is a strong business case to increase the performance target from current standards. However, this plan includes a commitment to challenge the time taken to plan and schedule work following acceptance of a quote and to improve performance where it is efficient to do so.

Other

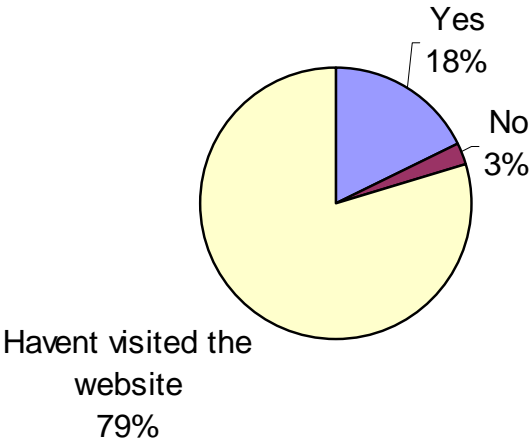
i. How should an additional £100 per head be spent?



ii. Northern Gas Networks believes it is important to look ahead and innovate. In what areas should we focus our efforts?



iii. The NGN website is easy to use



## **Customer Panel – Wrelton Village Residents - February 2011**

Wrelton Village is a village two miles west of Pickering

During the winter of 2010 a number of houses in Wrelton lost their gas supply for several days at the coldest time of the year, due to water ingress. Following receipt of critical feedback, we arranged to meet a group from the village to discuss our business. The group gave us valuable feedback on the supply interruption and our business in general.

### **Safety**

- Improve quality of information used for risk profiling and replacement programme
- Cooker hobs should have safety flame failure device, similar to boilers.
- The emergency number should be specific to Northern Gas Networks customers, not National Grid.
- All gas escapes should be attended within one hour.

### **Customer Satisfaction**

- When NGN say we are going to do something, NGN should make sure they do it. "Promise what you deliver and deliver what you promise".
- Satisfaction cards should be delivered to all properties.
- Teams should be trained to do the purge and relight.
- Where problems are particular, the customer service team should escalate the query to Operations.
- Build up public relations in rural areas.
- Inform all premises of replacement of mains in the vicinity.
- Use automated phone system for updates and better use of website during incidents.
- Calls to NGN should be free to Customer Service (0845).
- 90% of calls answered within 30 seconds - not a good enough target – should be 100% in 30 seconds.
- Public awareness of Northern Gas Networks and their responsibilities needs to be raised.

### **Environment**

- If water gets into our pipes in winter use the summer months to identify the problem.

### **Social Obligations**

- CO alarms for vulnerable people
- General advice on positioning of CO alarms
- Gas supplier should be responsible for CO issues

### **Connections**

- Make contact to arrange date within 10 days
- 50% payment up front – 50% on completion

## **Customer Panel – Wrelton Village Residents - April 2011**

### **Safety**

- The Wrelton team believe that £8 for completing reinstatement the following day was not worth it.
- They believed that paying £2.70 for completing the reinstatement two days later was just about worth it, could Northern Gas Networks classify the roads and just reinstate major roads within two days.

### **Customer Satisfaction**

- Northern Gas Networks should do everything as far as is reasonably practical to never leave a vulnerable customer without gas.
- Northern Gas Networks and its contractors should train its men to carry out the purge and relights on completion of the service relay.

### **Environment**

- Northern Gas Networks should demolish gas holders as the cost of maintenance will only increase over time. Demolish the oldest holders first.
- The land should not be regenerated at the cost of the customer.

### **Social Obligations**

- Northern Gas Networks should carry out Carbon Monoxide Awareness to the general public ensuring value for money in its campaigns.
- Northern Gas Networks should carry out Carbon Monoxide detection when entering buildings in conjunction with searching for reported smells of gas.
- Northern Gas Networks should trial leaving CO monitors with the vulnerable customers.

### **Connections**

- Connections should be contacted and a date arranged within five days of acceptance.
- A priority service should be available to Northern Gas Networks customers but on an enhanced chargeable basis.

### **Innovation**

- Northern Gas Networks should work with suppliers using new technology to ensure work is carried out safely with as little impact on the customer as is practically possible.



## 5. Level Two Stakeholder Feedback

Northern Gas Networks wrote to and emailed a total of 3,552 stakeholders, of whom 76 responded, to open the engagement process, delivering a bespoke 'Our services – Your views matter' publication. Stakeholders were asked if they would be willing to engage with us, their preferred method of doing this, and were advised of the bespoke area on the company website.

These stakeholders were farmers and landowners, key senior directors in local government (chief executives, directors of highways, education and social services), leaders of national and regional charities, suppliers and contractors, and Trades Union representatives of our employees.

Northern Gas Networks devised a bespoke solution to engaging with this group of stakeholders: inviting a smaller group of Level 2 stakeholders to join our new Customer Panels. This is an enhanced element to our stakeholder engagement programme. We have established two panels, one covering the north of the network area and the second covering the Yorkshire part of our network geography.

Membership is by invitation, and consists of contractors and suppliers, the emergency services, representatives of the CBI, local authorities and the third sector (charities). To date the panels have met three times and have provided key feedback on a wide range of our business activities.

### Attendees

**The following Level 2 businesses were represented at our seminars or received visits from NGN**

ALH Systems	Supplier
Gentoo	Housing Management
Wilcock Consulting	Supplier
Innovia Films	Large Gas User
Pipe Equipment Specialists	Supplier
Faithful & Gould	Project & Management Consultants
Elster	Metering Solutions
Home Group	Housing Association
MACAW Engineering	Business
Darlington BC	Highway Authority
CNG	Gas Supplier
Hartlepool BC	Highway Authority
GL	Energy Industry Consultant
Leeds Highways	Highway Authority
West Yorks Fire & Rescue	Fire service
Synthotec	Supplier
McCain Foods	Business
Radius Systems	Large User
CBI	Business Lobbying Organisation
CES	Affordable warmth
Sembcorp	Large gas user
Carillion	Contractor
South Tyneside NHS Trust	National Health
Morgan Sindall	Contractor
Enterprise	Contractor
NECC	Chamber of Commerce
Steve Vicks	Supplier
Armstrong	Business

RNIB	Institute for the Blind
Kirklees LA	Local Authority
Balfour Beatty	Contractor
York HA	Highway Authority
Durham Fire & Rescue	Fire Service
Durham Wildlife Trust	Wildlife Trust

### **a. Stakeholder Panel 22<sup>nd</sup> February 2011 Leeds**

#### **Safety**

- Improve quality of information used for risk profiling and replacement programme.
- 30/30 plan about right.
- Need to use technology to improve records of location of mains etc.

#### **Customer Satisfaction**

- Need dedicated key account managers for large business users.
- Operational staff should have improved customer liaison training.
- Link with local authorities if digging up road.
- When replacing mains blitz a whole area, and in conjunction with other utilities if possible.
- Need long term co-ordination with Highways.
- Improve relationships to establish roles and responsibilities on a joint incident. (Fire Brigade).
- Public awareness of NGN needs to be raised.
- Need system whereby people do not have their gas turned off and have to wait for a different team for purge and relight.
- Raise public awareness of Northern Gas Networks and their responsibilities.

#### **Environment**

- Attitudes – long term pay back – should there be subsidies or alternative finance available etc?
- Brown field sites will become prime targets for development in the future.
- Carbon awareness should be holistic through from suppliers (all companies providing services to Northern Gas Networks) to customers.
- Business group required to look at collaborative innovation, ensuring the right product at the right time and working together to address cost impact.

#### **Social Obligations**

- Fuel Poor – other factors (rural areas for instance) to be taken into consideration not purely statistics.
- Provide better service for vulnerable customers.
- More done with smart metering – should be industry driven.
- Engineers to carry CO detectors and improve the CO awareness amongst the public.

#### **Connections**

- Improved communication when carrying out works.
- Look to change upfront payment system.

**b. Stakeholder Panel - March 2011 Leeds**

**Customer Satisfaction**

- The group felt that a change in the reinstatement timetables was going to be inevitable due to changes in government legislation and various white papers.
- They felt Northern Gas Networks should aim to exceed the timescales but they should keep their recycling initiatives.
- Some of the group were happy to pay the additional cost to train staff to be able to conduct both purge and relights citing it would create a multi-skilled work group.

**Environment**

- Northern Gas Networks should pay for the demolition of the gas holders due to the profits they will reap from the land.
- They feel the bill should go down once the holders have been demolished due to a removal of the maintenance charge.
- The group felt the pricing of demolition should be part of a separate review with Ofgem.

**Social Obligations**

- The group felt CO awareness training was unnecessary and should be a government issue.
- They felt that general CO detection should be carried out regardless when a member of the Northern Gas Networks team attend a house call.
- The group were happy to pay for CO monitors at the stated cost but felt Northern Gas Networks should look at working in conjunction with the fire brigade to purchase joint CO & fire alarms.
- The group felt that trained professionals should fit the CO alarms to ensure they are in the right place.
- The group felt that appliance testing should be done every time boilers are checked.
- Leave CO monitors – 5 votes.

**Connections**

- It was felt by the group a sliding scale should be trialled for 12 months with a fast track option to allow people to pay an additional £97 if they would like the gas on faster.
- Fast track service available but cost spread across all customers.
- Vulnerable customer assistance required going through process from survey to acceptance.
- The group decided unanimously to pay the additional cost to ensure no vulnerable household was left without gas.
- The group felt this would improve staff morale as they would no longer be required to leave a vulnerable family without gas.
- Others felt this cost should be absorbed by Northern Gas Networks as they would benefit from having more efficient staff.

**c. Stakeholder Panel - February 2011 Durham**

**Presentation given – see Sub Appendix A5E**

**Safety**

- Signing and guarding not good enough on too many sites.
- Site Inductions either don't happen or could be better.
- Our sites are not tidy enough.
- Our drawings are not accurate enough.
- Remove tee when abandoning gas mains.
- 2 hrs to attend a 'controlled' escape is too long – should be an hour.
- Reinstatement take too long - In busy roads it should be the same day or 1 day maximum.
- Teams should be trained to carry out purge and relights on completion of service relays.
- Why do we not have draughtsmen to ensure records are correct.

**Reliability**

- Gas holders are from a 'bygone age' demolish them as soon as possible.
- We should relay whole lengths of pipes rather than leave sections that still leak.
- We should relay all our mains outside the winter months and do gas leaks in Dec / Jan.

**Customer Satisfaction**

- Signage with the correct telephone number should be on all our excavations.
- Spoil should be taken away if we are not going to backfill immediately.
- Customer Service seem to very scripted and should be more flexible.
- When calling in, NGN always ask for a post code Is it possible to work from street names instead.
- One point of contact required for key users - Key Account Manager.
- Northern Gas Network operations should communicate better to customers explaining what is going to happen before they start work and what happens afterwards.
- Vulnerable Customers need more assistance than what they get at present.

**Environment**

- Co ordination of works between HA and NGN needs to be better and meaningful to ensure good planning.
- Historic data to be used to improve efficiency when searching for gas leaks.
- Can we use more 'No Dig' techniques.
- Why do we recycle spoil in Yorkshire and not in the North.
- Develop Shale Gas in England.

**Social Obligations**

- Gas Shippers should pay for CO Monitors, not Northern Gas Networks.
- Produce literature for vulnerable customers detailing all available services and contact details.
- Northern Gas Network Operations staff should carry CO detectors.
- Give alarms to vulnerable customers.
- Fuel Poor is a great idea – Could more be done if addition funding was made available?

### Connections

- We should make contact within 10 days.
- We should have work completed within 20 days from acceptance. ( depending on NRSWA requirements).
- Can the team fit the meter as well?
- On service alterations can we install cavity fixed meter box, install meter and connect pipework. (one stop job).

### Innovation

- Procedure required for dealing with new ideas.
- Research and development department should be set up.

### d. Stakeholder Panel - March 2011 Durham

### Presentation given – see Sub Appendix A5F

### Customer Satisfaction

- The group felt there should be clearer communication over times and dates both within the organisation's requiring the service and by Northern Gas Networks to make the time it takes clearer.
- If this was to be achieved the group were happy to leave the current reinstatement timescales in place.
- The group voted unanimously to pay the additional cost to train staff to be able to conduct both purge and relights.

### Environment

- The group felt demolition of gas holders was inevitable as the cost of maintenance is likely to continue to rise to unacceptable levels.
- The group felt Northern Gas Networks should pay the cost of the demolition in the short time and recoup the costs through sale of the land.
- The group would also expect to see a reduction in their bill post-demolition due to no further maintenance costs.

### Social Obligations

- The group felt that the responsibility of CO detection should be included as part of the service offered by Northern Gas Networks and not be an additional cost.
- The group felt Northern Gas Networks should work in association with the fire brigade to provide this service.
- Some of the group were happy to pay for aspects of the CO options.
- The group decided unanimously to pay the additional cost to ensure no vulnerable household was left without gas.

### Connections

- It was felt by the group a sliding scale should be introduced with a fast track option to allow people to pay an additional £97 if they would like the gas on faster.

### **e. Stakeholder Panel 17<sup>th</sup> May 2011 Wetherby**

At this panel, NGN presented to the group of stakeholders what was happening within our business following the feedback and advice we had previously been given.

The timelines around business submission were briefed and discussed, the main topic of conversation being the mains replacement policy.

## Level Three Stakeholder Feedback

Northern Gas Networks identified key stakeholders with whom the company wished to engage, covering gas shippers and MPs with particular interest in, or detailed knowledge of, energy markets and networks. The renewable energy sector was also represented at Tier 3. These key contacts were written to, asked their preferred method of providing feedback, which was face-to-face, and individual meetings then followed.

The views of these groups are summarised below:

### **a. Members of Parliament**

All the MPs with a constituency within the geographic footprint of NGN were contacted by letter early in 2011. This provided an outline of the company's stakeholder engagement programme and invited each MP to participate. NGN engaged with four MPs who either had previous energy industry experience (via employment) or had current 'live' engagement with the industry. Two of them were the co-chairmen of the All Party Parliamentary Gas Safety Group.

These four MPs were contacted on an individual basis and all four met NGN to give their views on the state of the energy industry, specifically gas distribution. One MP was met a total of three times and two were each met on four occasions as the engagement process progressed. All meetings were held under Chatham House Rules.

There was a broad consensus that GDNs should mitigate their effect upon gas users as far as possible, to hold down the impact of rising overall costs. Safety levels were viewed as being exemplary and should be maintained without compromise.

MPs also reflected a view which was obvious from engagement at other levels, that gas distribution was largely anonymous, even taken for granted, apart from those who had a personal experience of either disruption to their life – through the repex programme – or had used the gas emergency service or had a connections job completed.

The MPs did not see this as a bad thing; they saw value in GDNs working quietly and effectively in the background, with good management to reduce the cost-burden on gas users.

Some MPs believed GDNs could be somewhat more proactive in the CO arena, promoting the use of CO detectors for example, but there was a clear view that gas suppliers should be doing more to alert their customers to the real dangers of CO.

Separate from this specific MP engagement, NGN was represented as a member of the advisory group of the All Party Parliamentary Gas Safety Group's review into CO, also representing the ENA. This engagement provided a wider opportunity to discuss with stakeholders the work which NGN (and other GDNs) does to make gas users aware of CO issues.

### Safety

- The 30-30 program was introduced based upon a detailed review of the issues at the time. It should not be changed in any way without a detailed investigation and a review of the safety needs – driven by the HSE. The program should remain to be driven by safety, not financial considerations.
- The one and two hour standards were introduced following a detailed risk assessment. They should only be changed following a new and detailed risk assessment.
- Could do better to liaise with other utilities to reduce the impact of roadworks; also try to bundle work to avoid repeat visits, year on year, to the same locality.

### Reliability

- You have just experienced the worst winter in recent years, with only minimal need for interruption. No problems provided you meet all your regulatory requirements.

### Customer Service

- All reinstatement should be done as soon as possible, the same day on small jobs. One or two days should be the normal level of service.

### Social Obligations

- If the customer is vulnerable, the FCO should not leave the appliance/s unusable. No vulnerable person should be left without the use of their gas appliance/s.
- There may need to be an industry recognised definition of vulnerable: it should include pensioners, households with young children and people suffering from a chronic medical condition.
- The FCO should be a 'one stop shop' to provide full resolution of any problem.
- When attending a 'fumes' or suspected CO report, the FCO should always leave a CO detector – unless there is already one in the property. Engineers should also check for CO in addition to gas.
- Recognition of what Northern Gas Networks do in terms of gas safety and fuel poverty, but there is always scope to do more. Reimbursement for fuel poverty work should be balanced every two years to reduce the amount of exposed capital investment.

### Environment

- Unless there is a compelling historic need to retain, then the gasholders should be removed. Costs should be allowed, but netted off against any income when the land is sold. (i.e.: whatever pass-through costs are allowed by the regulator and paid by customers should be repaid when the land is sold.)
- There should be no subsidy from the GDN to potential connectors; there should be incentives from the Government to encourage more use of biomethane.

### Connections

- GDNs should be able to avoid a range of flexible services, such as a fast track process, with different price differentials. The current timescales are acceptable, but with a 10% deposit and the balance on completion.



**b. Large Gas Shippers**

**Reliability**

- Volatility of pricing and provision of accurate forecasting key issue. Not necessarily smoothing, but predictability with confidence. Level of charges not as relevant as reliable predictability.
- Confidence required in validation and audit programme for offtake metering. Would like more visibility of outcome of validations/audits. Cost less of an issue if accuracy addressed. Would not be unsupportive of increased costs to provide better accuracy and confidence.
- Noted that it appears that DNs do not have significant level of importance placed on this internally and liabilities/standards of service would help to focus organisations on the need for accuracy.
- Agree that unregistered sites need addressed. Considers that DNs could/should capture more information at site visits, where identified as unregistered. Believes development of stamping Meter Point Reference Numbers (MPRN) would be more robust than current tagging and eventually lead to less duplicates/unregistered/code 12 MPRN creations.
- Would like clarity on the accounting and recovery of theft related income, particularly in light of the NG/BG unregistered trial.
- Supportive of DNs being more active for unregistered sites/theft and that this should remain cost neutral or have incentives to increase activity.

**Social Obligation**

- Perception from some Shippers that DNs are funded and required to test for CO already and that FCOs used to do this as standard. Consider additional work in this area, low cost, but socially high profile, so supportive in principle
- Several Shippers keen to explore how their own Social Obligation agenda (inc CO monitoring and gas safety overlap with NGN and how we could work more closely together.)

**Environment**

- Supportive of bio-methane developments as part of the green agenda
- Noted that in Europe connection and enrichment is funded by the transporter and costs are socialised all across network users. This is their preferred option and they believe this would encourage increased application and make more commercially viable for producers.

**Connections**

- Timescales for rescheduling work when cancellation due to Force Majeure too long which has knock-on impacts on scheduling other works required on site.

**Emergency Services Scope**

- Noted that SGN commented about using slack time to increase workload for other revenue streams such as internal works. Believes diversity will provide better cost efficiency.

**Xoserve**

- Request for more transparency of costs, particularly for change process. Would like to see a move to a transparent, efficient pass through mechanism similar to Gemserv model.

### Interruption

- A large Shipper commented that they believe firm load shedding is more likely in new interruption regime. This will likely result in customers wishing to revert to Non Daily Metered rather than Daily Metered Voluntary or Daily Metered Elective post October 2011.

### Process – Engagement, Business Plans, Fast-tracking

- NGN provided overview of current organisation structure.
- Shippers supportive of focussed one-to-one approach to stakeholder engagement.
- Several Shippers asked if there has been/will be any knowledge sharing across NGN and UKPN. Noted that this has not happened at an operational level but has not been ruled out as this is a new relationship. Suggestion that better understanding of each other's processes may provide better understanding of dual fuel suppliers organisations for both gas and electricity networks.

### Gas Mains Repex

- All shippers were interested in the future development of the Repex programme and the impact on cost and bills. The key issue of value for money and the associated benefits of the programme were discussed in detail.
- Cost control considered key, especially in the Repex programme – balance of replacement versus repair based on risk supported. Would like more clarity on criteria used for determining which pipes are replaced to allow better assessment of regime.

### Finance & Finaceability

- Several Shippers were interested in understanding the financial issues associated with RIIO-GD1 including the impact of the full capitalisation of Repex and the requirements for Transition. Where requested, NGN provided a summary of our position and the aims of our financial strategy.

## c. I&C Shippers & Suppliers Group – ICoSS

### Reliability

- The main interest of ICoSS members is the impact of any changed approach to stability of charges.
- Fair and transparent criteria for workload selection together with efficiency drivers key.
- Main issue for all discussion topics. Total recently raised UNC modification 368: Smoothing of Distribution Charge Variation.
- Would like to see plain English reporting of price changes.
- "Provide stable, predictable prices on a safe network".
- Would like to see assurance that all necessary measures to mitigate firm load shedding as a direct result of interruption reform have been/will be completed prior to October 2011.
- Managed maintenance programme should be fundamental to NGN business without incentives.
- Transparency of mitigation measures together with regular reporting would provide some comfort to shippers.
- Consider the Allocation Unidentified Gas Expert process to be a "sticking plaster".
- Would like to see all shrinkage, theft, unallocated gas, etc brought together in one place and centrally funded. May consider raising UNC modification similar to 232 to achieve this. Considers new price control as ideal time to readdress this issue.
- NGN took action to obtain view on this approach.

## Appendix A5: Stakeholder Engagement

- ICoSS supportive of NRPS model, and have some concerns about the proposed NGD/BGT unregistered sites contract

### Environment

- Supportive of bio-methane developments as part of the green agenda
- Believe that enrichment should be centrally funded (RHI) and that it should be incumbent on all parties to maintaining gas quality

### Social Obligations

- Comment that “in old day” CO testing was part of process. Noted that unbundling and metering competition has impacted on services

### Xoserve

- Belief that the PCR funding arrangements for Xoserve have reduced the level of service received
- Would like to see a more customer focussed approach
- More transparency of costs and funding arrangements

### Process – engagement, business plans, fast-tracking

- NGN provided overview of aims from Stakeholder Engagement
- Intention to engage in focussed one-to-one approach. Happy to meet any members of ICoSS individually if required

## d. Contract Natural Gas and Northern Gas Networks

### Safety

- NGN should do all they can to ensure zero accidents on the network to the public and customers
- Gas should be restored ASAP when a service is re-laid
- NGN should attend all gas escapes within the hour
- NGN should never leave customers overnight with no gas

### Customer Satisfaction

- NGN should respond to complaints within 5 days and inform the shipper of the complaint.
- Changes in the scope of work should be managed more effectively

### Reliability

- NGN should ensure a reliable supply to all properties 24/7
- Instances of water ingress should be dealt with immediately

### Environment

- NGN should do all its work with the environment in mind

### Social Obligations

- CO alarms for vulnerable people only
- General advice on positioning of CO alarms is the responsibility of NGN

### Connections

- Make contact to arrange date within 5 days
- There should be a dedicated Site works Manager for Shippers
- Quotes should be returned within 5 days but sooner on request

### **e. Institute of Gas Engineers and Managers (IGEM)**

Went through stakeholder engagement programme. Discussed ideas from stakeholders. IGEM suggested renaming tiers to levels. IGEM discussed working together on fuel poverty issues and IGEM researchers are working on a project that may prove useful to us.

IGEM impressed that we are working with stakeholders for the benefit of the business.

### **f. Society of British Gas Industries (SBGI)**

Discussed our proposal for engaging with stakeholders. SBGI agreed that splitting stakeholders into levels was a good idea. SBGI suggested one big event for all.

Went through final stakeholder presentation with SBGI. Discussed what NGN were doing about the ideas and where we could make improvements. SBGI suggested we use them to spread messages from NGN around their members.

### **g. Renewable Energy Association (REA)**

Went through stakeholder programme, why and what we hoped to achieve. Renewable Energy Association impressed that we were looking to get advice from various parties. Suggested more work on Bio Gas from NGN and all the networks and work be carried out to identify and if shale gas is an option. NGN to work more closely with REA.

Went through all innovative ideas identified so far and REA thought we were heading in the right direction.

### **h. Utility Week**

Discussed our stakeholder programme and Price Control Review. We intend to work together more closely than we have in the past. Utility Week suggested customer focus, safety and the future of gas were areas where improvements could be made across all networks.

Utility News wants interviews with various NGN staff. NGN to work with Utility Week.

### **i. Environment Agency (EA)**

Met with Head of Climate Change and Communities. Discussed all levels of our stakeholder programme and what more could be done. Environment Agency discussed the possibility of Shale Gas as a possible long term solution to the future of gas but a lot of work to be done in the industry to ensure process is safe. Discussed the fuel poverty situation and EA hoped more could be done from NGN in this area. Discussed issues around Carbon Monoxide - EA suggested all relevant Gas Businesses should work together to find suitable measures to improve the issue.

### **j. Centre for Sustainable Energy (CSE)**

Met with Chief Executive of CSE. Discussed Stakeholder Engagement Programme and in general what more the industry could do to address Fuel Poverty issues. CSE and NGN are looking at sharing data to identify Fuel Poor communities and what particular options are available for each area. CSE are keen to explore other means of energy such as wind power and solar projects. Regular meetings now to take place between NGN and CSE for mutual benefit.

## **Sub Appendices**

### **A5a Your Views Matter Brochure**



Our services – Your views matter





# Preliminary Stakeholder Consultation Gas Distribution Price Control Review for Northern Gas Networks

## Delivering Gas To The North Of England

Northern Gas Networks is the owner of the gas distribution system in the North of England, an area covering West, East and North Yorkshire, the North East and North Cumbria.

Our overriding objective is to ensure that the gas supply operates continually and that it is delivered to its destination safely as possible.

Northern Gas Networks owns an extensive distribution system consisting of 36,000km of distribution mains. We proactively manage our network, identifying replacement and reinforcement requirements in advance to ensure no dilution in its reliability. We are committed to delivering gas to all users in the network, working to the highest standards of safety and reliability. The 2.5m gas users in the North of England rely on us for their daily energy requirements and we aim to deliver the highest possible standards of customer service at all times in all aspects of our activities

## Our Services – Your Views Matter

We at Northern Gas Networks rely on the views of our stakeholders to determine the best way to deliver our services.

During the coming months we will be consulting with a wide range of stakeholders on our business plans for 2013 and beyond. We will then formulate our views, taking on-board all these considerations, before presenting our plans back to our stakeholder groups for evaluation later in 2011.

This is your opportunity to influence the gas industry of the future. This is not something we have done before, but we feel it is vitally important to include the views and concerns of our stakeholders when developing our business plan.

If you would like to find out more about price controls and in particular the Gas Distribution Price Control Review 2013 please visit [www.ofgem.gov.uk](http://www.ofgem.gov.uk)

Normally our services are seamless and invisible. Consumers turn on their cooking appliances and have instant access to gas. It's taken for granted. Interruptions to the gas supply are few and far between and we work hard to keep it that way, investing millions of pounds each and every year in the pipeline network to keep it in prime condition

It is inevitable that when we have to repair or replace parts of our infrastructure that it can cause some inconvenience to people. We work with local authorities and other utility providers to keep this disruption to an absolute minimum.

## Safety

Safety is at the heart of everything that we do and there is nothing that we will do to compromise the safety of gas users, our own employees and contractors and the people affected by our work.

## Make your views count

It is our aim to ensure you receive a service that reflects tremendous value for money. We believe that our stakeholders will want to be reassured that we

- Provide the best possible service at the lowest possible cost to you
- Are totally committed to safe operation in all that we do
- Continually upgrade our existing gasline network so as to ensure supply is guaranteed
- Minimise disruption to neighbourhoods as we implement upgrades
- Maintain our emergency response capability at 100% ready at all times
- Support and assist the more vulnerable members of society and provide solutions to areas where there is fuel poverty
- Are totally committed to our environmental responsibilities

## FAST FACTS

37,000km (22,990 miles) of pipes

Asset value - £1.5billion

Regional population - 6.7million

Customers - 2.6million

We replace 520km of metal mains every year

Provide 10,000 new gas connections every year

Respond to 120,000+ emergency calls every year

We have 1,300 employees plus around 800 contractors

It will be our aim to consult with a vast range of stakeholders to gauge their views and opinions as to how we should meet their own individual needs and that of the region as a whole. During our consultation process we will consult amongst others with

- The general public
- Business users
- Business representatives CBI/ Chamber of Commerce
- Local Authorities
- The voluntary sector
- Politicians
- Landowners and farmers
- Universities
- Gas shippers
- Housing associations
- Trades Unions
- Environmental bodies
- Suppliers
- Independent gas transporters
- Consumer groups
- Ofgem
- Employees
- Health and safety Executive
- Government Departments

## Get involved

Listed below are the current channels by which you can communicate with us so as to provide your views on any of the issues raised in this brochure. It will also be our intention to introduce an online portal to assist a thorough two-way discussion with you early in the New Year.

John O'Grady  
Northern Gas Networks  
1100 Century Way  
Thorpe Park Business Park  
Colton  
Leeds  
West Yorkshire  
LS15 8TU

Tel: 0113 397 5300

[stakeholder@northerngas.co.uk](mailto:stakeholder@northerngas.co.uk)

Our overriding objective is to ensure that the gas supply operates continually and that it is delivered to its destination safely as possible.



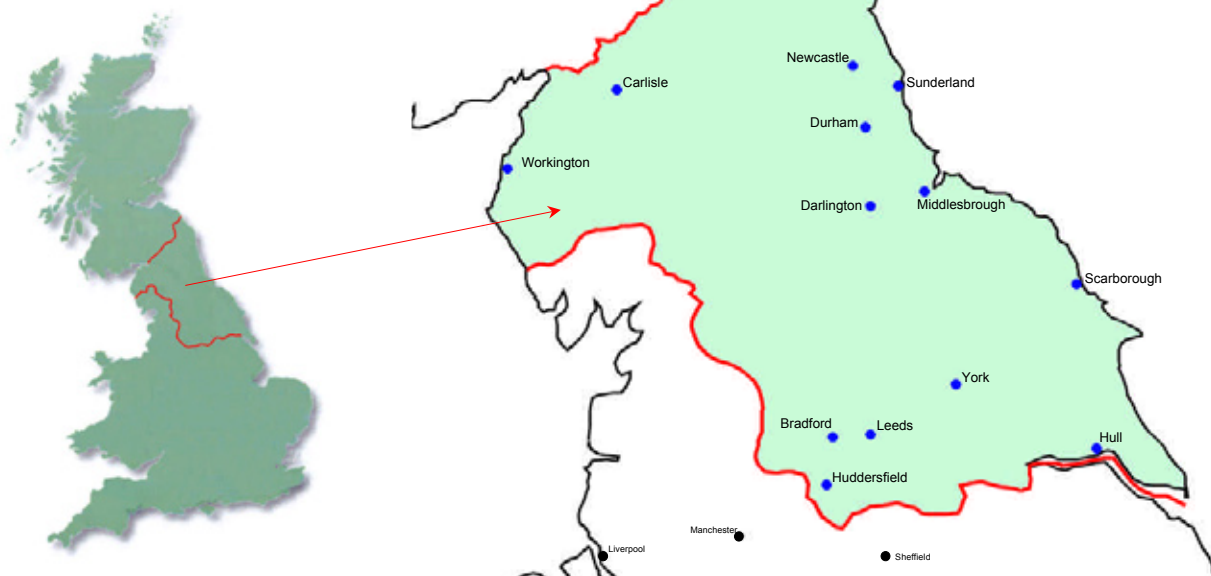


## The gas industry – A time of unparalleled change

The gas industry in Great Britain has seen great changes in the past two decades. Where once a single company provided every element of the gas supply chain there is now a multitude of companies operating in the different sectors of the chain. Producers prospect for gas beneath the seabed and Importers buy the gas abroad. Both then deliver it to one of seven gas reception terminals around the coast of Great Britain. Gas Shippers buy the gas and have contracts with Transporters to move the gas through the pipeline network to supply points – homes and business premises – where Shippers sell the gas to Suppliers, who sell it to Consumers.

The gas supply network nationally is 275,000km in length. It consists of the high-pressure National Transmission System (NTS), owned by NG, and eight separate gas distribution networks of which NG owns four, Scotia Gas Networks two and Northern Gas Networks and Wales & West Utilities one each.

  
**Northern  
 Gas Networks**



### Northern Gas Networks

1100 Century Way  
 Thorpe Park Business Park  
 Colton  
 Leeds  
 West Yorkshire  
 LS15 8TU

[www.northerngasnetworks.co.uk](http://www.northerngasnetworks.co.uk)



**A5b NGN stakeholder booklet**

Our services  
**Your views  
matter**



**Stakeholder Booklet**

# Introduction

Our services  
**Your views  
matter**



At Northern Gas Networks we try to put the views of our customers at the heart of everything we do.

We shape our business delivery around what our customers expect of us. But we recognise that we don't always get it right.

To do all this keeps us busy; very busy. Our 1,200 employees and around 800 people in our contract partners, work tirelessly every day to keep the gas flowing, safely and without interruption. Delivering a great value for money service to you, the people of the North of England.

But we think we can improve and do things more efficiently and effectively. And we need your help to get us there.

Our core objectives are to deliver gas safely, every day and night, to the 2.6 million users across the North of England who rely on us for the fuel to heat their homes, to heat their water, to power their industrial processes and to keep their buildings warm. Usually gas is delivered seamlessly, without interruption. Occasionally, there are problems which prevent us doing that. But when it happens we pull out all the stops to get the gas flowing again. And, of course, we do all that with the health and safety of our own employees and contract partners, and the people who live and work in our region, at the forefront of our minds.

Our gas pipeline network is more than 37,000km long. That's enough pipe to get to Sydney in Australia and back again. And we deliver the 24/7 gas emergency service, responding to gas emergency calls whenever and from wherever they are made.

## Your views matter

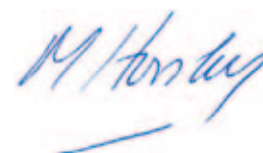
In this document are some questions we'd like to ask you. How you answer them will help shape the Northern Gas Networks of the future. Your views will influence our business plans.

For example, we invest around £80m each year replacing old metal gas pipes with new modern plastic ones. We're six years into a 30 year program: should we do the work speedier, which will increase your gas bill, or should we take more time, which will reduce your gas bill.

Your views on that question and the others on the following pages will really make a difference. I urge you to give us your views, because your views matter!



Best wishes,



**Mark Horsley**  
Chief Executive Officer

Northern Gas Networks

# Meeting our Social Obligations

Our services  
**Your views matter**

## Northern Gas Networks has made a public commitment to working to reduce fuel poverty within our region.

We are doing this by extending the gas mains network into areas previously without a mains supply. Also, we are working with a partner to provide one-off connections to people currently using other, more expensive, forms of fuel.

In 2009 we set a target to connect 2,500 properties to the network by March 2013. Since then we have completed six major community based projects resulting in more than 1,100 connections plus over 200 one-off new connections since June 2010.

This approach is being delivered because Northern Gas Networks recognises its social obligations, which includes working towards eliminating, as far as possible, the issue of fuel poverty across the North of England. This work represents an annual investment by Northern Gas Networks in excess of £1.5 million.

In addition to gas connections Northern Gas Networks works with approved partners to maximise energy efficiency for customers via the installation of central heating systems and other in-house measures.

We'd be keen to hear how you think we can improve or extend this service.



Do you believe Northern Gas Networks should do more for the communities we live in.

☐ YES ☐ NO ☐ DON'T KNOW

When we attend a gas emergency our engineers carry out checks for Natural Gas. We could check for Carbon Monoxide at the same time. There would be an increase in our costs for the extra time taken to carry out this work which would mean an increase in your gas bill.

Do you think we should check for Carbon Monoxide at the same time?

☐ YES ☐ NO ☐ DON'T KNOW

Northern Gas Networks is working with government funding to extend the gas pipeline network to give gas supplies to deprived areas in our network.

Should we continue with this policy?

☐ YES ☐ NO ☐ DON'T KNOW





# Meeting our Social Obligations

Our services  
**Your views matter**

## Community

While our overriding business objective has to be the delivery of safe and continuous supplies of gas across the region, we are keen to enhance that by providing support to local groups and organisations.

For the past four years we have supported grass roots environmental projects through our Northern Green Networks. We have donated more than £230,000 to schools, charities and community groups to help support projects to improve the local environment.

We also regularly support local communities in which we are working through sponsorships. As well as providing assistance to local community groups, these events also enable us to raise the profile of Northern Gas Networks and promote important messages around gas and carbon monoxide safety.

We have developed a relationship with a primary school close to our head office in Leeds in which employees are given the opportunity to give an hour of their working time each week to go and read with pupils. This scheme benefits both the school and our employees.

This complements our matched funding programme whereby employees who are raising funds for the charitable causes can also receive additional funding.

Additionally, Northern Gas Networks has developed sustainable relationships with the business communities and representative organizations across Yorkshire, the North East and northern Cumbria.



Within our network we have 44 gas holders (the big cylinders that can be seen around the big towns / cities in our network).

Do you find them an eyesore?

☐ YES ☐ NO ☐ DON'T KNOW

Would it be a good idea for Northern Gas Networks to visit schools to inform children how our business works?

☐ YES ☐ NO ☐ DON'T KNOW

If we demolish them, the cost will have an impact on your gas bill.

Should we demolish them?

☐ YES ☐ NO ☐ DON'T KNOW



# Environment

Our services  
**Your views matter**

## What does Northern Gas Networks do to help sustain our environment?

Well, we think we do a lot.

For example, We ensure compliance with legislation by tracking legal changes and ensuring all our employees, contractors and partner organisations are aware of what's required of them.

We at Northern Gas Networks are proud of our environmental performance. We are ISO14001 accredited and constantly maintain our accreditation. We have so many initiatives to reduce our carbon footprint including reducing fuel used by our fleet and reducing the energy costs in our offices and the amount of water used in our network. We are also working with our suppliers to reduce the amount of packaging used and to use chemicals which are less harmful where we can without reducing performance.

We have developed an audit programme to ensure compliance in all aspects of our work and have developed targets that our staff work to achieve.

We have developed a recycling plant for the earth we excavate whilst laying gas pipes – this massively reduces the amount we have to take to landfill sites and the amount of new material we have to purchase from quarries, making us more cost and environmentally efficient.

Probably the biggest single contribution we make is reducing the amount of gas which leaks from our network. Methane, which is the largest constituent of natural gas, is harmful to the ozone layer, and we are working very hard to minimise the amount which leaks from our pipes.

Additionally, we are working with a wide number of individuals and companies who wish to connect bio-methane to our network. That's natural gas produced from farms, sewage works and other sources. We hope to be able to make further announcements on this exciting new area in the near future.

We try to use 'no dig' techniques and recycle as much soil as possible when we have to dig holes, to reduce the amount of earth we have to send to landfill sites.

Do you think Northern Gas Networks do enough for the environment?

☐ YES ☐ NO ☐ DON'T KNOW

Our aim in Northern Gas Networks is to reduce as much as possible the amount of gas which leaks from our pipes.

Should we make it a high priority to reduce the amount we lose in order to protect the environment?

☐ YES ☐ NO ☐ DON'T KNOW

Our aim at Northern Gas Networks is to introduce gas produced from waste (sewage farms and crops) into the network where practically possible.

Do you believe this is a good plan?

☐ YES ☐ NO ☐ DON'T KNOW

Could Northern Gas Networks do more to reduce its carbon footprint?

☐ YES ☐ NO ☐ DON'T KNOW



# Customer Satisfaction

Our services  
**Your views matter**

## It's essential we keep our customers happy.

But doing that isn't just down to the people who work in the customer service department. It's the responsibility of everyone who works for Northern Gas Networks.

We have thousands of touch points every day with our customers: in the main frontline departments of Repair, Replacement, Maintenance and Connections, and in the back office departments - planning, managing invoices in Finance. Everyone has a role to play in meeting and exceeding customers' expectations.

We are always looking for ways in sharpening our delivery, measuring what's really important, and putting the focus very clearly on customer activities.

Our mantra is: put yourself in the customer's shoes.



If we are carrying out work on the gas pipeline network and need to interrupt your gas supply (temporarily turn it off) we will give you a minimum of 5 days' notice.

Is this adequate?

☒ YES ☐ NO ☐ DON'T KNOW

If you complain to Northern Gas Networks about the work we carry out, we will investigate and respond within 10 days.

Are you be happy with this timescale?

☒ YES ☐ NO ☐ DON'T KNOW

We aim to answer 90% of the telephone calls we receive within 30 seconds; do you think this is acceptable?

☒ YES ☐ NO ☐ DON'T KNOW

It is our standard to reinstate all the holes we excavate on private land (driveways etc) within 5 days of completing the work.

Is this acceptable to you?

☒ YES ☐ NO ☐ DON'T KNOW

Could we do more to inform you in advance of work we intend to carry out in your road?

☒ YES ☐ NO ☐ DON'T KNOW

How long do you think we should take to complete the re-instatement?

☒ 3 DAYS OR LESS ☐ 4-5 DAYS ☐ ABOUT A WEEK ☐ MORE THAN A WEEK ☐ DON'T KNOW





# Customer Satisfaction

Our services  
**Your views matter**

## So, what are we doing about it?

We have Customer Liaison Officers to work on major mains replacement projects and all our staff have had Customer training. We believe in communicating with our customers informing them clearly what will happen when we work at their properties.

We are also listening more to what our customer our telling us.

We issue impression cards to give customers a chance to tell us what they thought about our work – whether it relates to an emergency call-out, mains replacement project or connections job.

Our aim at Northern Gas Networks is that you will not have your gas supply interrupted. There are times when an interruption may be planned, such as when we are replacing old pipes with new ones.

Should we ensure the supply in reconnected within the same day at all times?

**YES** **NO** **DON'T KNOW**

If there is an unplanned supply interruption, such as when water gets into the gas pipes, should we always work to get to the root cause of the problem, despite the cost until the problem is resolved and will nor reoccur?

**YES** **NO** **DON'T KNOW**

Do we at Northern Gas Networks do enough to inform you of what we do and obtain the views of our customers?

**YES** **NO** **DON'T KNOW**

These give us valuable information about what makes customers tick – what they think we do well, and what we need to improve on. We received more than 11,000 Impression Cards in 2010 which shows our customers are keen to work with us to enable a customer facing delivery of our services

The feedback you give us is used to improve our performance.

Do you think we act upon the information we are given?

**YES** **NO** **DON'T KNOW**

When carrying out roadworks, could we do more to leave our sites tidy?

**YES** **NO** **DON'T KNOW**

Should we complete all our planned work between February and November so no planned mains replacement work is carried out during the poor weather in December and January?

**YES** **NO** **DON'T KNOW**





# Reliability

Our services  
**Your views matter**

## Every year Northern Gas Networks replaces more than 520km of old metal gas pipes with new modern plastic pipes.

This is part of a national program, now in its seventh year, to make the gas distribution network safer and more reliable. As metal pipes age, they can begin to corrode and leak, causing emergencies. So, the national program was developed to make the system across Britain safer and more reliable for gas users.

This work costs Northern Gas Networks around £80m each year. The pipes we replace are those with the highest risk score. The score is worked out based on leakage history and how close they are to buildings, the type of ground conditions and the traffic levels in the area.

We use modern computer software mapping to assist the design process and ensure we plan our works efficiently.

Our works are planned up to 12 months in advance – This ensures the work can be planned and delivered efficiently with adequate notice to Highway Authorities, customers and other affected parties.

More than 95% of our replacement works are carried out with 'No Dig' technology - this reduces the number of holes we have to dig, limits the impact on the environment and ensures work is carried out efficiently with as little disruption to local people. Naturally, there will always be some inconvenience. But we believe it is worth a little inconvenience in order to have a safe and reliable gas distribution network.

As a result of this work the number of people in our region who experience a gas supply failure is very small.



**Northern Gas Networks replaces more than 500km of mains gas pipe every year.**

**Is there anything we could do to reduce disruption and inconvenience when carrying out this essential work?**

**YES**

**NO**

**DON'T KNOW**



# Reliability

Our services  
**Your views matter**

## Gas Holders

Northern Gas Networks is working with local Authorities (LA) and Developers to support development of run down areas. Some of Northern Gas Networks's operational sites contain above ground storage vessels (Gas Holders), which are old and cannot be operated. They may be beyond economic will be subsequently demolished. Wherever possible Northern Gas Networks will try and accommodate the release of such sites for development meeting the needs of the community by supporting LA regional development programmes.

A programme is being prepared so potential holder sites can be assessed for suitability. This will involve safely clearing the land so the site can be developed in isolation or as part of a larger development area.



If you smell gas at your property, we will attend within 2 hour if the escape is controlled (the smell of gas reduces when you turn off the emergency control valve) and 1 hr if uncontrolled. Do you think these timescales are adequate?

Increasing the timescale will impact on the price you pay for gas.

☒ YES ☐ NO ☐ DON'T KNOW



Northern Gas Networks has developed the gas network to meet the maximum demand of a one in twenty bad winter. We have experienced severe weather increasing in recent years – should this policy be reviewed to cope with higher demands?

☒ YES ☐ NO ☐ DON'T KNOW



# Safety

Our services  
**Your views matter**

## Our commitment to health and safety is total and unequivocal.

Northern Gas Networks will not take any actions that will put at risk the health or safety of our employees, contractors, or members of the public.

Health and safety is at the core of our business, all day, every day. Our objective is to reinforce a best practice safety culture throughout all the operations that Northern Gas Networks delivers, to ensure we achieve the highest possible levels of safety for the public, employees and our contracting partners.

We have a proud safety record, reducing the incidents in which members of the public and our own employees are injured. This has been recognised across the energy industry through the awards we have received for our safety performance.

We have various initiatives which ensure the safety of our employees and the local communities whose lives we affect through our operational work. These include our 'PlaySafe StaySafe' campaign, which promotes child safety around street works and the 'Its Your Call' campaign which encourages our staff to call a designated number if they spot a dangerous site.

These initiatives have led to a much improved safety record in our business. We work with our Contractors to ensure best practice is consistently delivered and we are all working to the same targets and objectives. Any accident in our business is fully investigated to ensure we learn our lesson and briefings carried out to reduce the likelihood of a similar recurrence

We work closely with the health & Safety Executive to ensure we comply with legislation at all times, whilst always seeking to out-perform what's required of us.

Safety really is central to everything we do.

## Carbon Monoxide

Carbon monoxide (CO) is a colourless, odourless, tasteless, poisonous gas produced by incomplete burning of carbon-based fuels, including gas, oil, wood and coal. Carbon-based fuels are safe to use. It is only when the fuel does not burn properly that excess CO is produced, which is poisonous.

We at Northern Gas Networks carry out a visual check on your appliances for any sign of a fault.

In 2002, Northern Gas Networks agreed to replace all iron pipes within 30m of a building in 30 years. We could do this in a shorter timescale. This would increase our costs and your gas bill would rise. Do you think we should aim to carry out this work within a shorter timescale?

☐ YES ☐ NO ☐ DON'T KNOW

It may be feasible to extend the timescales which would reduce costs and therefore your gas bill would be cheaper. Do you think this is a better idea?

☐ YES ☐ NO ☐ DON'T KNOW

When carrying out work on the gas pipeline system, our aim is to ensure the safety of our customers, the general public and our employees. Could we do more in this area?

☐ YES ☐ NO ☐ DON'T KNOW

# Connections

Our services  
**Your views matter**

## We provide new gas supplies to homes and businesses within our area.

We also carry out alterations for customers who may be building an extension or re-modelling their kitchen.

Our work involves responding to enquiries and providing quotes within the timescales which are specified by our economic regulator, Ofgem.

Once the customer has accepted our quotation for the work we arrange a date as soon as possible and carry out what is required.

Our aim is to keep our customers informed at every stage of the process. We offer flexible packages for customers who wish to carry out their own excavations and then fill them in once we have laid the new pipe.

If the scope of work changes once our teams are on site, we will carry out a variation in an efficient manner.

Our Connections Department receives around 48,000 calls a year from domestic and non-domestic stakeholders. Our aim is to carry out the work as seamlessly and with as little fuss as possible.

All our work is carried out with safety at the front of our mind. The majority of works involve digging, either in private land and frequently in public roads and paths. Our aim is to do the work with minimal disruption and to ensure the safety of our customers, the public and our staff at all times.

If someone wants to make a gas connection to our pipeline system, they have to pay for this.

Should their costs be subsidised by Northern Gas Networks or should the customer pay for it?

**THEY SHOULD PAY FOR IT ALL**

**THEIR COSTS SHOULD BE SUBSIDISED**

**NORTHERN GAS NETWORKS SHOULD PAY FOR IT**

**DON'T KNOW**

When a customer asks to be connected to the gas pipeline network do you think they should pay the full cost or should it be subsidised by Northern Gas Networks?

If the work is subsidised, this will impact on our charges you receive on your gas bill.

**THEY SHOULD PAY THE FULL COST**

**IT SHOULD BE SUBSIDISED**

**DON'T KNOW**

When someone requests a new connection to the gas network, we have 20 days from receiving their acceptance to providing them with a date for the work.

Would you be happy with this timescale?

**YES**

**NO**

**DON'T KNOW**

When you apply for a new gas connection, we aim to complete the work as soon as possible.

What do you think is an adequate timescale from paying for the work to it being completed?

**WITHIN ONE WEEK**

**BETWEEN ONE AND TWO WEEKS**

**BETWEEN TWO WEEK AND A MONTH**

**BETWEEN ONE AND TWO MONTHS**

**MORE THAN TWO MONTHS**

**OTHER (PLEASE SPECIFY)**



# Connections

Our services  
**Your views matter**

When requesting either a new gas supply or your gas service needs altering we may not carry out a survey to save money. The survey is to identify the best position for the gas meter and the best route to lay the pipe.

Do you think all customers who request this type of work should be surveyed?

☐ YES ☐ NO ☐ DON'T KNOW

When carrying out an alteration to your gas service pipe, such as when you build an extension or re-design your kitchen, we re-connect the copper pipework up to 2m for a charge.

If the length is greater than 2m, a gas safe registered plumber is required. Would you like us to offer a service where there is NO limit on the length of this type of pipework we lay?

☐ YES ☐ NO ☐ DON'T KNOW



## General questions

Could Northern Gas Networks offer any other services within our network?

**CUSTOMER TO GIVE DETAILS**

If we had an extra £100 to spend, should we spend it on safety, the environment, community projects or reduce bills?

☐ SAFETY ☐ ENVIRONMENT ☐ COMMUNITY PROJECTS  
☐ REDUCE BILLS ☐ OTHER (PLEASE SPECIFY) ☐ DON'T KNOW

Respondents can select more than one option

Do you find the Northern Gas Networks website easy to use?

☐ YES ☐ NO ☐ NO OPINION  
☐ HAVEN'T VISITED THE WEBSITE

Could it be improved in any way?

**CUSTOMER TO GIVE DETAILS**





For further information please visit our website [www.northerngasnetworks.co.uk](http://www.northerngasnetworks.co.uk)

This document is available online at [ngnconsultation.co.uk](http://ngnconsultation.co.uk)



Phone **0870 300 7677**

Web **[www.northerngasnetworks.co.uk](http://www.northerngasnetworks.co.uk)**

The National Gas  
Emergency Service is  
available 24 hours  
a day, every day.

**FREEPHONE 0800 111 999\*.**

\*All calls are recorded and may be monitored

**A5c Level One Stakeholder Engagement Questions, Feedback & Comments**

# NORTHERN GAS NETWORKS SURVEY 2011

Rachel Allen  
Gary Polzin







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## 1 Introduction – Methodology and sampling

### 1.1 Introduction

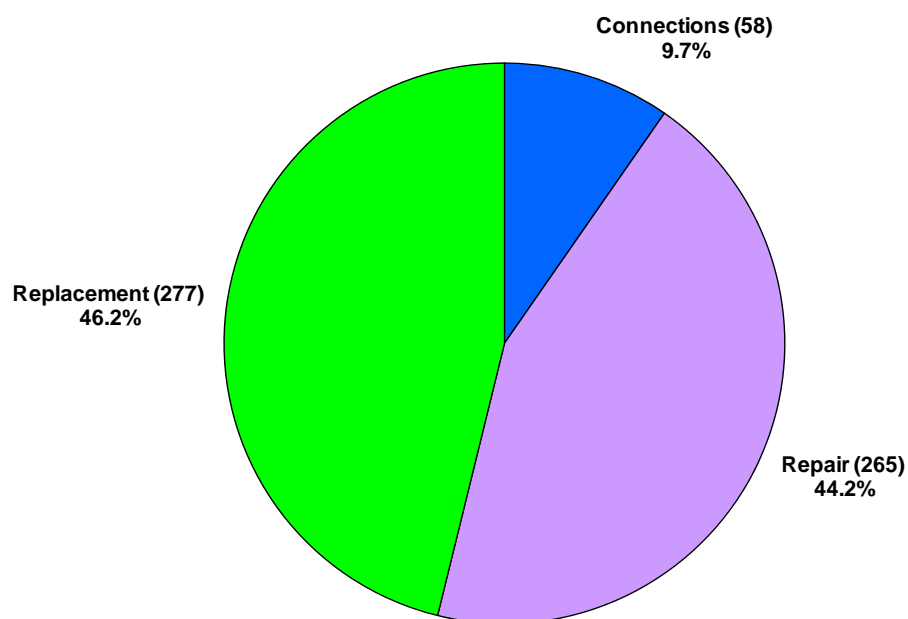
This report outlines the results of a survey carried out for Northern Gas Networks by The Leadership Factor between February and March 2011.

The main survey involved 600 telephone interviews.

The following report details the results for each question on the questionnaire, both at an overall level and also by customer type. Results from the YourSayPays survey that was carried out are also shown and for this particular survey there were 888 responses.

### 1.2 Sampling – who was involved in the survey?

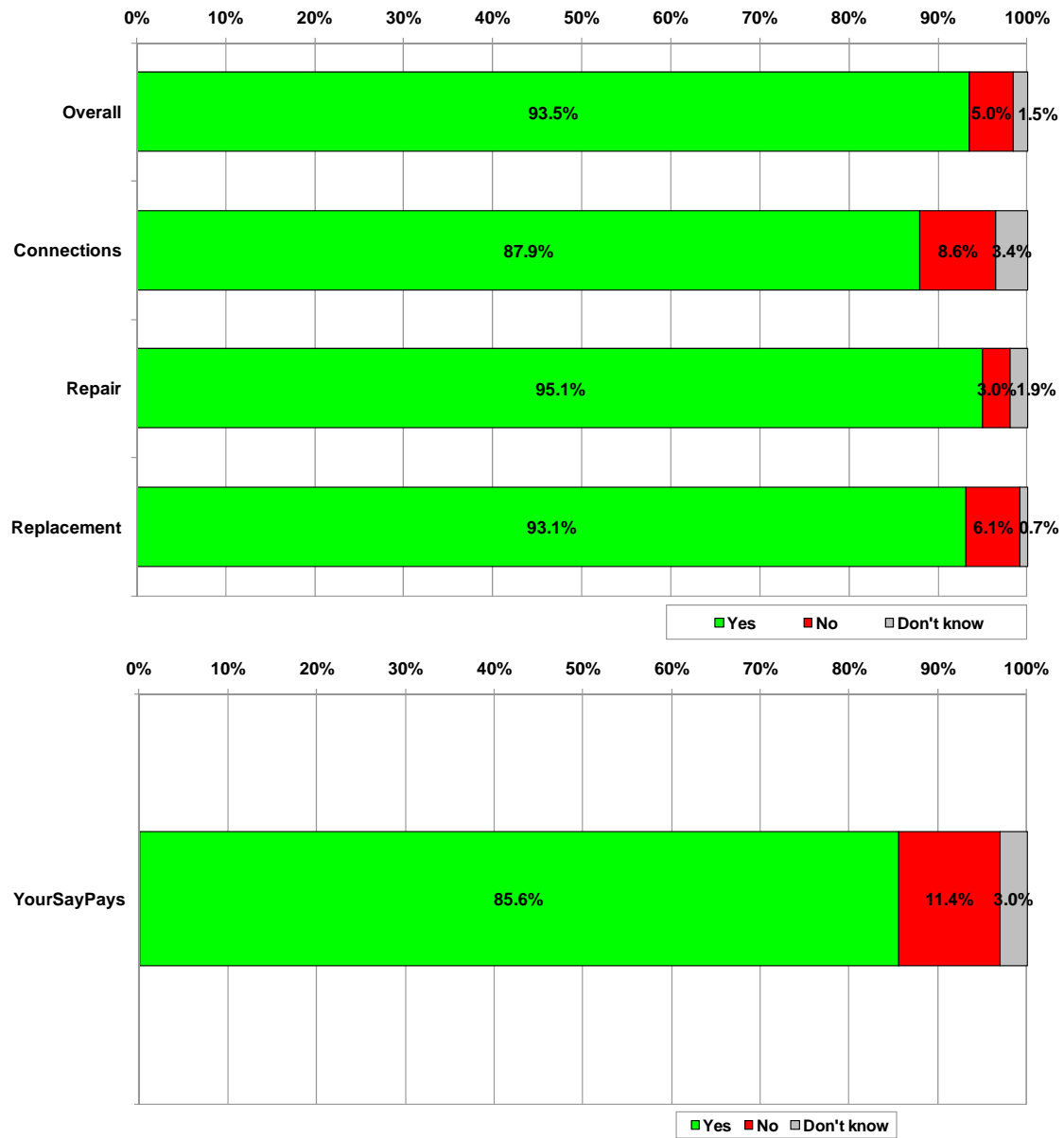
The following chart illustrates the breakdown of the 600 customers involved:



## 2 Questions

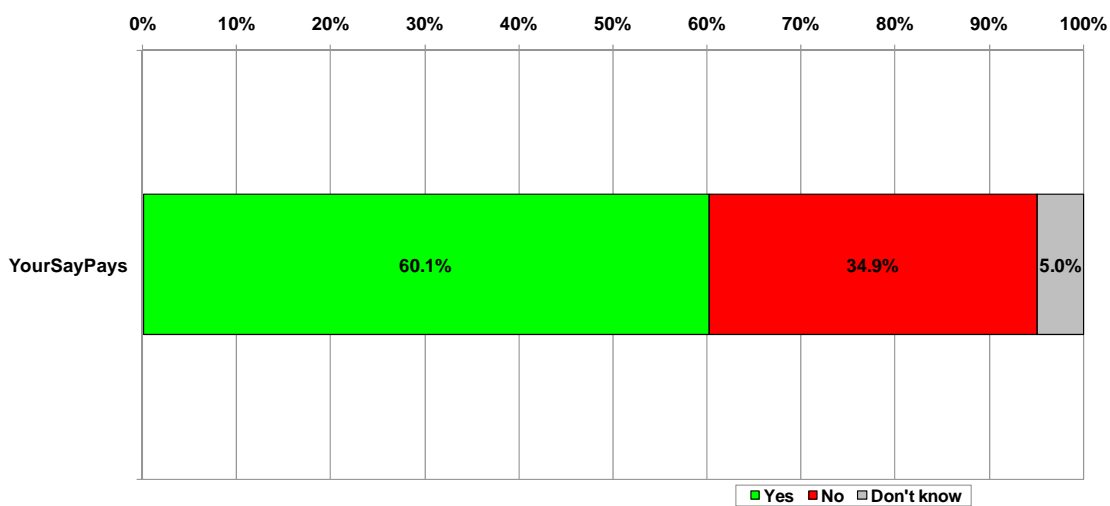
### 2.1 Customer Satisfaction

*“If we are carrying out work on the gas pipeline network and need to interrupt your gas supply (temporarily turn it off) we will give you a minimum of 5 days’ notice. Is this adequate?”*



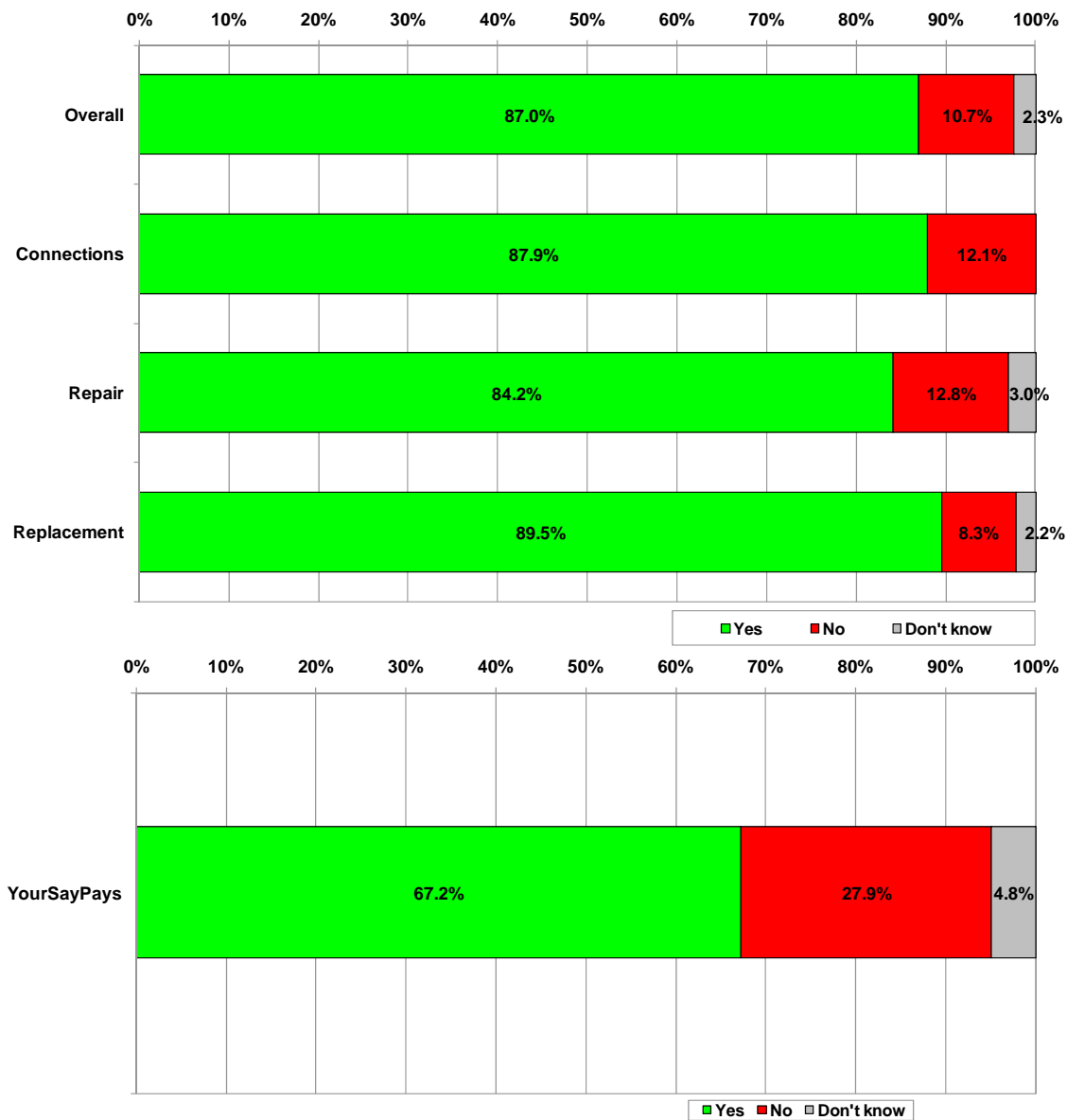
<u>Frequencies</u>	Yes	No	Don't know
Overall	561	30	9
Connections	51	5	2
Repair	252	8	5
Replacement	258	17	2
YourSayPays	760	101	27

*“If you complain to Northern Gas Networks about the work we carry out, we will investigate and respond within 10 days. Are you happy with this timescale?”*



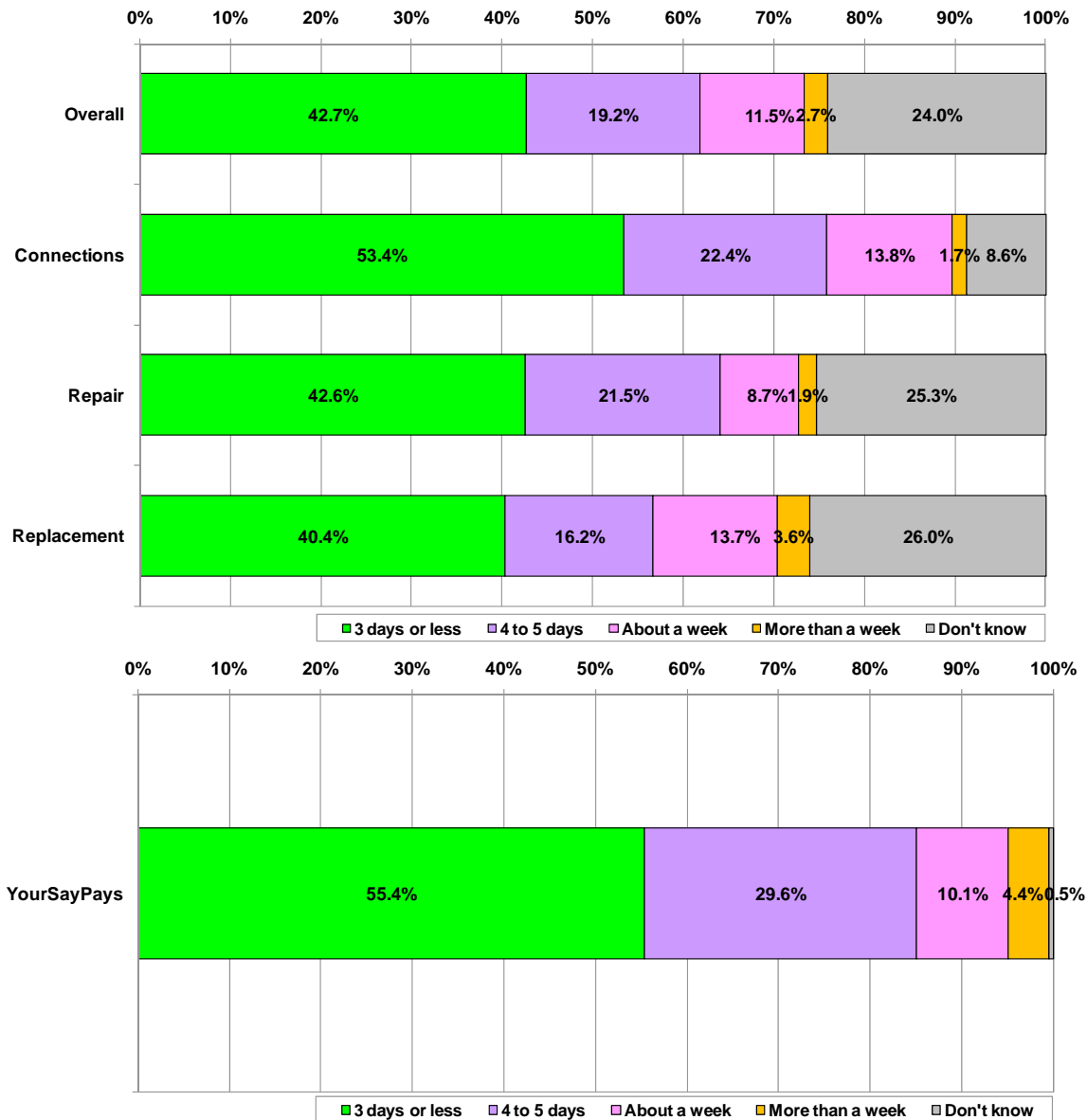
<b>Frequencies</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Overall	483	109	8
Connections	48	10	0
Repair	211	53	1
Replacement	224	46	7
YourSayPays	534	310	44

*“It is our standard to reinstate all the holes we excavate on private land (driveways etc.) within 5 days of completing the work. Is this acceptable to you?”*



<b>Frequencies</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Overall	522	64	14
Connections	51	7	0
Repair	223	34	8
Replacement	248	23	6
YourSayPays	597	248	43

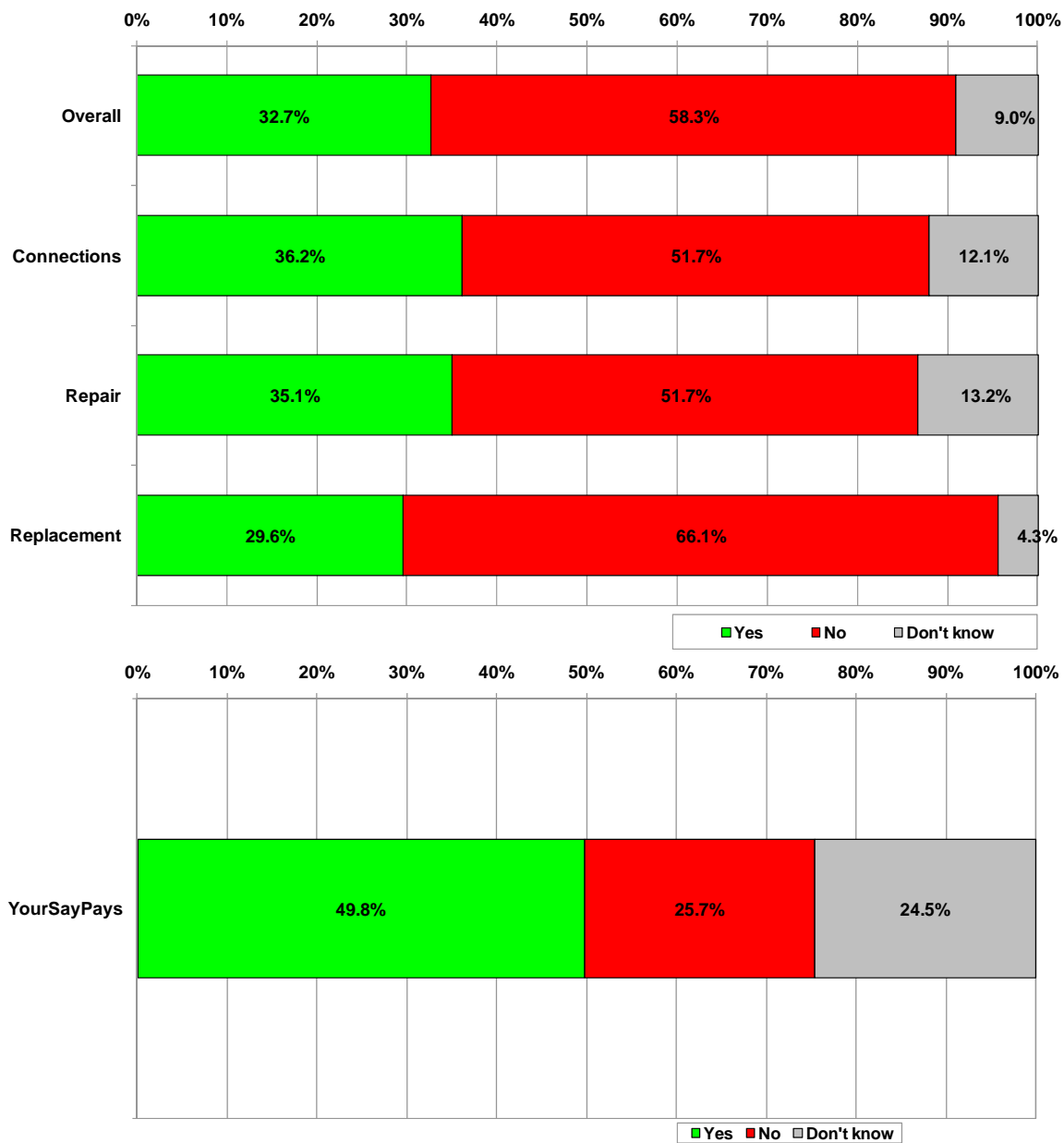
*“How long do you think we should take to complete the re-instatement?”*



<u>Frequencies</u>	3 days or less	4 to 5 days	About a week	More than a week	Don't know
Overall	256	115	69	16	144
Connections	31	13	8	1	5
Repair	113	57	23	5	67
Replacement	112	45	38	10	72
YourSayPays	492	263	90	39	4

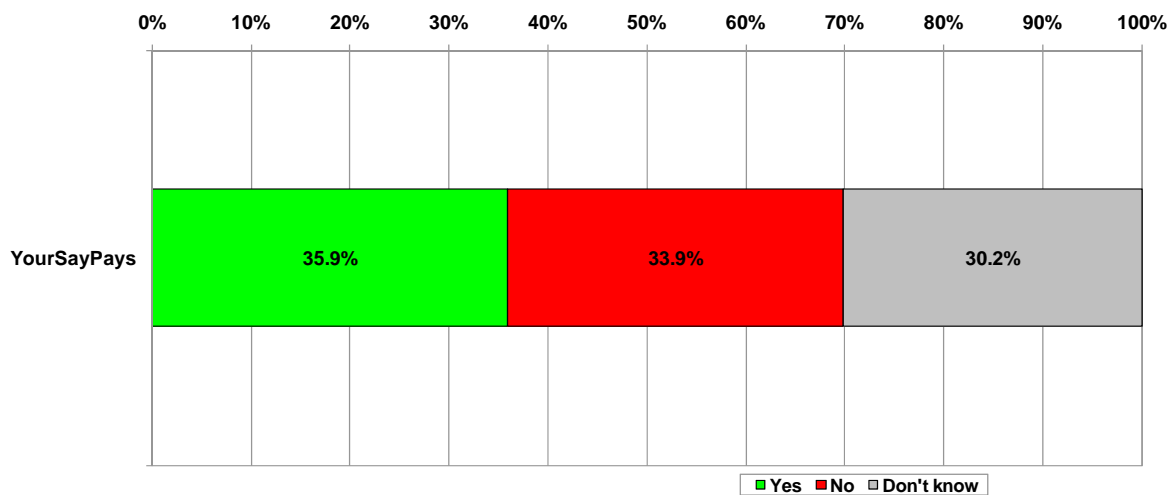
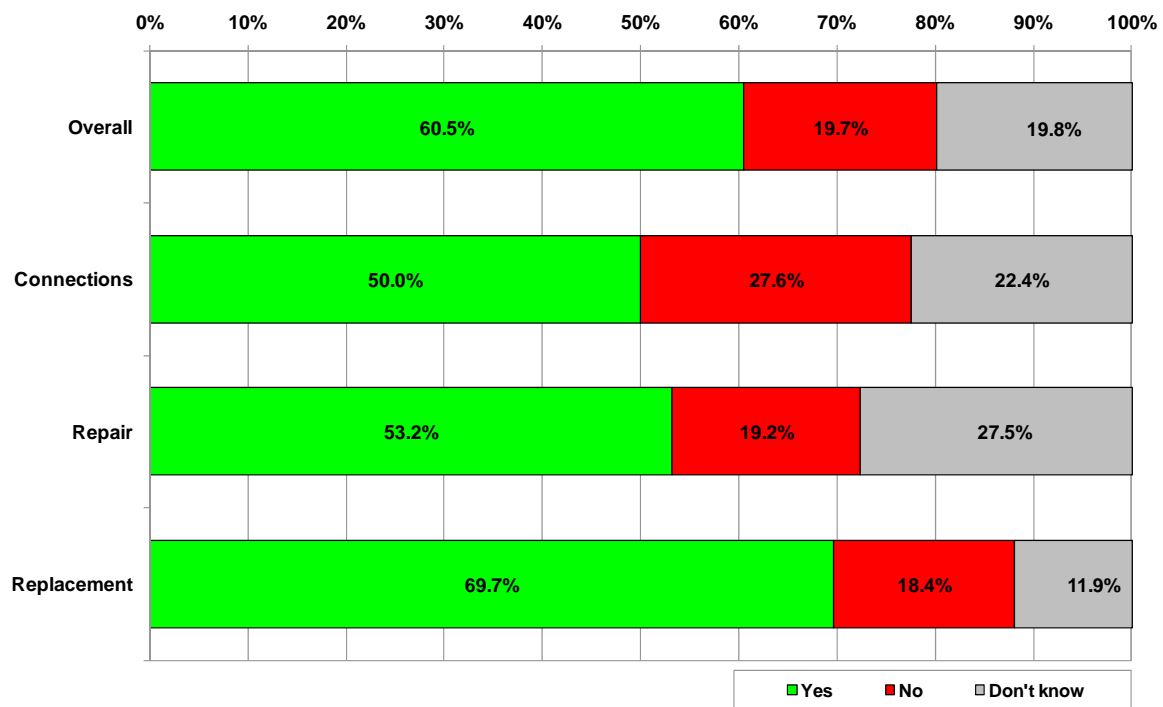


*“Could we do more to inform you in advance of work we intend to carry out in your road?”*



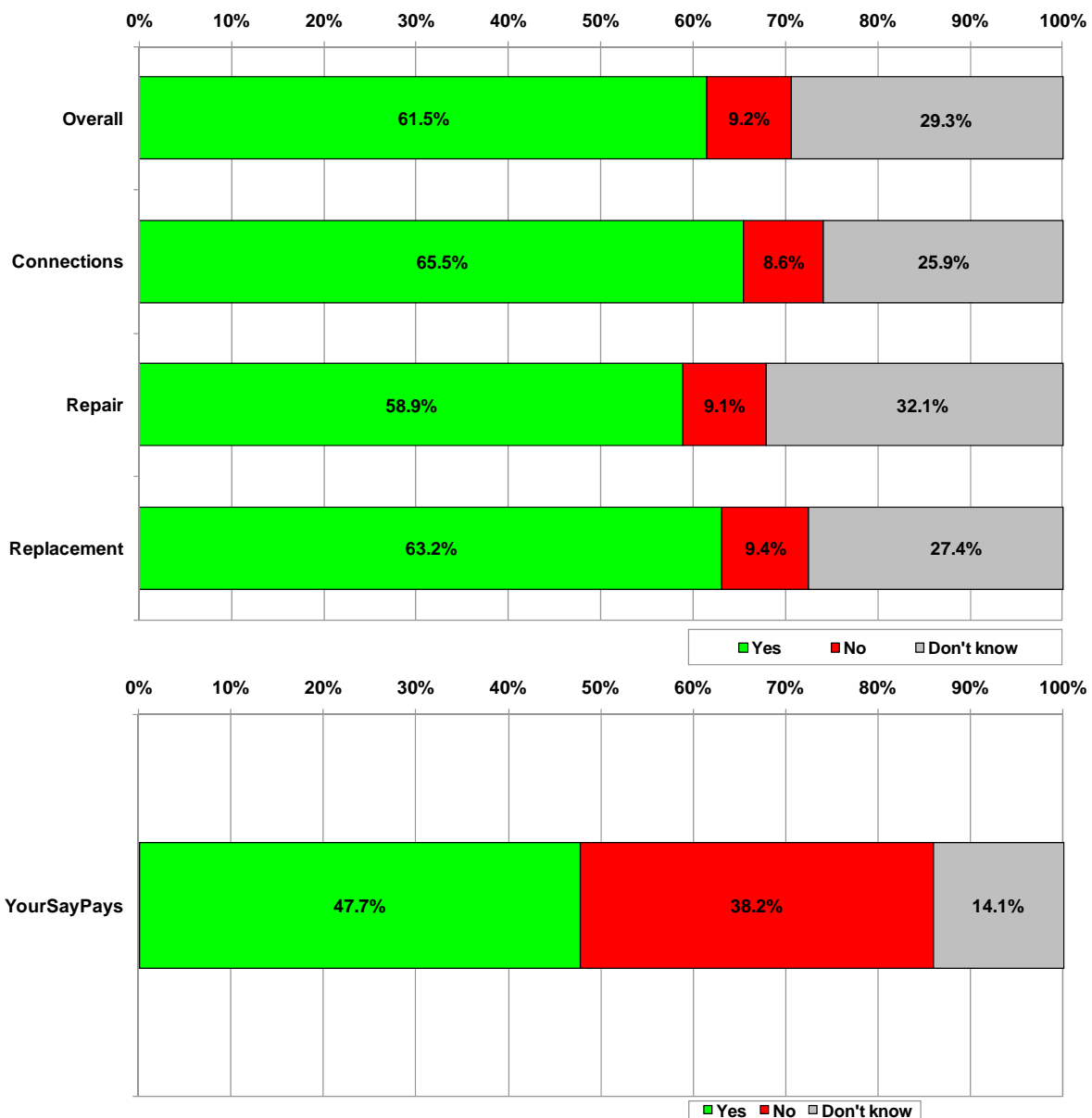
<u>Frequencies</u>	Yes	No	Don't know
Overall	196	350	54
Connections	21	30	7
Repair	93	137	35
Replacement	82	183	12
YourSayPays	442	228	218

*“Do we at Northern Gas Networks do enough to inform you of what we do and obtain the views of our customers?”*



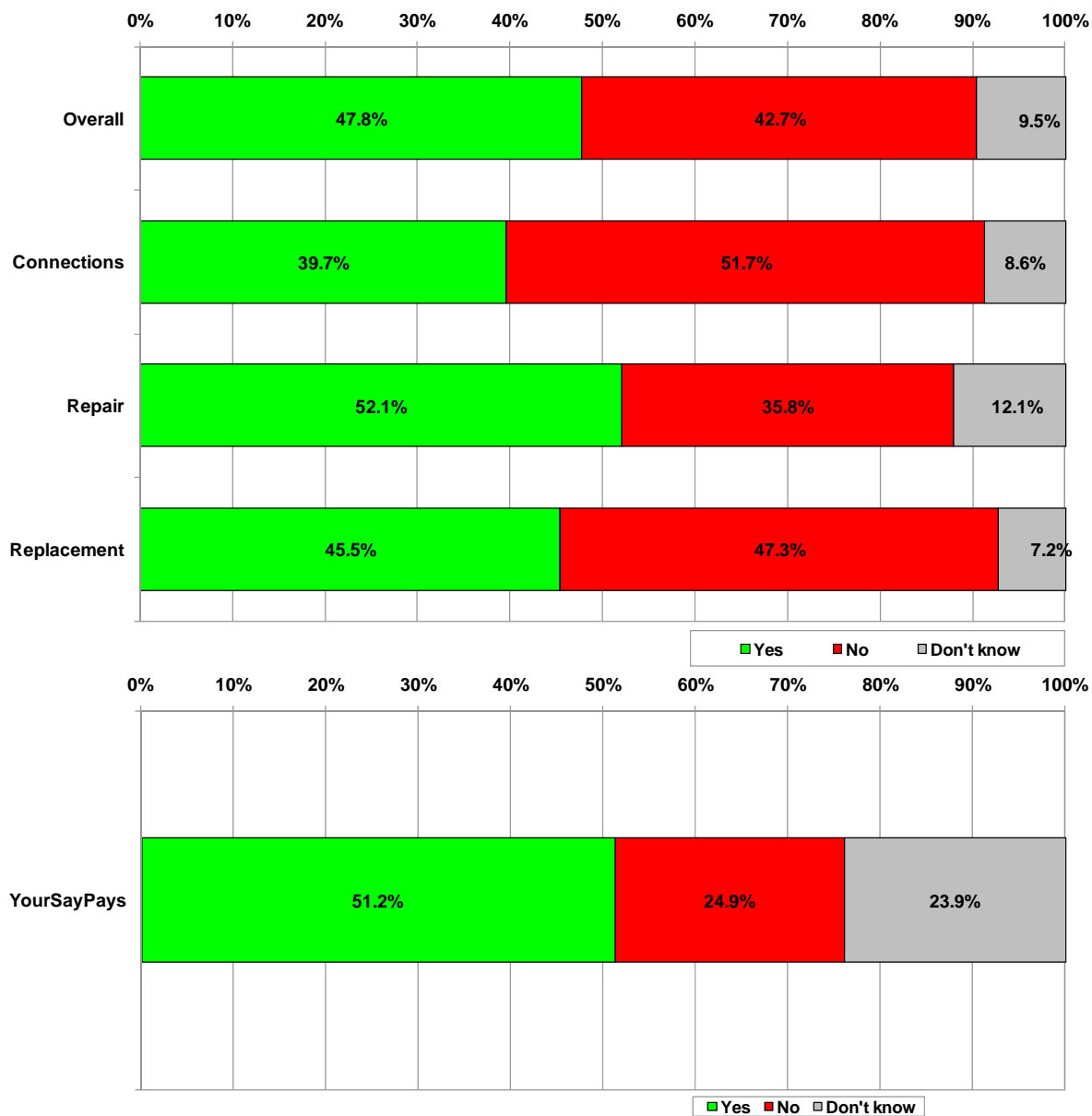
<b>Frequencies</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Overall	363	118	119
Connections	29	16	13
Repair	141	51	73
Replacement	193	51	33
YourSayPays	319	301	268

*“The feedback you give us is used to improve our performance. Do you think we can act upon the information we are given?”*



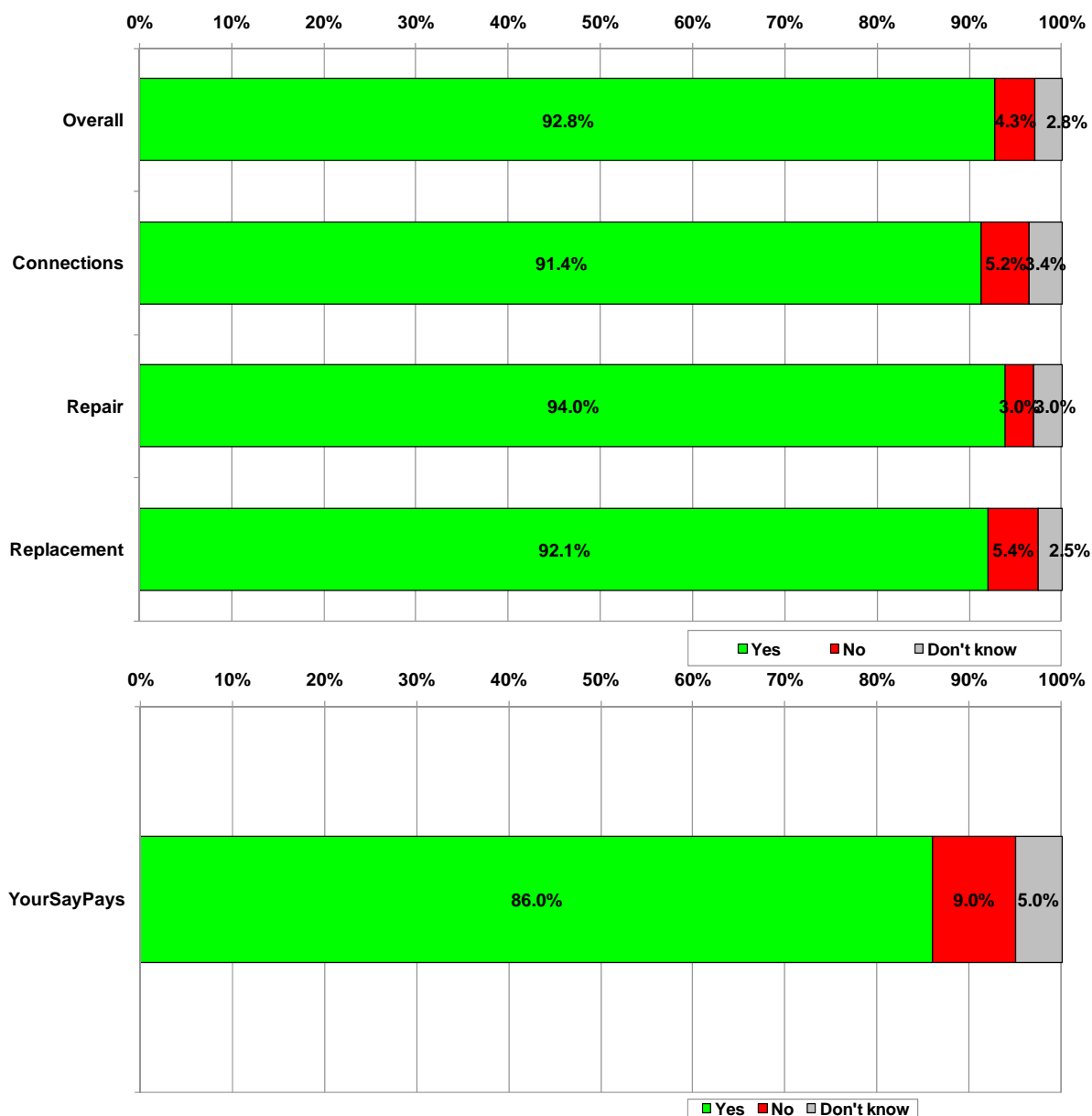
Frequencies	Yes	No	Don't know
Overall	369	55	176
Connections	38	5	15
Repair	156	24	85
Replacement	175	26	76
YourSayPays	424	339	125

*“When carrying out road works, could we do more to leave our sites tidy?”*



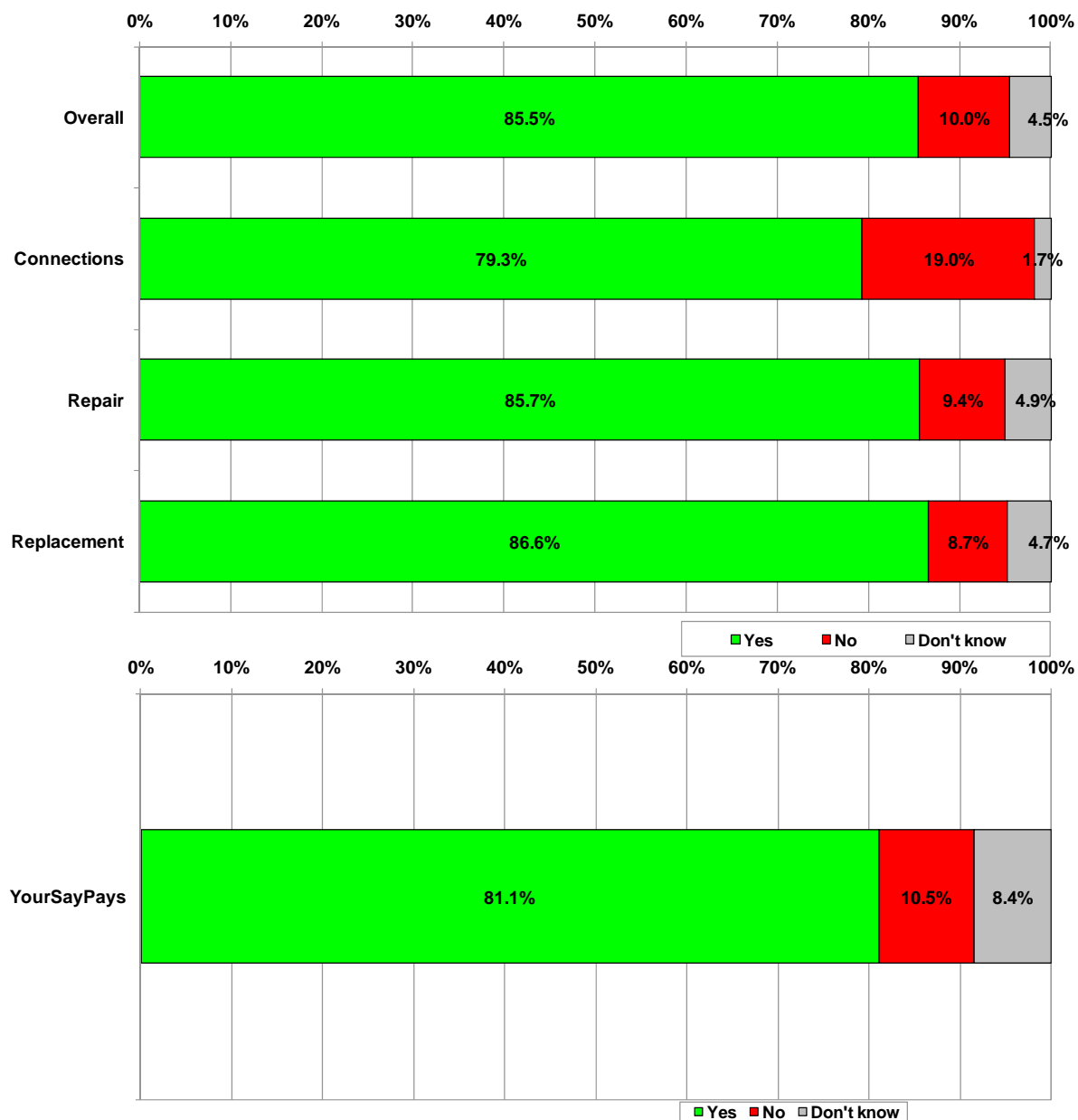
<b>Frequencies</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Overall	287	256	57
Connections	23	30	5
Repair	138	95	32
Replacement	126	131	20
YourSayPays	455	221	212

*“Our aim at Northern Gas Networks is that you will not have your gas supply interrupted. There are times when an interruption may be planned, such as when we are replacing old pipes with new ones. Should we ensure the supply is reconnected within the same day at all times?”*



<u>Frequencies</u>	Yes	No	Don't know
Overall	557	26	17
Connections	53	3	2
Repair	249	8	8
Replacement	255	15	7
YourSayPays	764	80	44

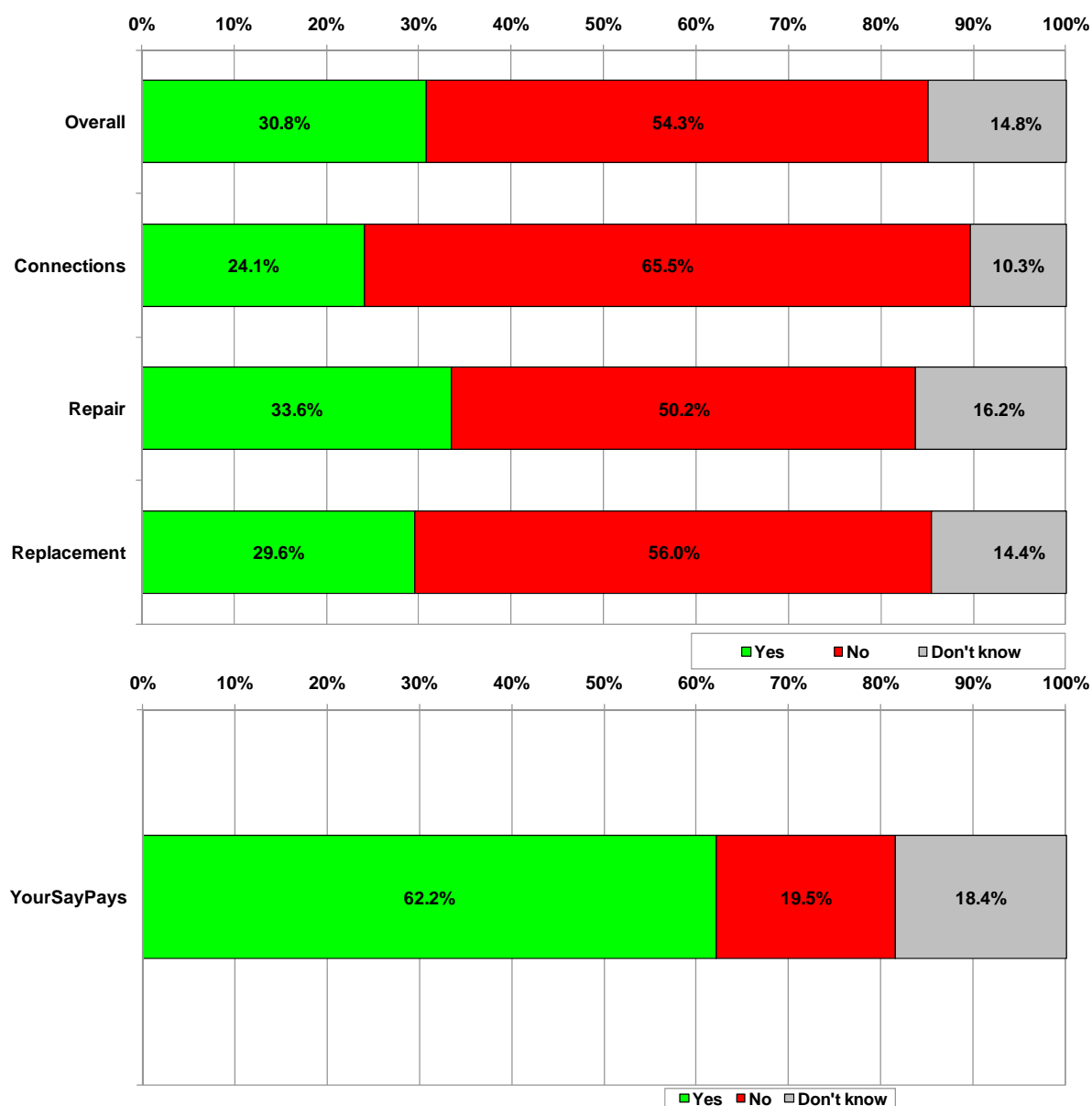
*“Should we complete all our planned work between February and November so no planned mains replacement work is carried out during the poor weather in December and January?”*



Frequencies	Yes	No	Don't know
Overall	513	60	27
Connections	46	11	1
Repair	227	25	13
Replacement	240	24	13
YourSayPays	720	93	75

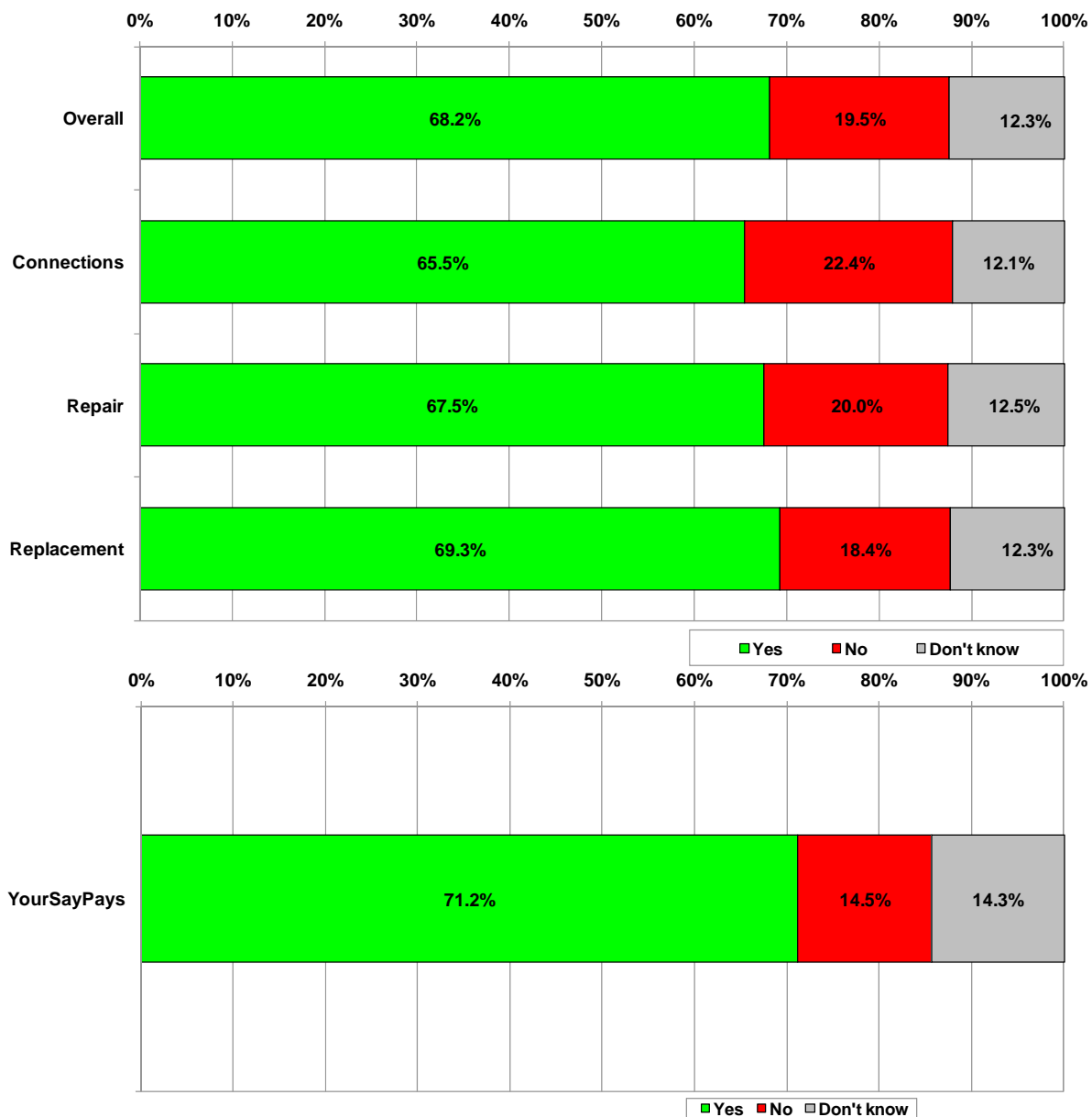
## 2.2 Safety

*“In 2002, Northern Gas Networks agreed to replace all iron pipes within 30m of a building in 30 years. We could do this in a shorter timescale. This would increase our costs and your gas bill would rise. Do you think we should aim to carry out this work within a shorter timescale?”*



<u>Frequencies</u>	Yes	No	Don't know
Overall	185	326	89
Connections	14	38	6
Repair	89	133	43
Replacement	82	155	40
YourSayPays	552	173	163

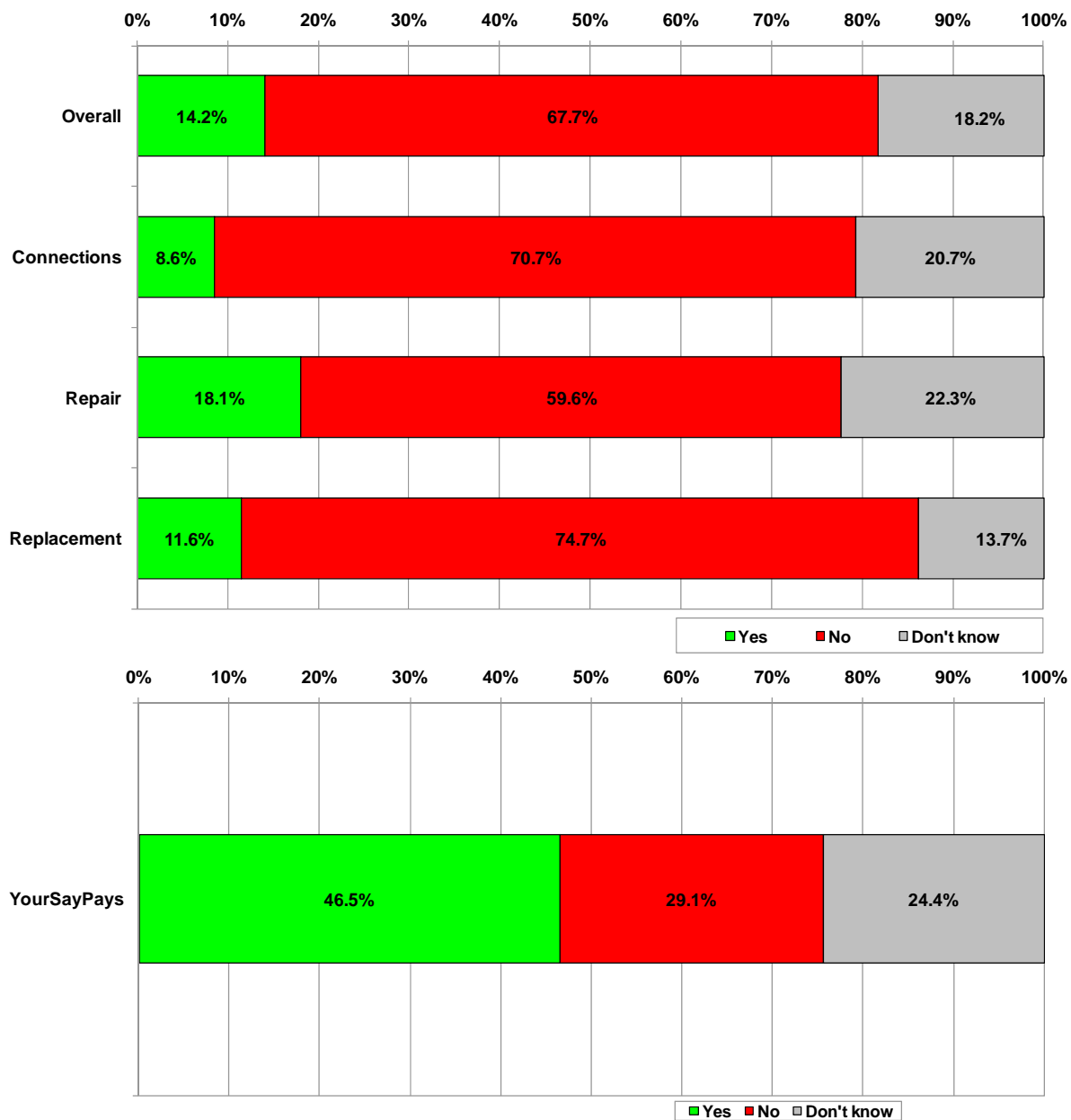
*“It may be feasible to extend the timescales which would reduce costs and therefore your gas bill would be cheaper. Do you think this is a better idea?”*



Frequencies	Yes	No	Don't know
Overall	409	117	74
Connections	38	13	7
Repair	179	53	33
Replacement	192	51	34
YourSayPays	632	129	127



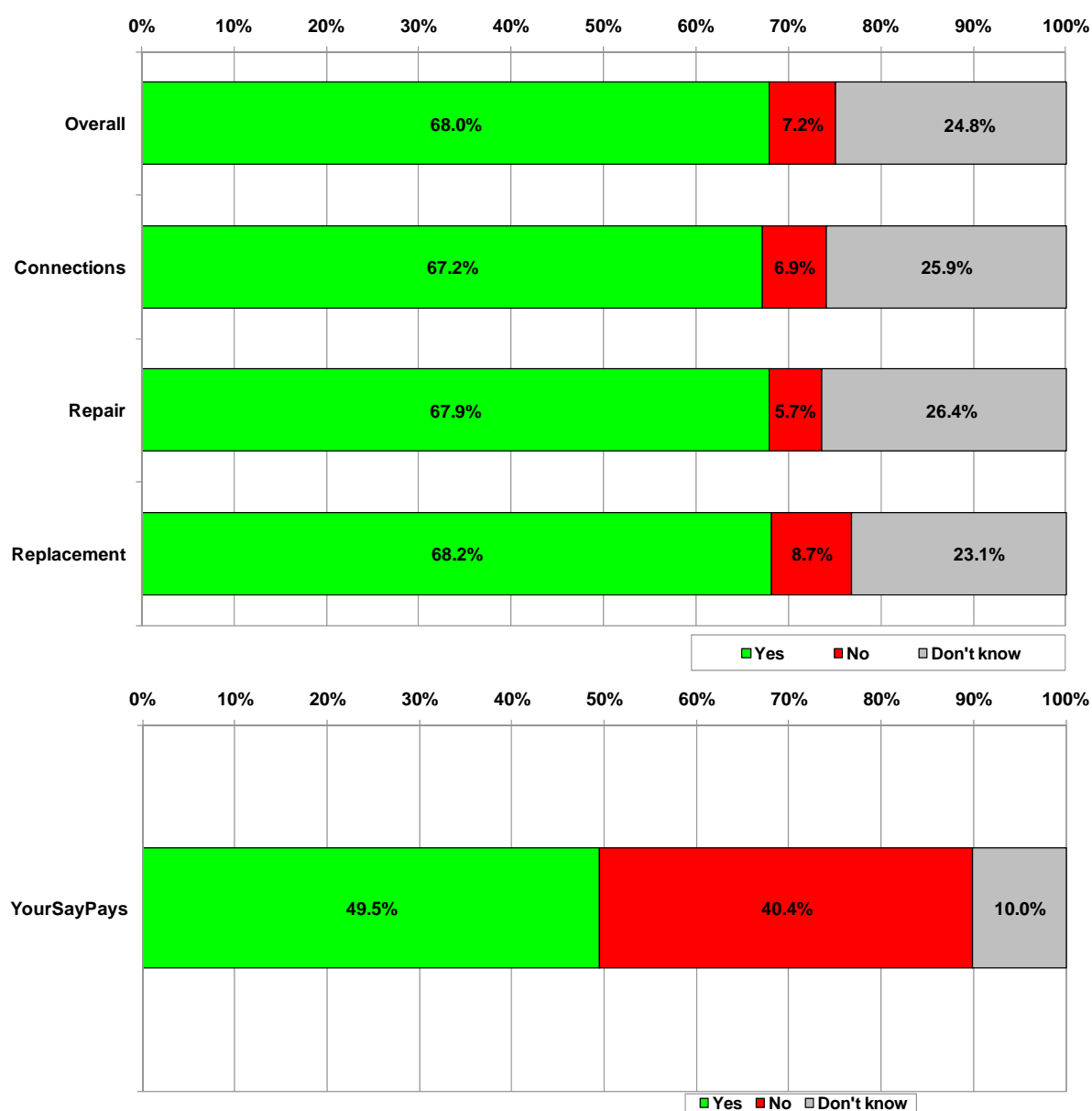
*“When carrying out work on the gas pipeline system, our aim is to ensure the safety of our customers, the general public and our employees. Could we do more in this area?”*



<u>Frequencies</u>	Yes	No	Don't know
Overall	85	406	109
Connections	5	41	12
Repair	48	158	59
Replacement	32	207	38
YourSayPays	413	258	217

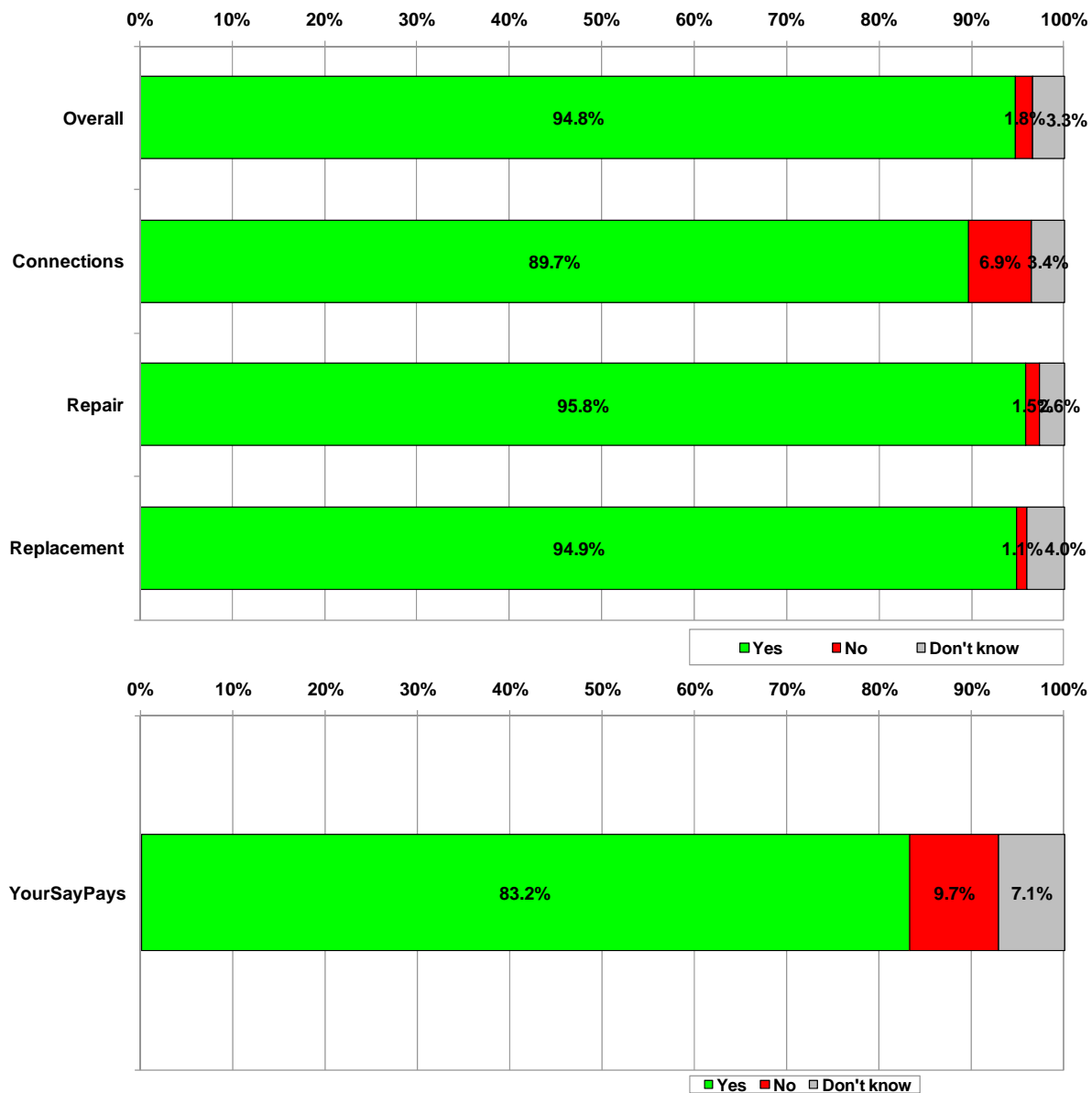
## 2.3 Environment

*“We try to use ‘no dig’ techniques and recycle as much soil as possible when we have to dig holes, to reduce the amount of earth we have to send to landfill sites. Do you think Northern Gas Networks do enough for the environment?”*



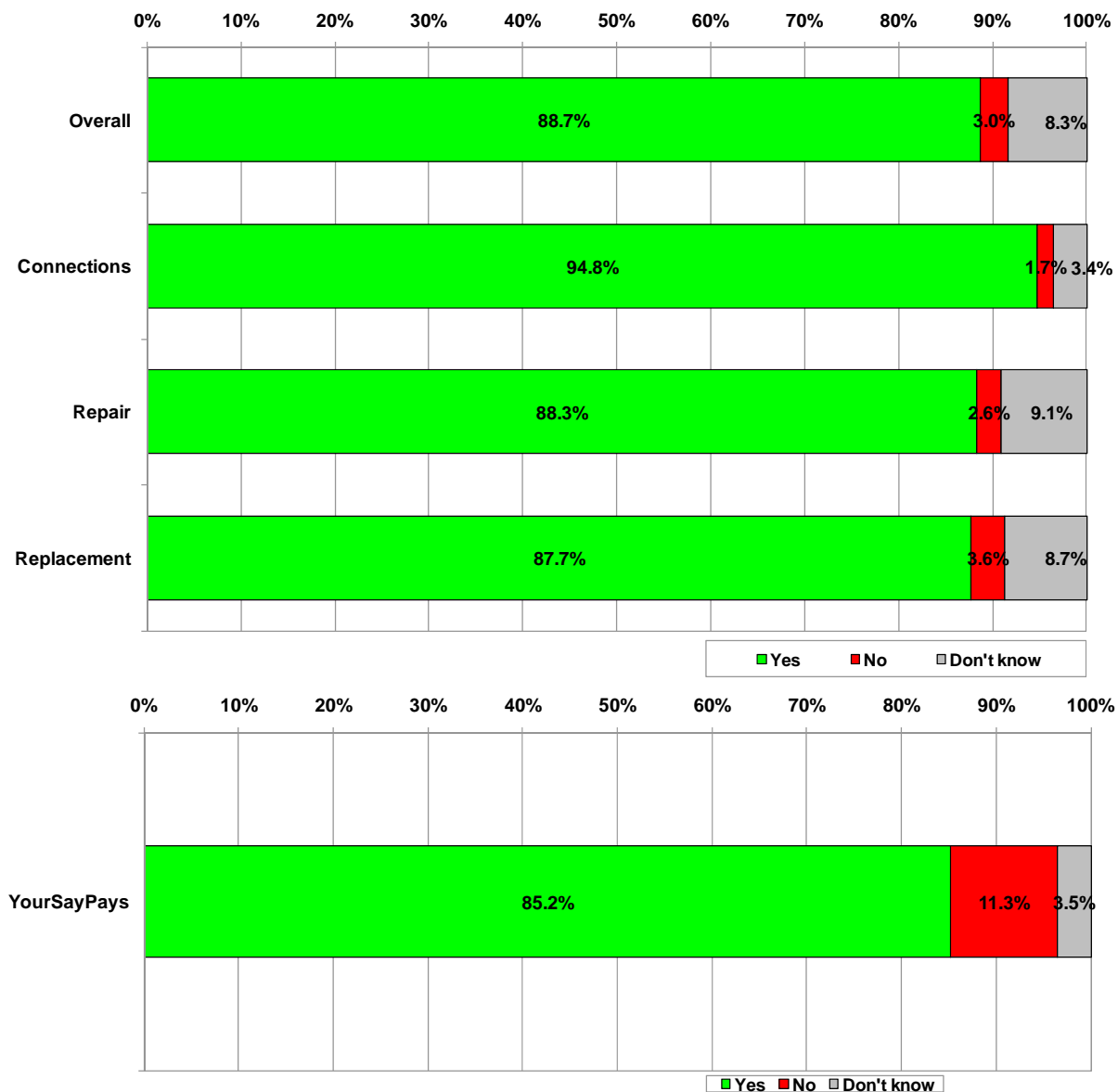
Frequencies	Yes	No	Don't know
Overall	408	43	149
Connections	39	4	15
Repair	180	15	70
Replacement	189	24	64
YourSayPays	440	359	89

*“Our aim in Northern Gas Networks is to reduce as much as possible the amount of gas which leaks from our pipes. Should we make it a high priority to reduce the amount we lose in order to protect the environment?”*



<u>Frequencies</u>	Yes	No	Don't know
Overall	569	11	20
Connections	52	4	2
Repair	254	4	7
Replacement	263	3	11
YourSayPays	739	86	63

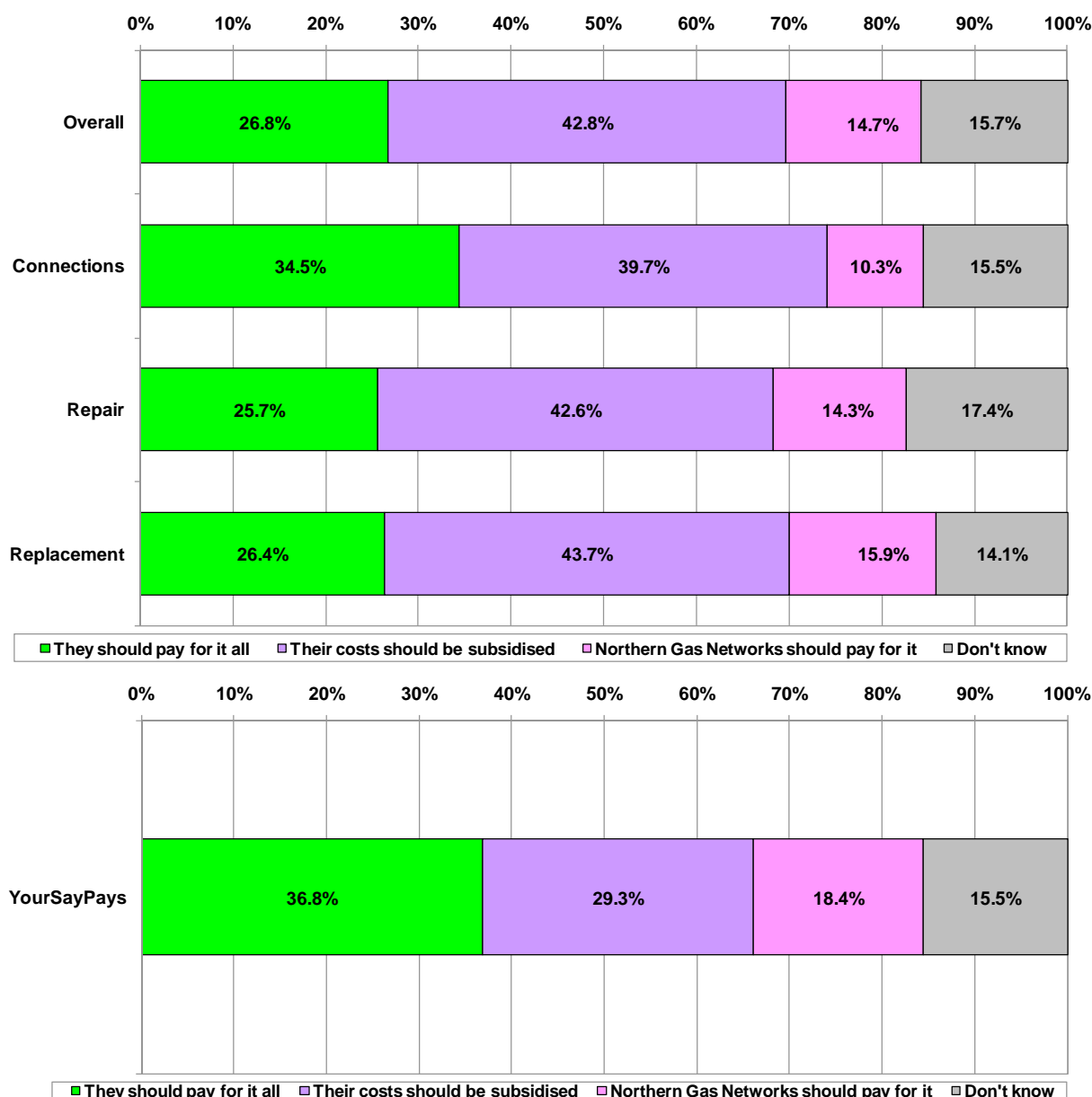
*“Our aim at Northern Gas Networks is to introduce gas produced from waste (sewage farms and crops) into the network where practically possible. Do you believe this is a good plan?”*



Frequencies	Yes	No	Don't know
Overall	532	18	50
Connections	55	1	2
Repair	234	7	24
Replacement	243	10	24
YourSayPays	757	100	31

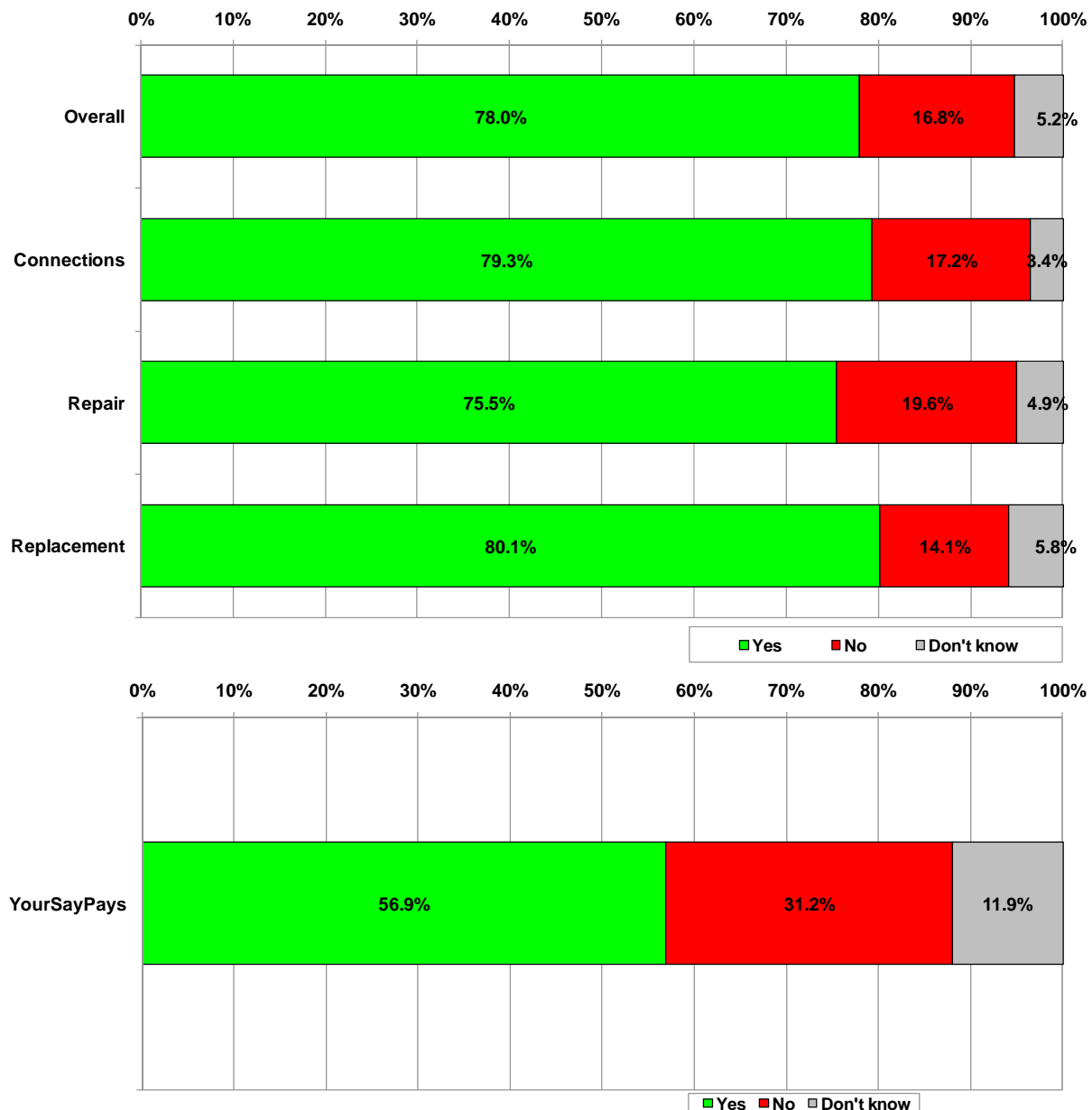
## 2.4 Connections

*“If someone wants to make a gas connection to our pipeline system, they have to pay for this. Should their costs be subsidised by Northern Gas Networks or should the customer pay for it?”*



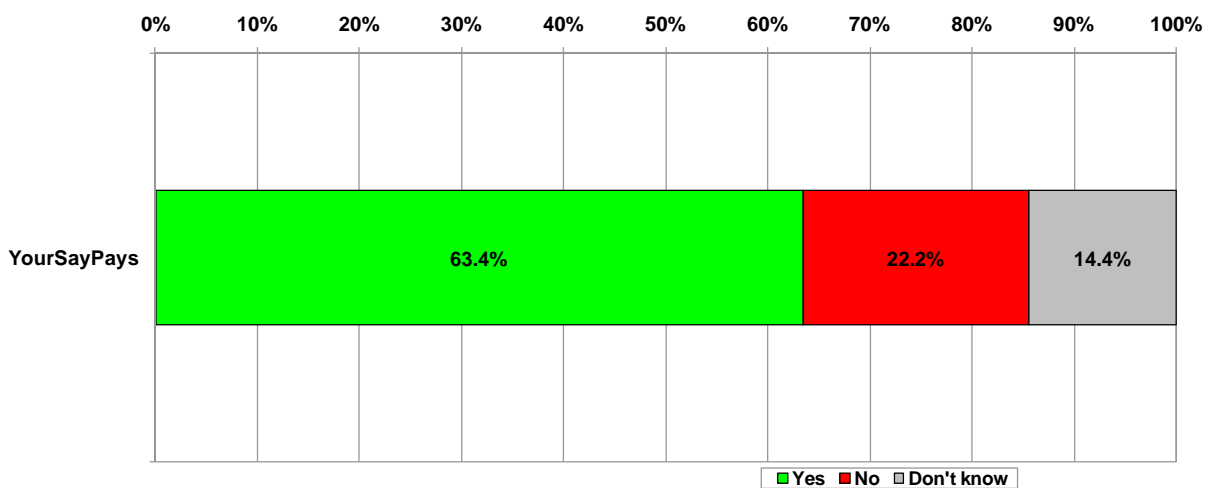
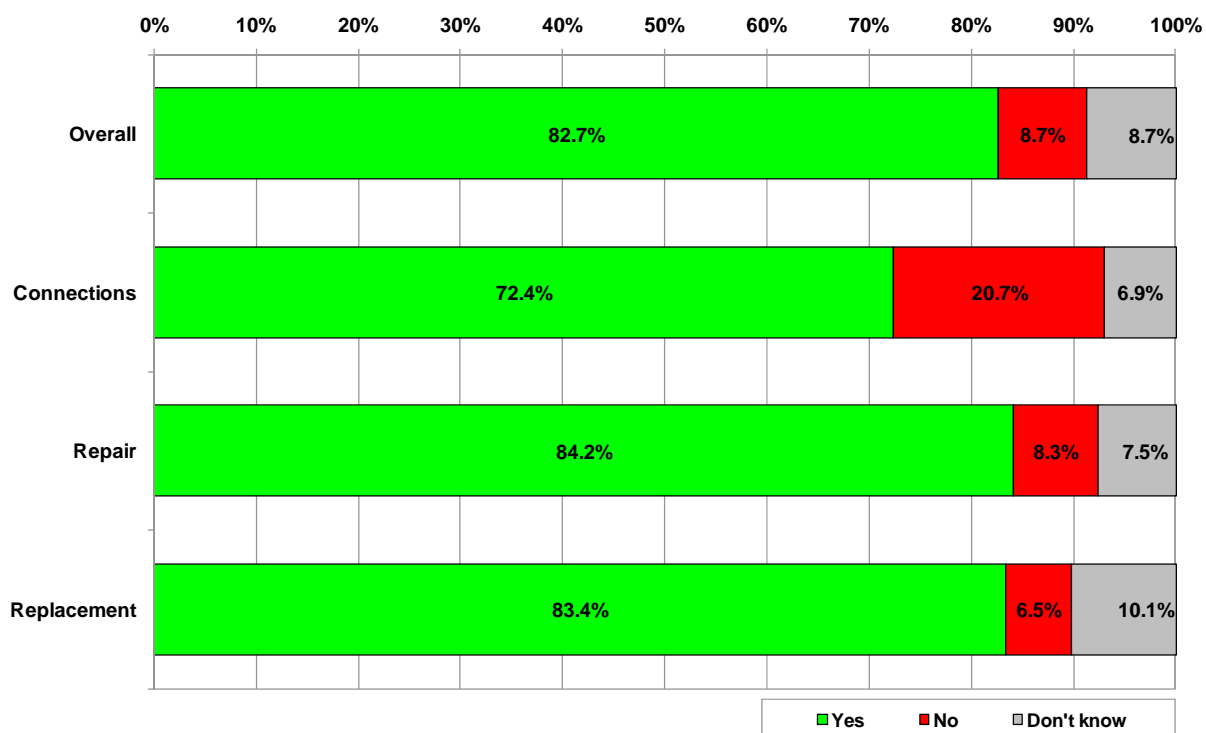
<u>Frequencies</u>	They should pay for it all	Their costs should be subsidised	Northern Gas Networks should pay for it	Don't know
Overall	161	257	88	94
Connections	20	23	6	9
Repair	68	113	38	46
Replacement	73	121	44	39
YourSayPays	327	260	163	138

*“When someone requests a new connection to the gas network, we have 20 working days from receiving their acceptance to providing them with a date for the work. Would you be happy with this timescale?”*



Frequencies	Yes	No	Don't know
Overall	468	101	31
Connections	46	10	2
Repair	200	52	13
Replacement	222	39	16
YourSayPays	505	277	106

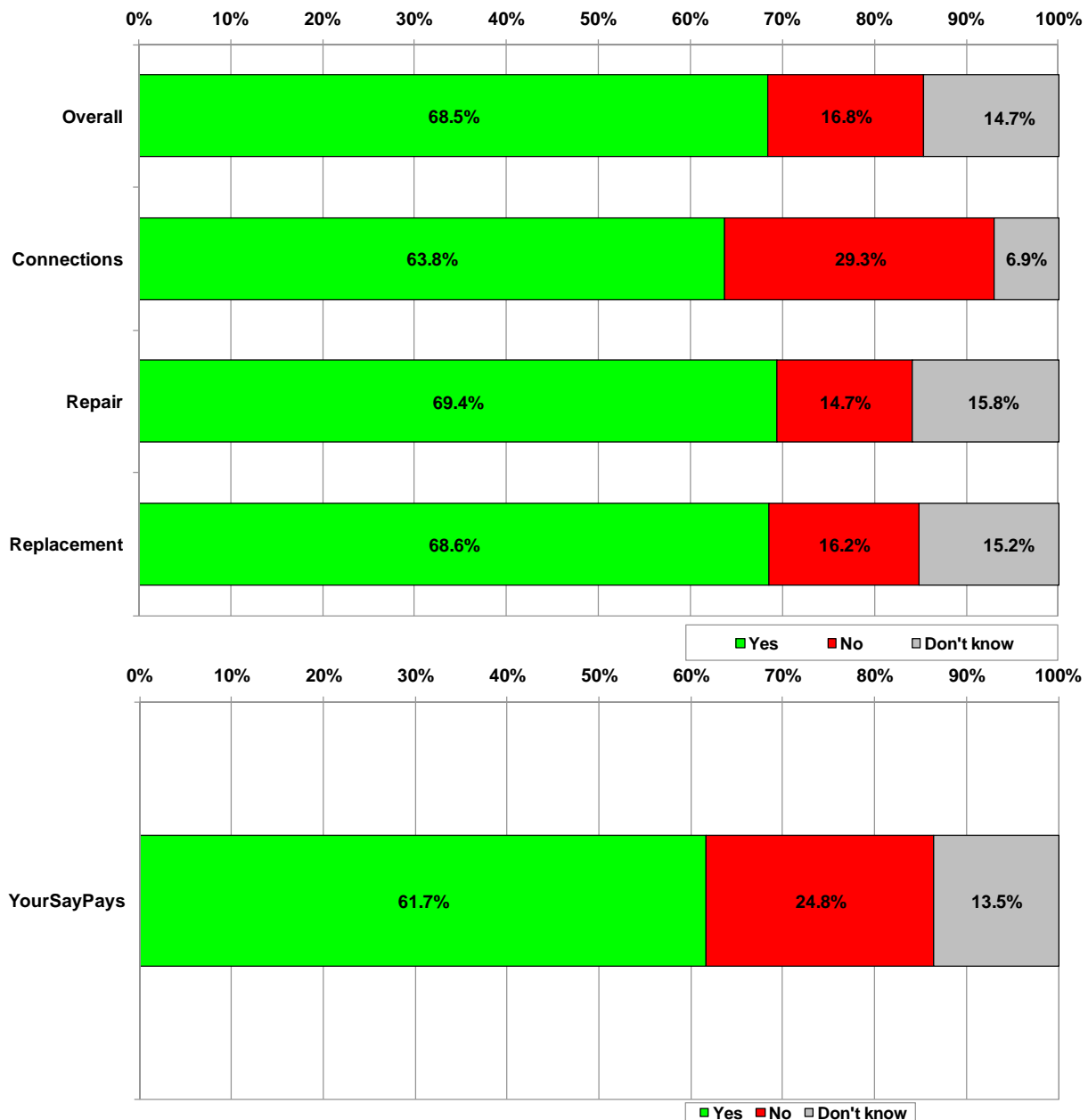
*“When requesting either a new gas supply or your gas service needs altering we may not carry out a survey to save money. The survey is to identify the best position for the gas meter and the best route to lay the pipe. Do you think all customers who request this type of work should be surveyed?”*



<u>Frequencies</u>	Yes	No	Don't know
Overall	496	52	52
Connections	42	12	4
Repair	223	22	20
Replacement	231	18	28
YourSayPays	563	197	128

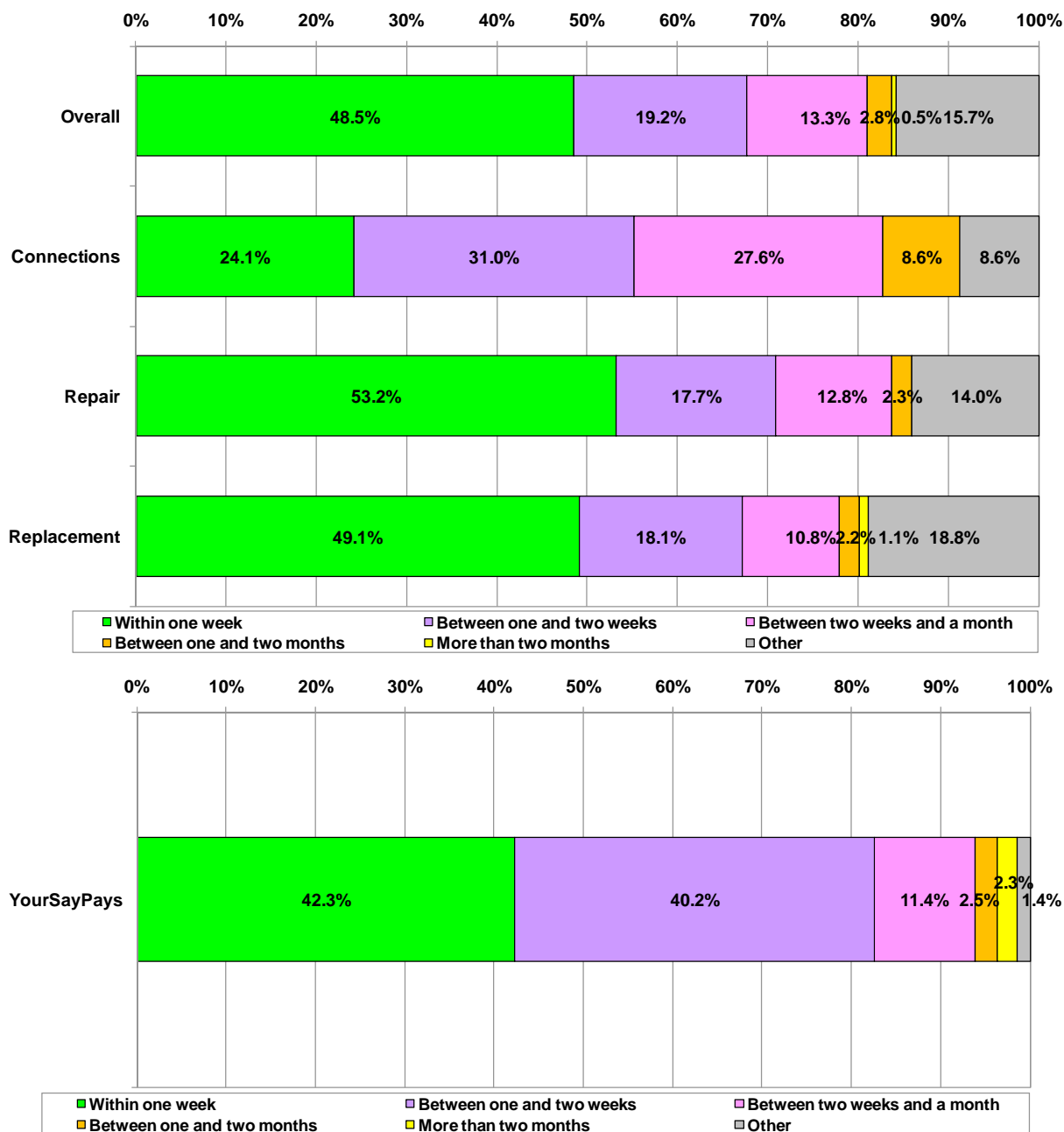


*“When carrying out an alteration to your gas service pipe, such as when you build an extension or re-design your kitchen, we re-connect the copper pipework up to 2m for a charge. If the length is greater than 2m, a gas safe registered plumber is required. Would you like us to offer a service where there is NO limit on the length of this type of pipework we lay?”*



Frequencies	Yes	No	Don't know
Overall	411	101	88
Connections	37	17	4
Repair	184	39	42
Replacement	190	45	42
YourSayPays	548	220	120

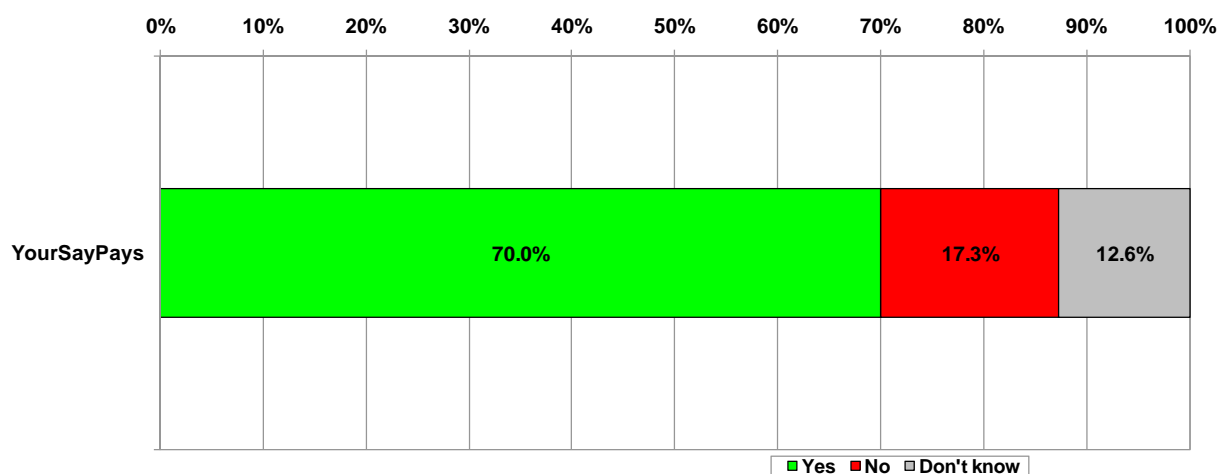
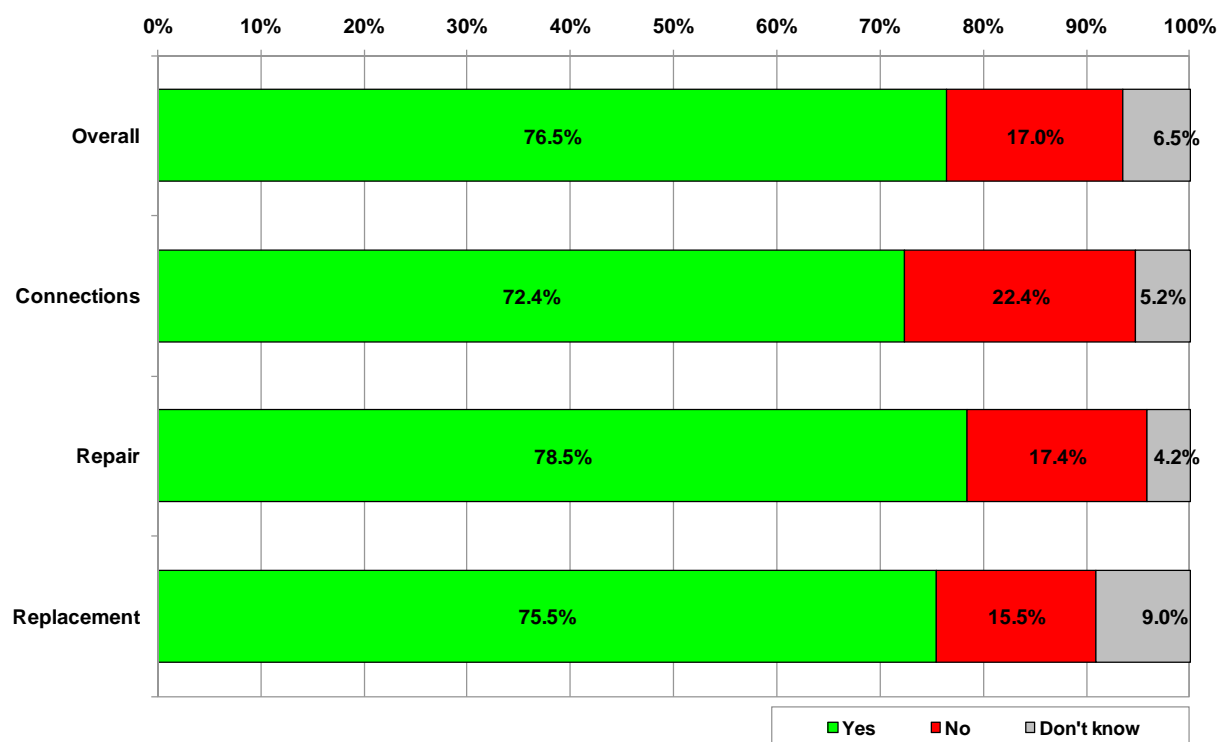
*“When you apply for a new gas connection, we aim to complete the work as soon as possible. What do you think is an adequate timescale from paying for the work to it being completed?”*



<u>Frequencies</u>	Within one week	Between one and two weeks	Between two weeks and a month	Between one and two months	More than two months	Other
Overall	291	115	80	17	3	94
Connections	14	18	16	5	0	5
Repair	141	47	34	6	0	37
Replacement	136	50	30	6	3	52
YourSayPays	376	357	101	22	20	12

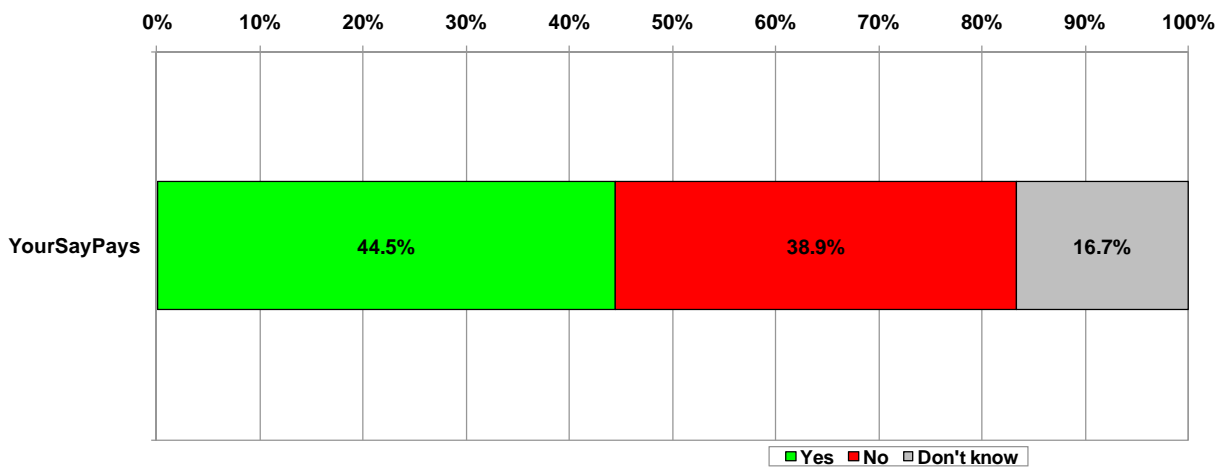
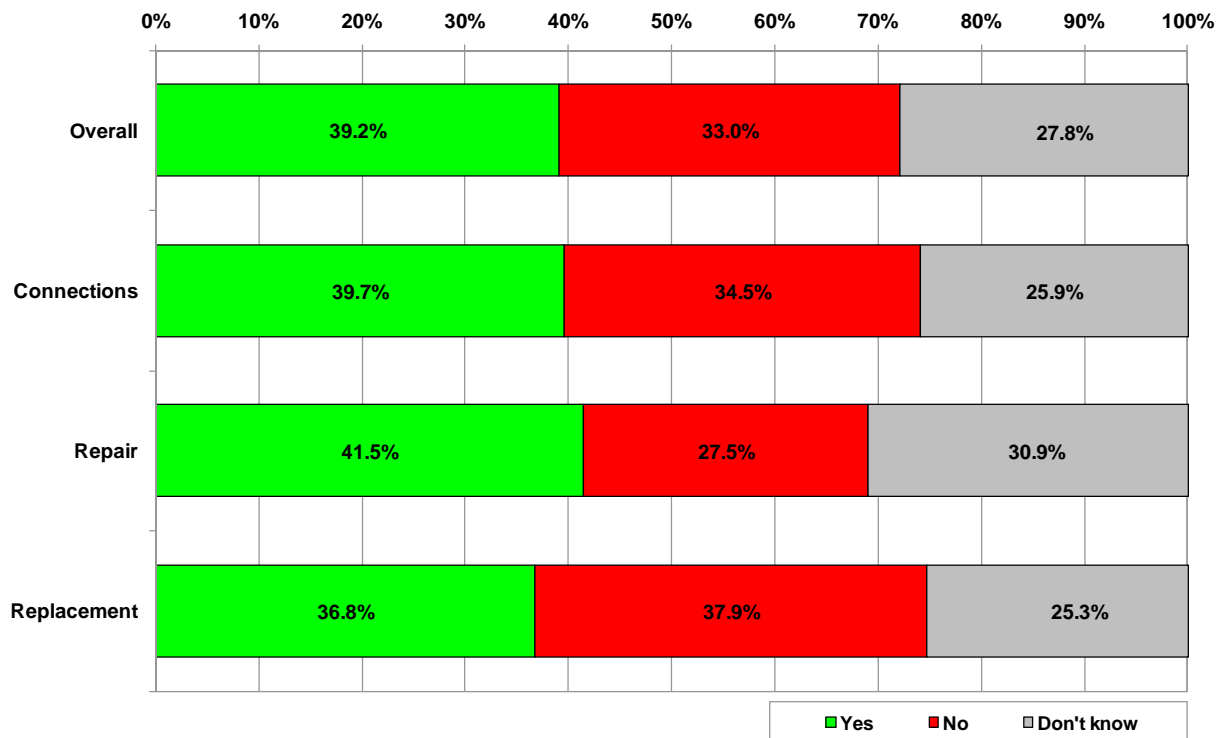
## 2.5 Social Obligations

*“When we attend a gas emergency our engineers carry out checks for Natural Gas. We could check for Carbon Monoxide at the same time. There would be an increase in our costs for the extra time taken to carry out this work which would mean an increase in your gas bill. Do you think we should check for Carbon Monoxide at the same time?”*



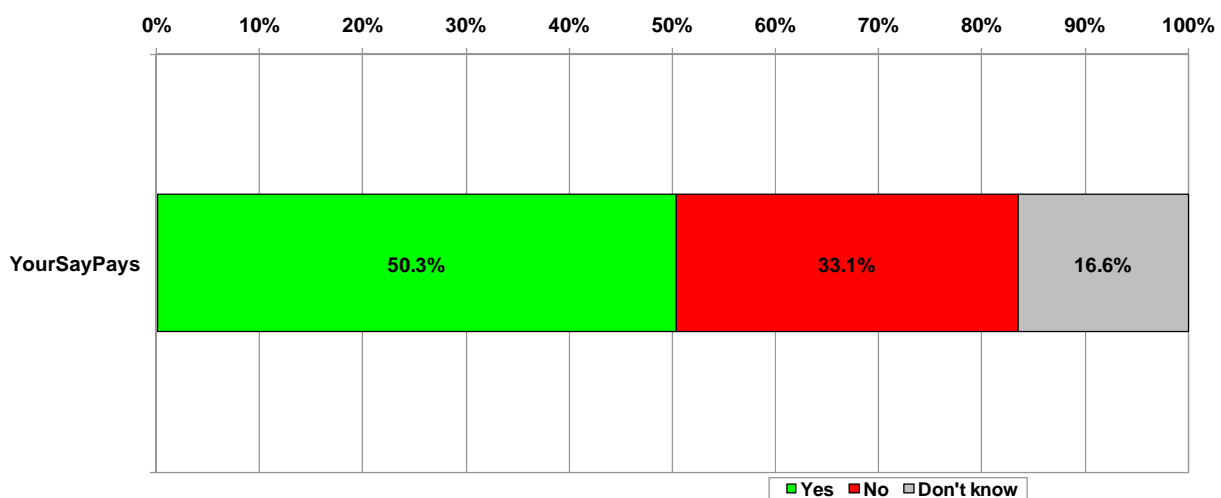
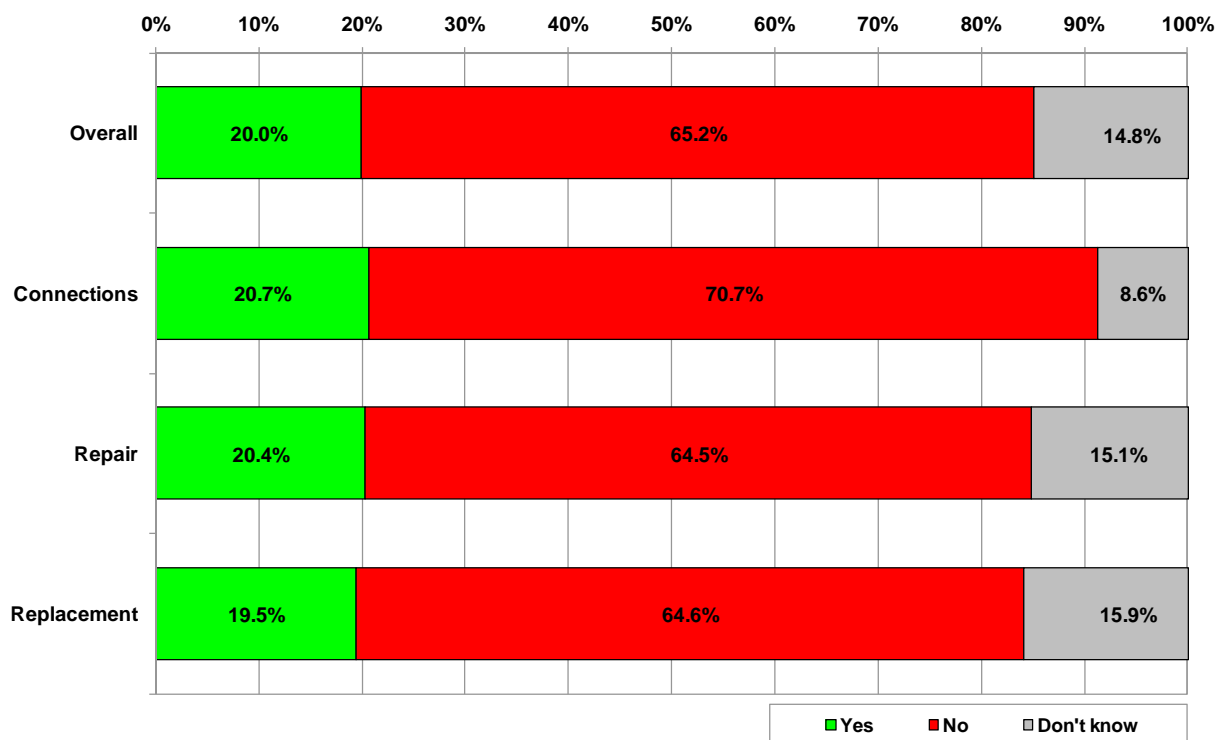
Frequencies	Yes	No	Don't know
Overall	459	102	39
Connections	42	13	3
Repair	208	46	11
Replacement	209	43	25
YourSayPays	622	154	112

*“Do you believe Northern Gas Networks should do more for the communities we live in?”*



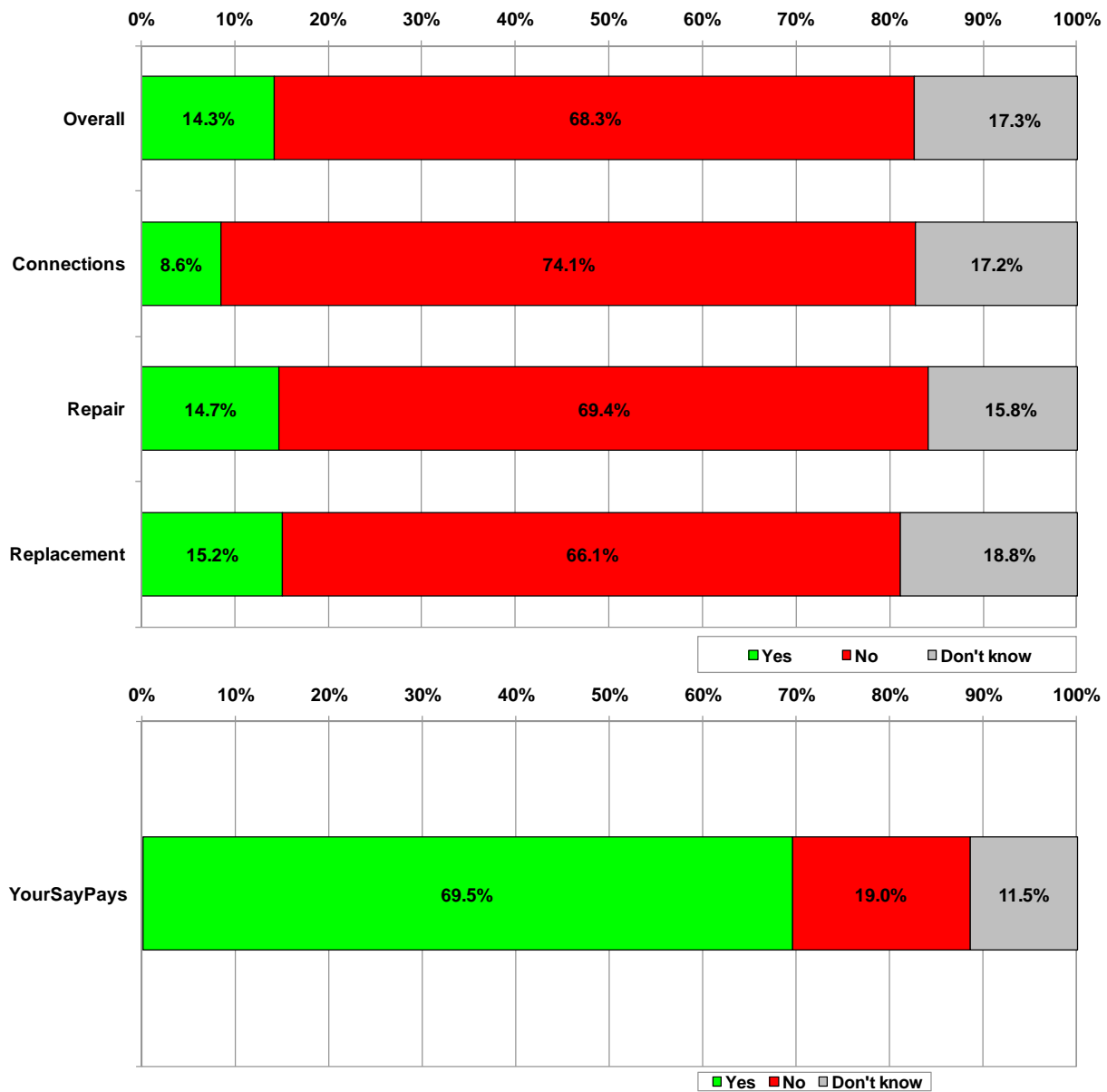
<b>Frequencies</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Overall	235	198	167
Connections	23	20	15
Repair	110	73	82
Replacement	102	105	70
YourSayPays	395	345	148

*“Within our network we have 44 gas holders (the big cylinders that can be seen around the big towns/ cities in our network). Do you find them an eyesore?”*



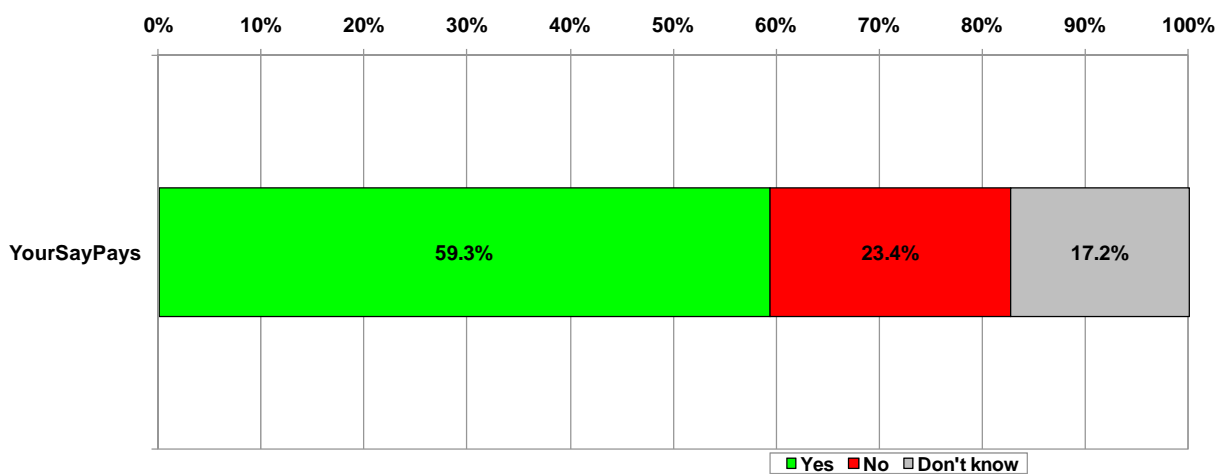
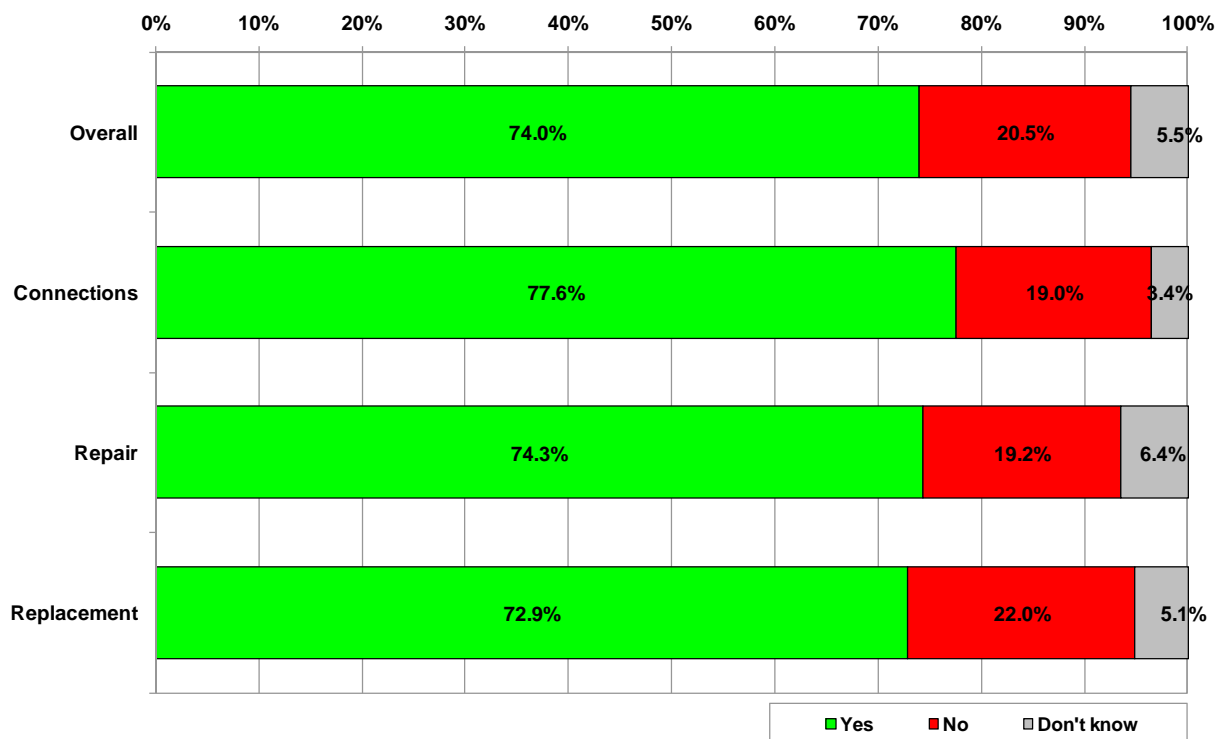
<u>Frequencies</u>	Yes	No	Don't know
Overall	120	391	89
Connections	12	41	5
Repair	54	171	40
Replacement	54	179	44
YourSayPays	447	294	147

*“If we demolish them, the cost will have an impact on your gas bill. Should we demolish them?”*



Frequencies	Yes	No	Don't know
Overall	86	410	104
Connections	5	43	10
Repair	39	184	42
Replacement	42	183	52
YourSayPays	617	169	102

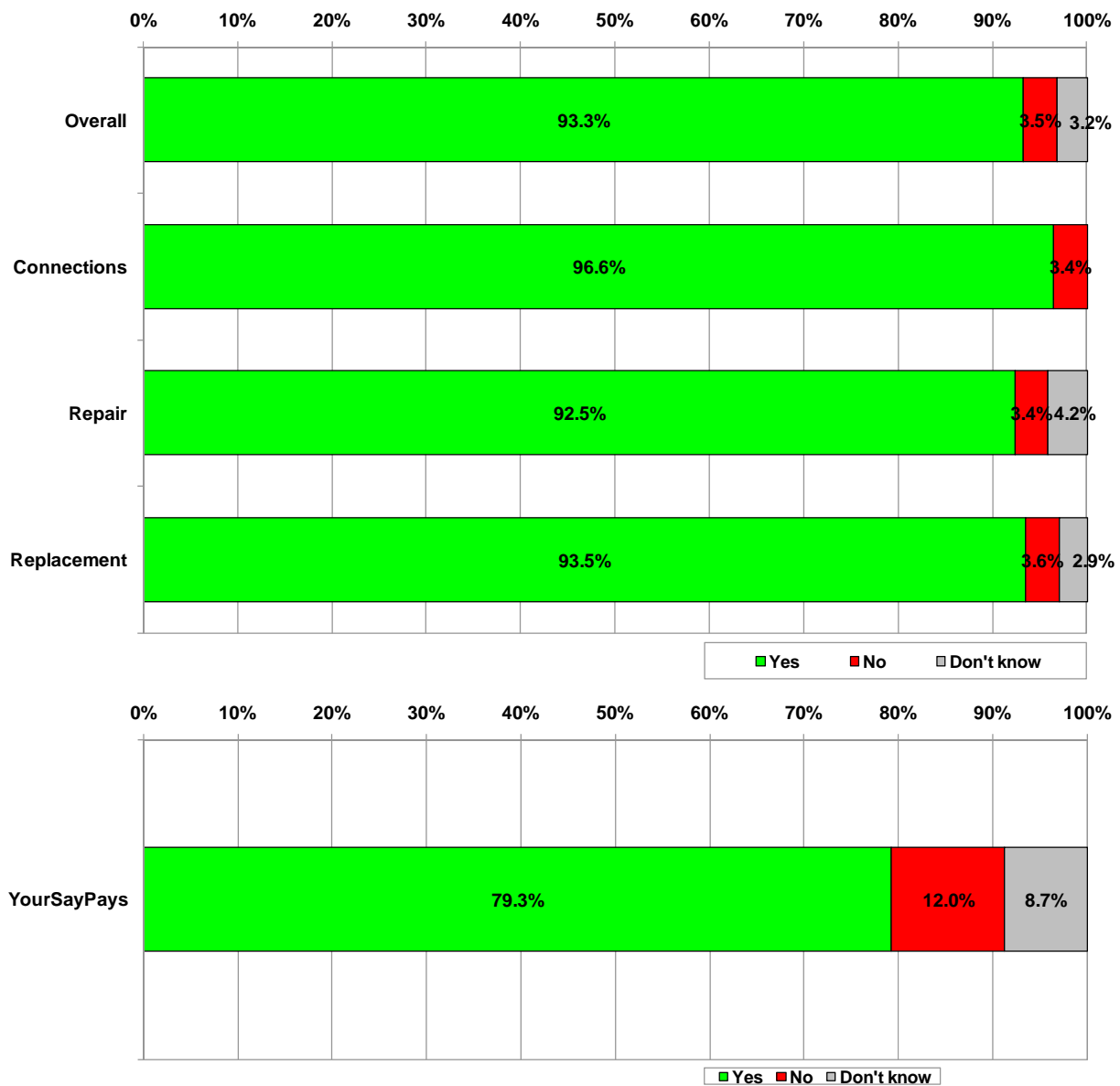
*“Would it be a good idea for Northern Gas Networks to visit schools to inform children how our business works?”*



<u>Frequencies</u>	Yes	No	Don't know
Overall	444	123	33
Connections	45	11	2
Repair	197	51	17
Replacement	202	61	14
YourSayPays	527	208	153



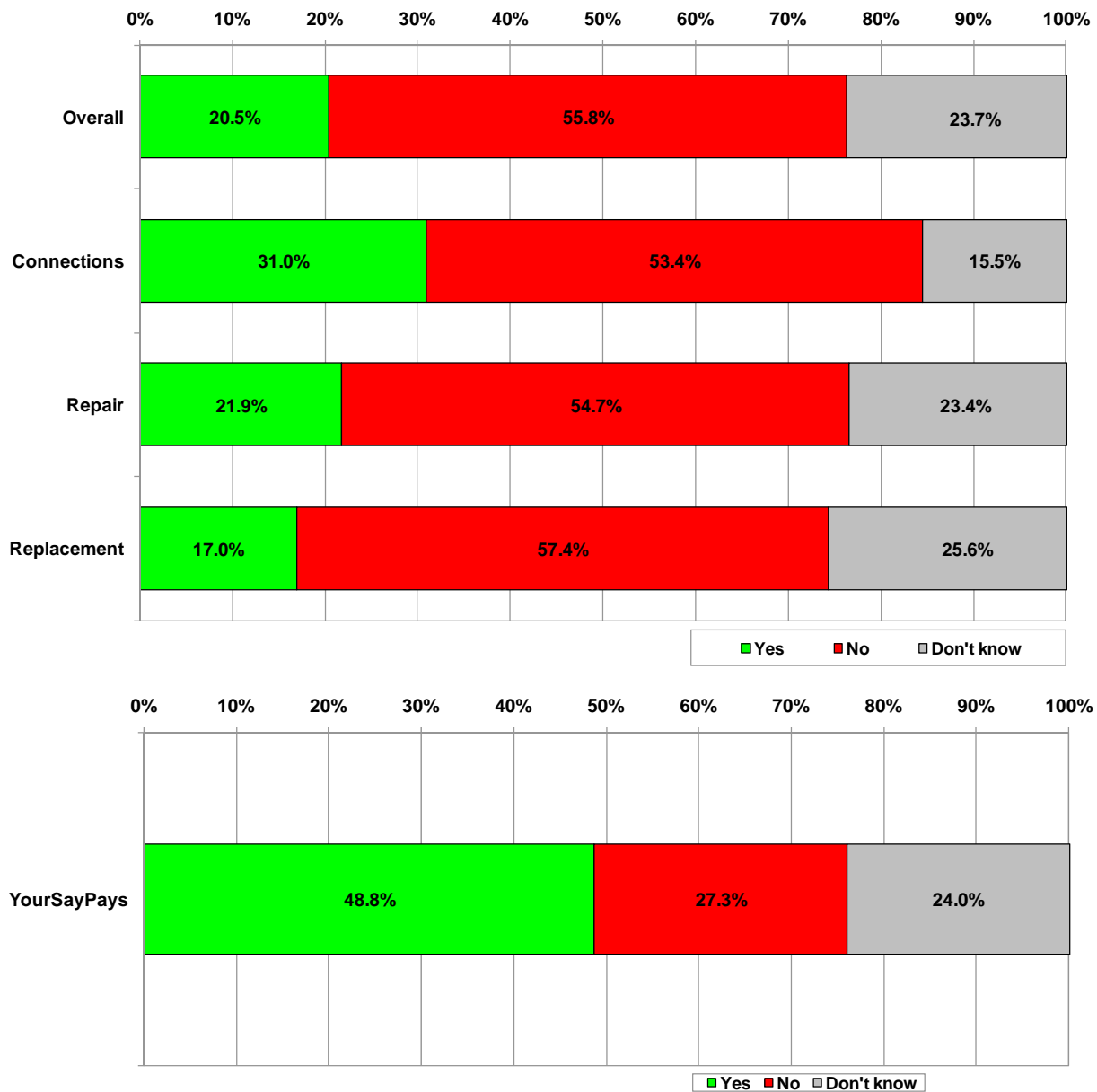
*“Northern Gas Networks is working with government funding to extend the gas pipeline network to give gas supplies to deprived areas in our network. Should we continue with this policy?”*



Frequencies	Yes	No	Don't know
Overall	560	21	19
Connections	56	2	0
Repair	245	9	11
Replacement	259	10	8
YourSayPays	704	107	77

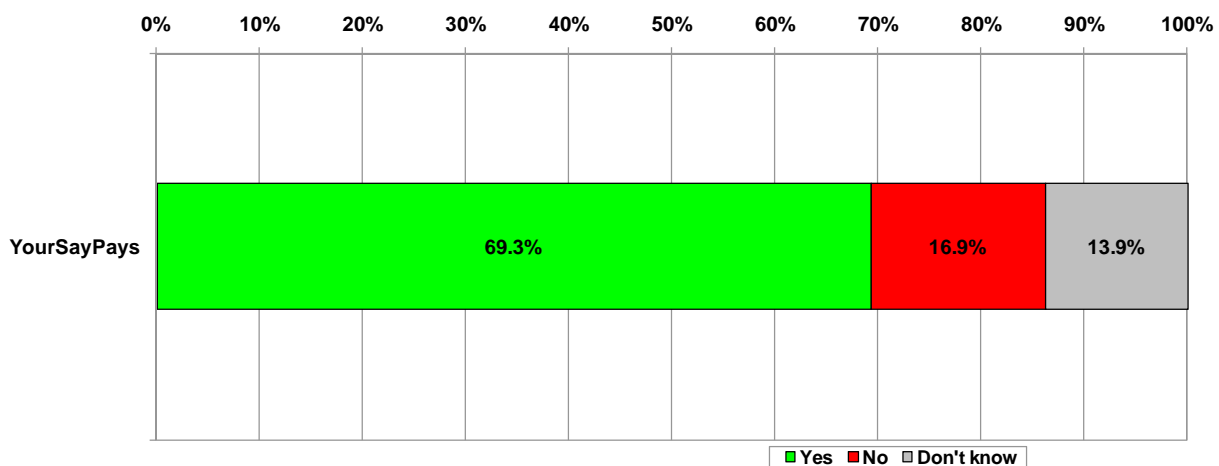
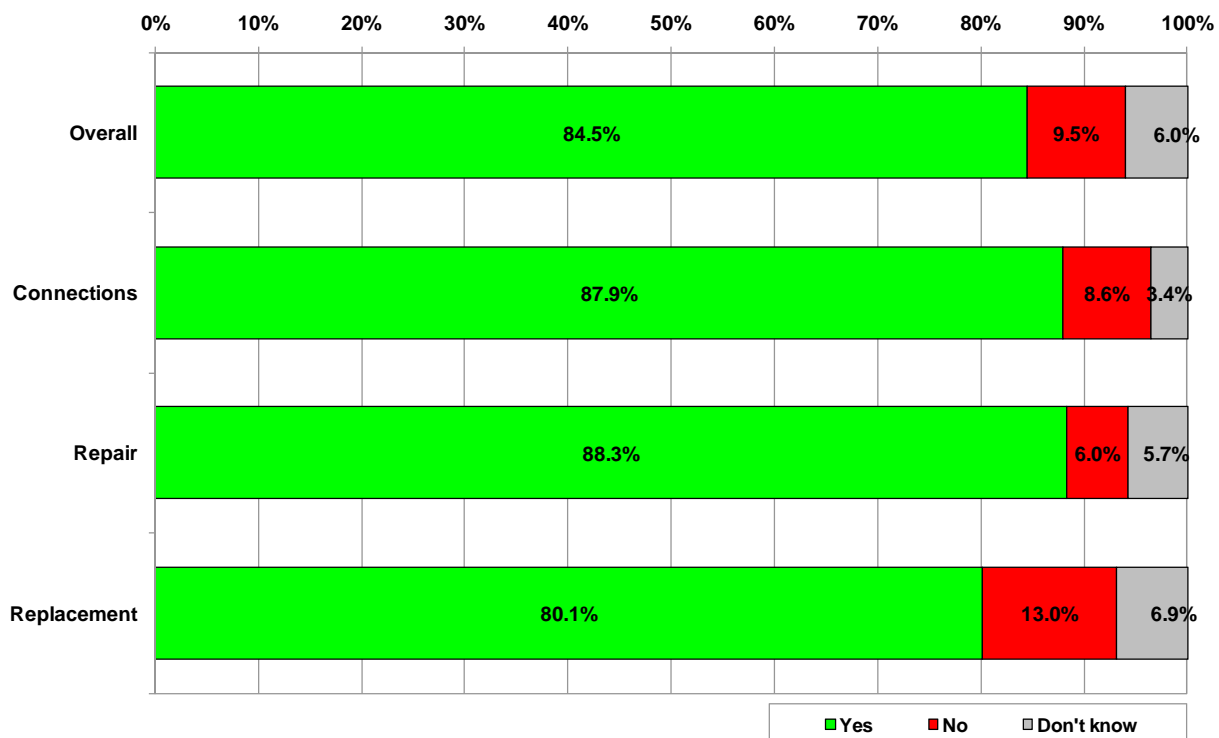
## 2.6 Network Reliability

*“Northern Gas Networks replaces more than 500km of mains gas pipe every year. Is there anything we could do to reduce disruption and inconvenience when carrying out this essential work?”*



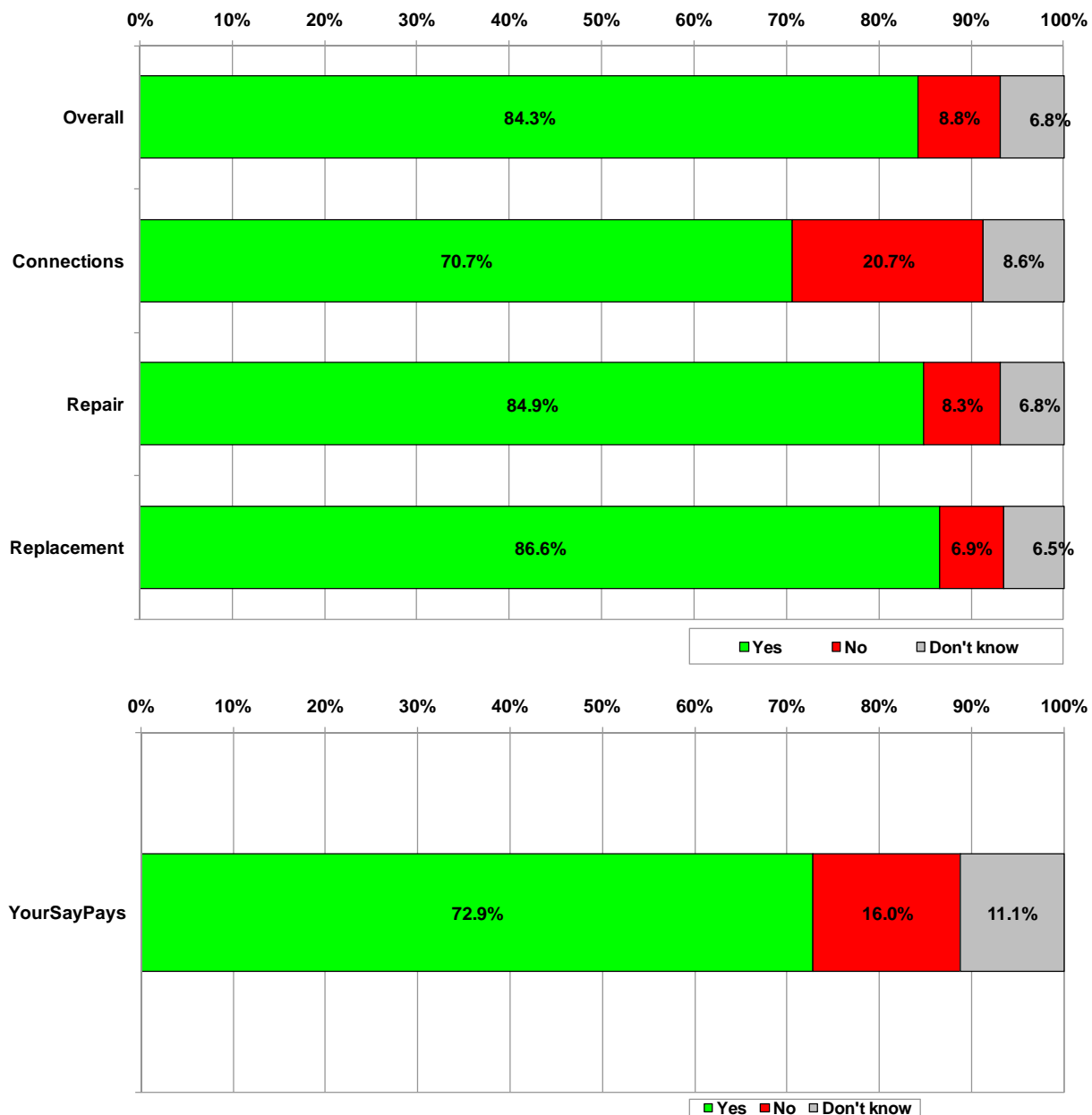
Frequencies	Yes	No	Don't know
Overall	123	335	142
Connections	18	31	9
Repair	58	145	62
Replacement	47	159	71
YourSayPays	433	242	213

*“If you smell gas at your property, we will attend within 1 hour if the escape is uncontrolled and 2 hrs if controlled (the smell of gas reduces when you turn off the emergency control valve). Do you think these timescales are adequate? Increasing the timescale will impact on the price you pay for gas.”*



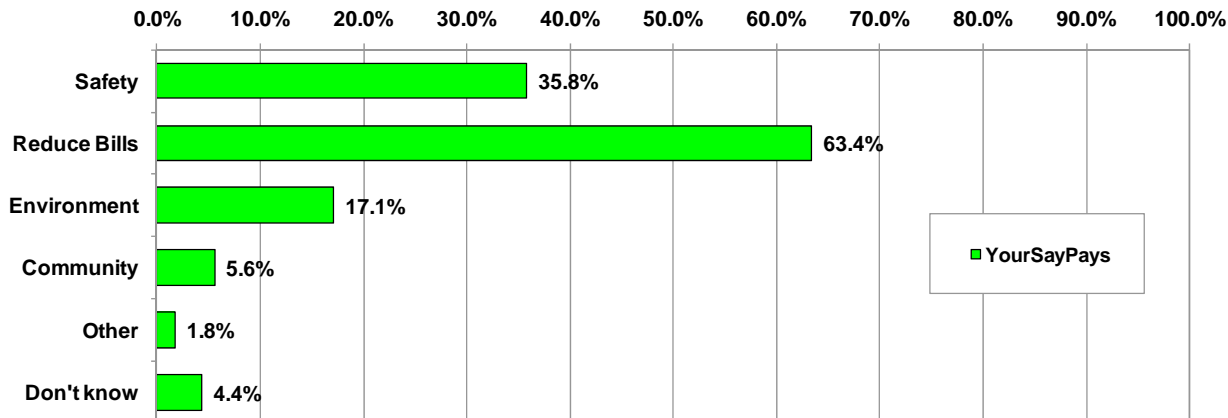
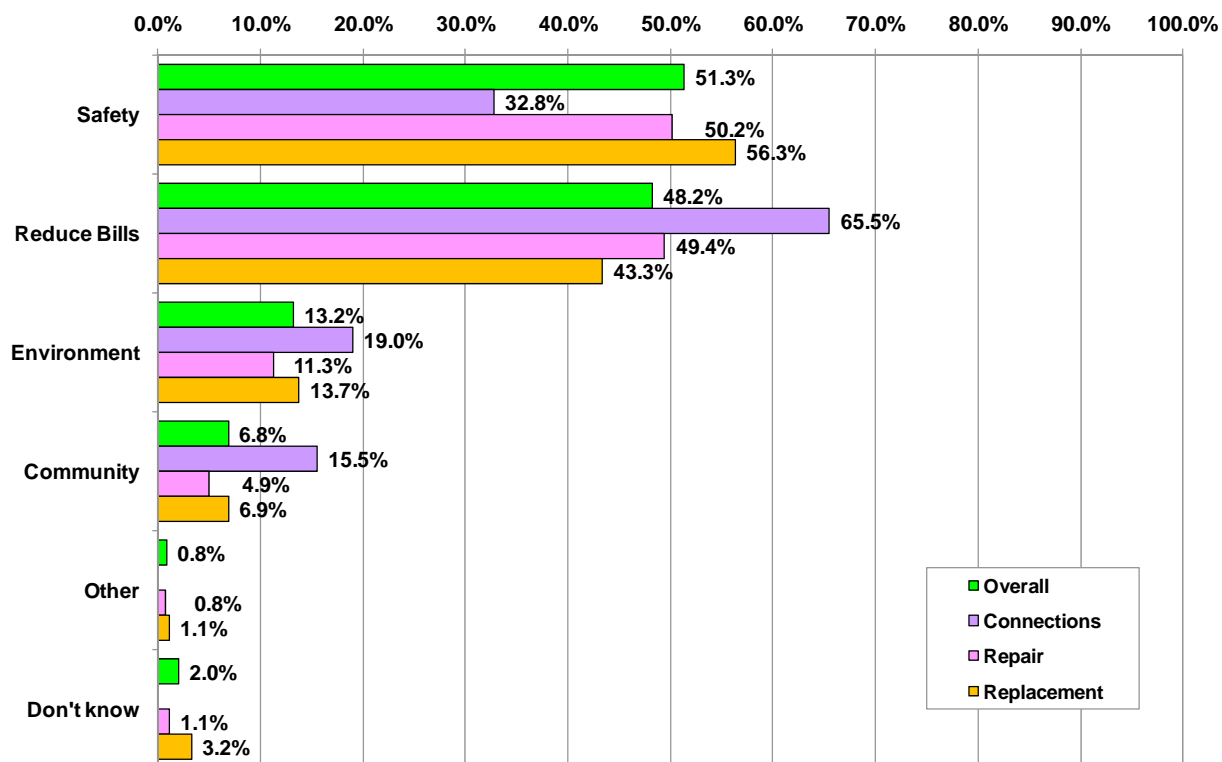
<b>Frequencies</b>	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Overall	507	57	36
Connections	51	5	2
Repair	234	16	15
Replacement	222	36	19
YourSayPays	615	150	123

*“Northern Gas Networks has developed the gas network to meet the maximum demand of a one in twenty bad winter. We have experienced severe weather increasing in recent years – should this policy be reviewed to cope with higher demands?”*



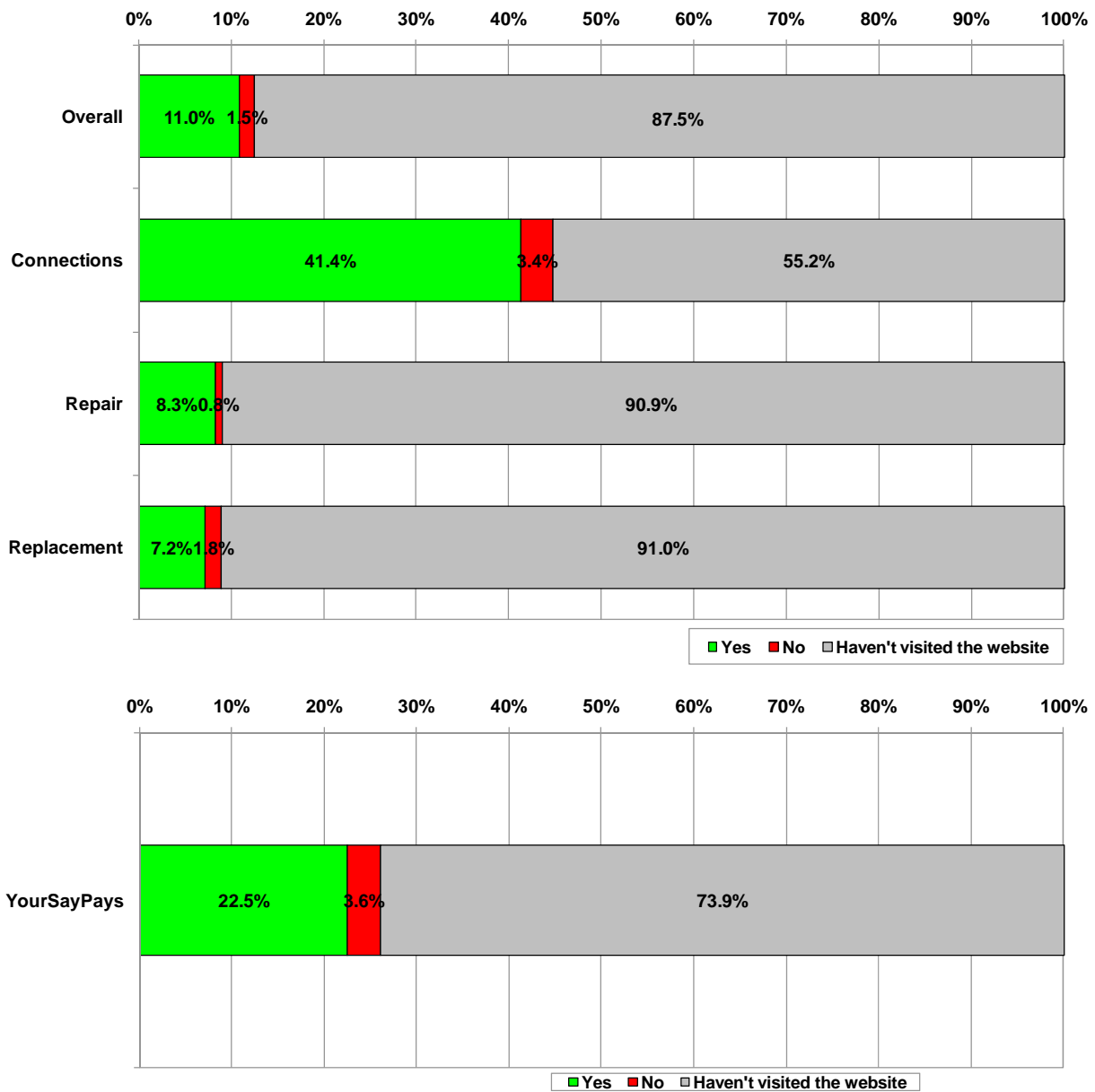
<u>Frequencies</u>	Yes	No	Don't know
Overall	506	53	41
Connections	41	12	5
Repair	225	22	18
Replacement	240	19	18
YourSayPays	647	142	99

*“If we had an extra £100 per head to spend, should we spend it on safety, the environment, community projects or reduce bills?” (Respondents could select more than one option)*



Frequencies	Safety	Reduce Bills	Environment	Community	Other	Don't know
Overall	308	289	79	41	5	12
Connections	19	38	11	9	0	0
Repair	133	131	30	13	2	3
Replacement	156	120	38	19	3	9
YourSayPays	318	563	152	50	16	39

*“Do you find the Northern Gas Networks website easy to use?”*



<u>Frequencies</u>	Yes	No	Haven't visited the website
Overall	66	9	525
Connections	24	2	32
Repair	22	2	241
Replacement	20	5	252
YourSayPays	184	29	603

**A5d Level One Stakeholder Engagement Follow-Up Questions & Feedback**



# Northern Gas Networks Survey 2011

Rachel Allen  
Gary Polzin

[www.leadershipfactor.com](http://www.leadershipfactor.com)



# Background

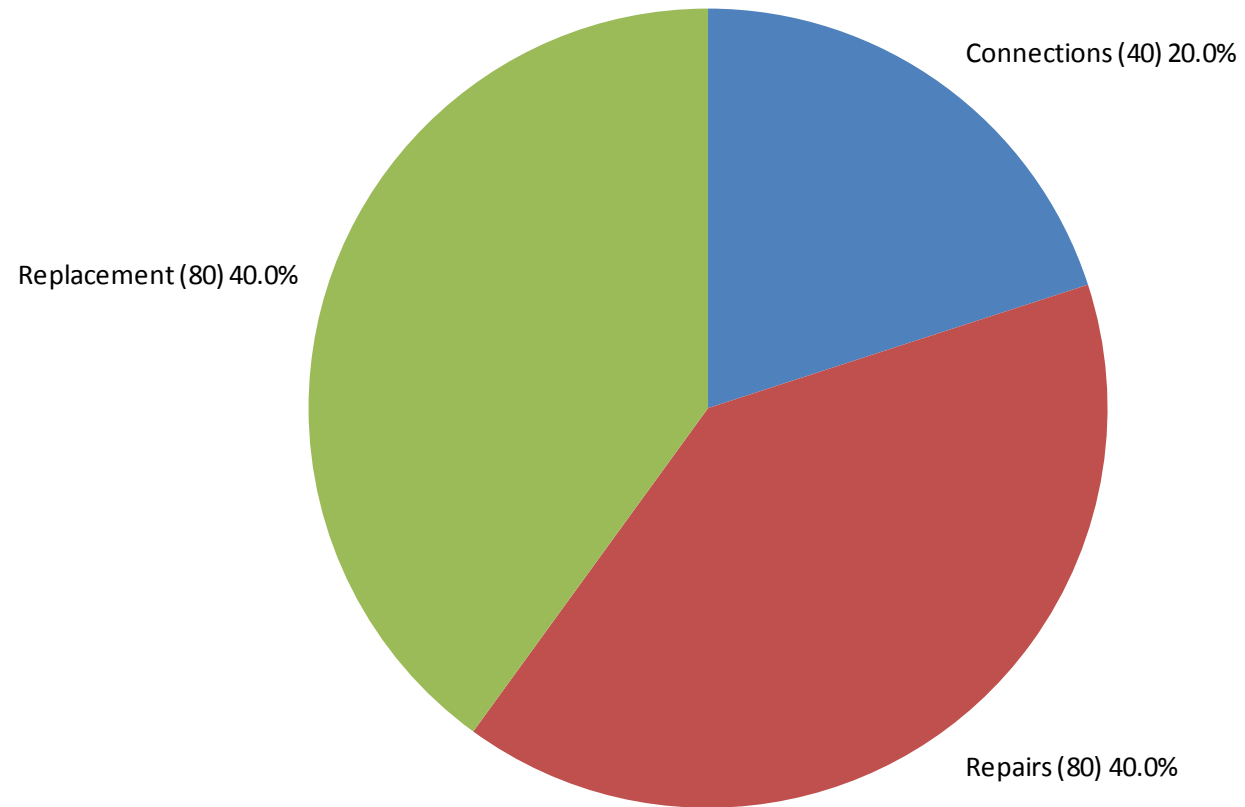
- Sample of 200 customers:
  - Telephoned between April and May 2011
  - Covered the full range of customer types
  - Sufficiently large sample to minimise sampling errors

# Who we interviewed

[www.leadershipfactor.com](http://www.leadershipfactor.com)



# Customer Type

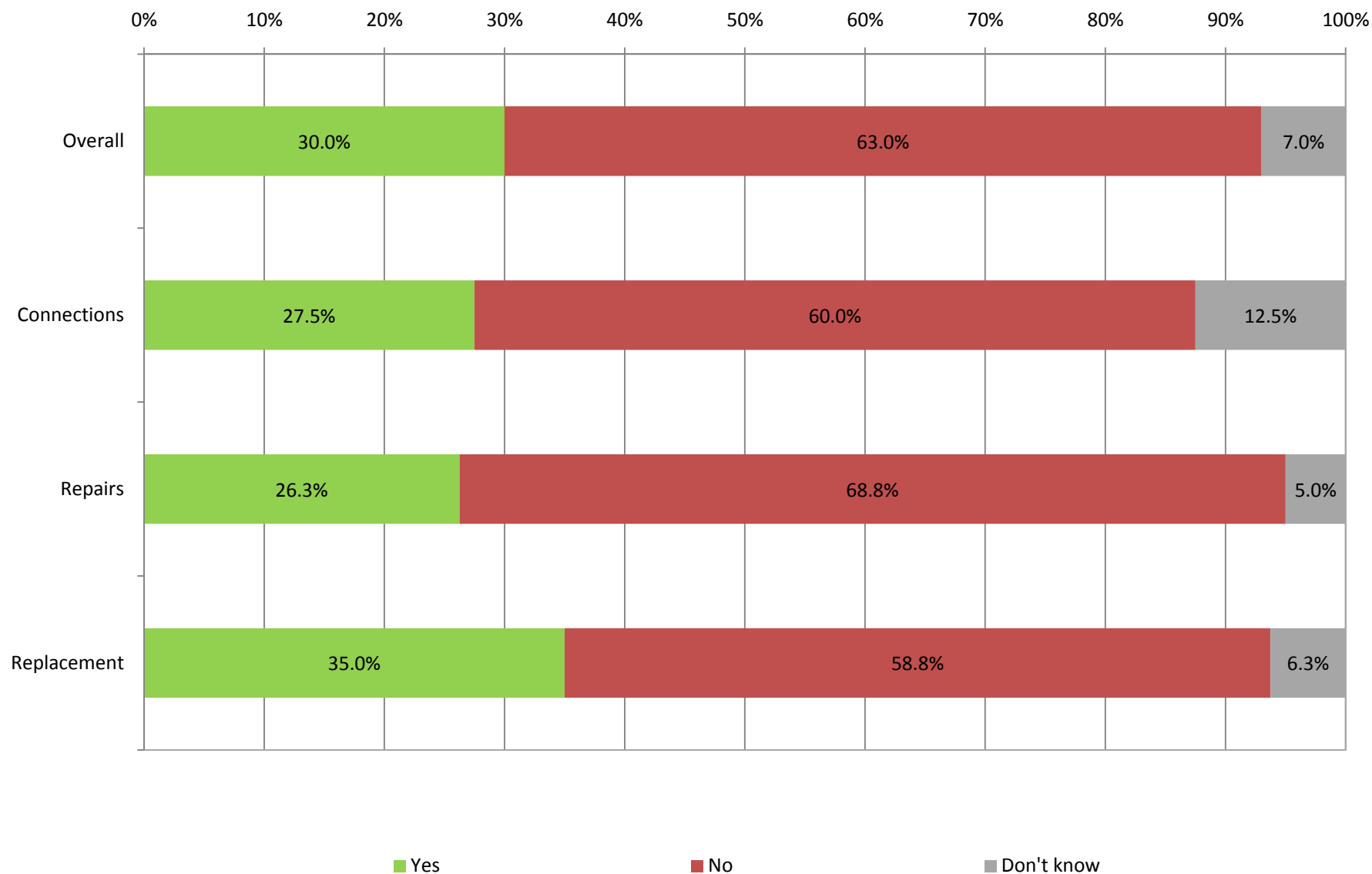


# Results

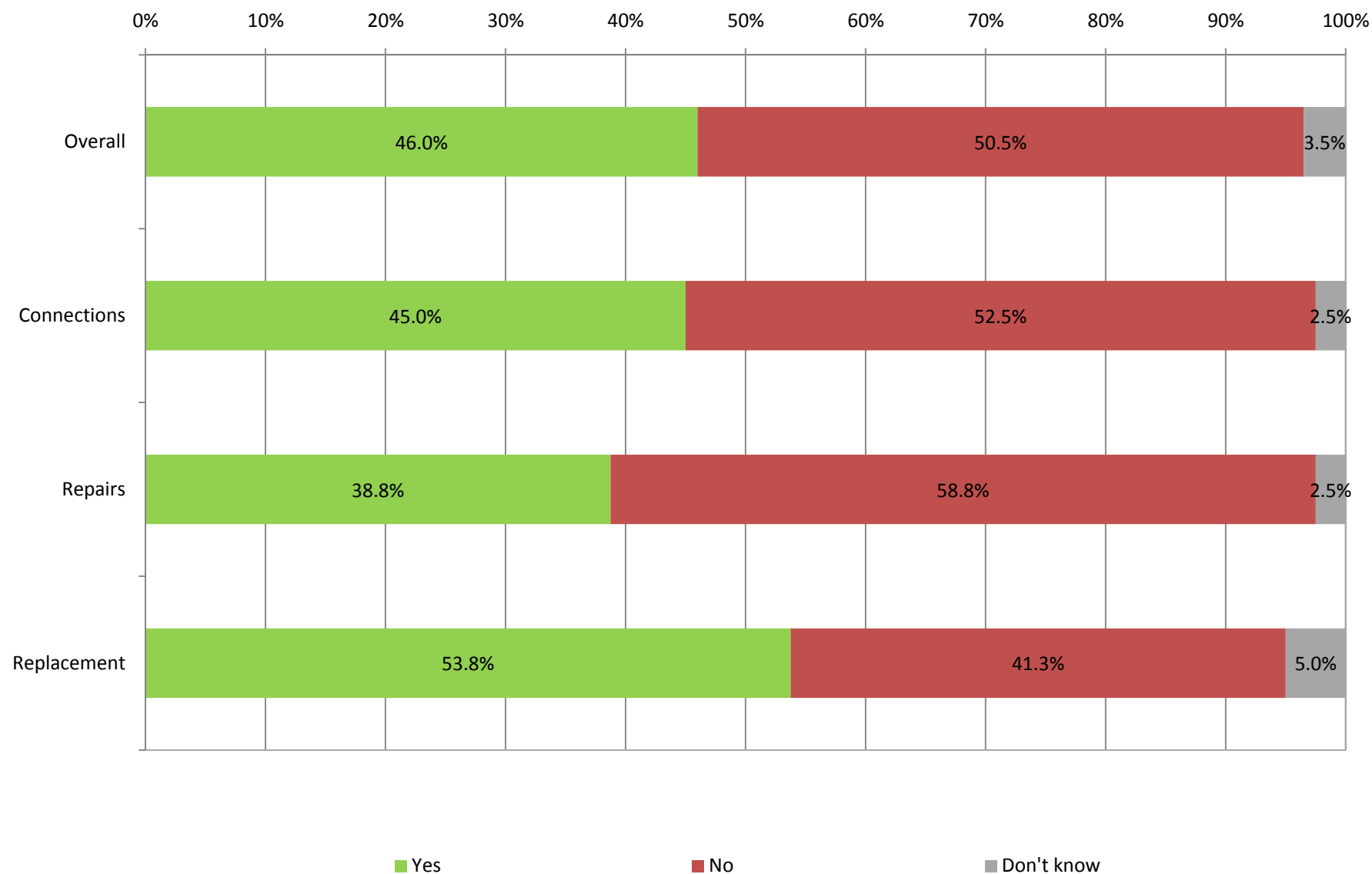
[www.leadershipfactor.com](http://www.leadershipfactor.com)



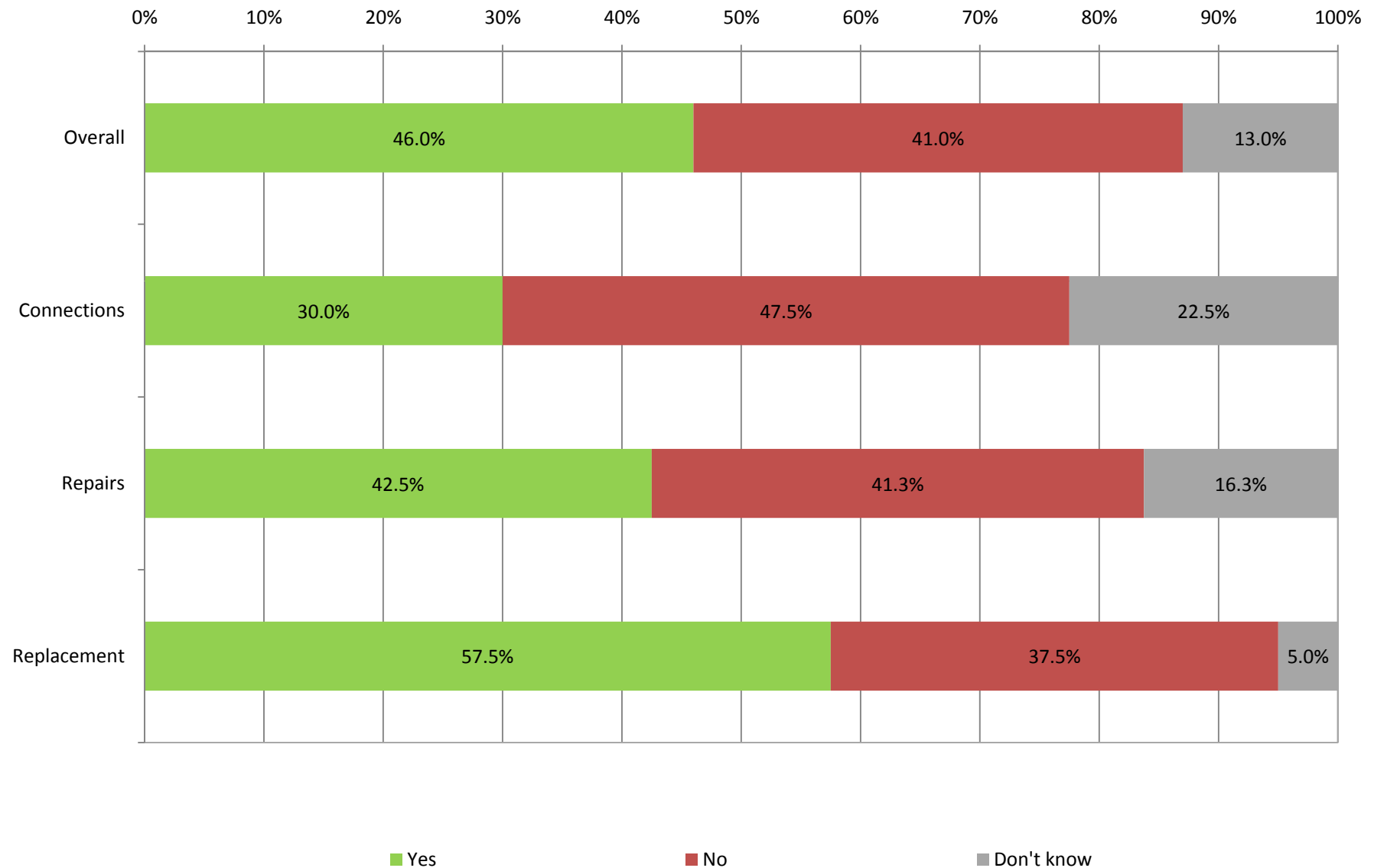
For us to fill all our holes in the day after we complete our works will cost £8 per year for everybody's gas bill (based on an average bill). Would you be happy to pay this extra cost for this service?



For us to fill all our holes in two days after we complete our works it will cost an extra £2.70 per year for everybody's bill - Would you be happy to pay this extra cost?

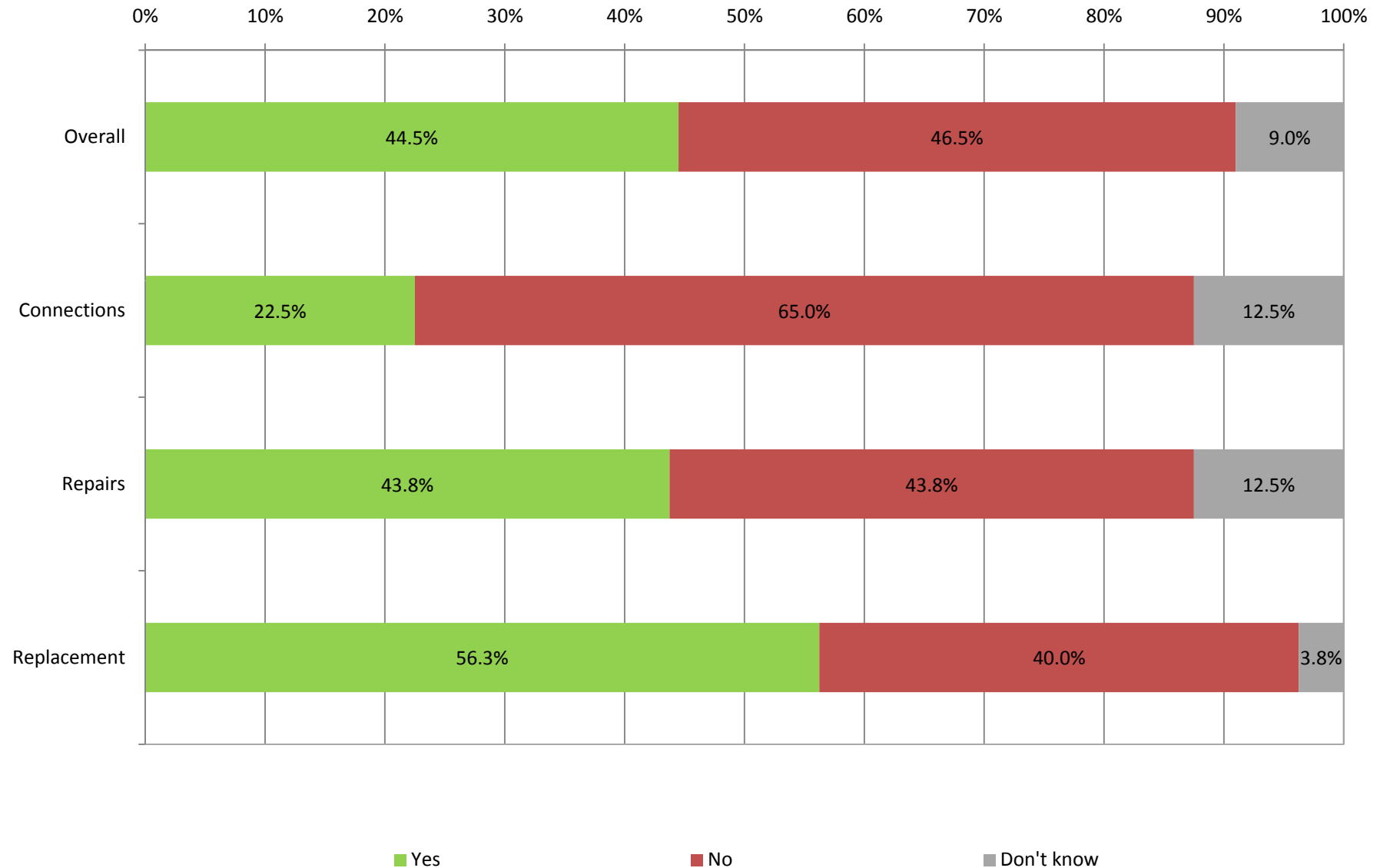


To demolish all Gas Holders would add an extra 48p per year on your gas bill.  
Would you be happy to pay this to remove all the gas holders in our network?

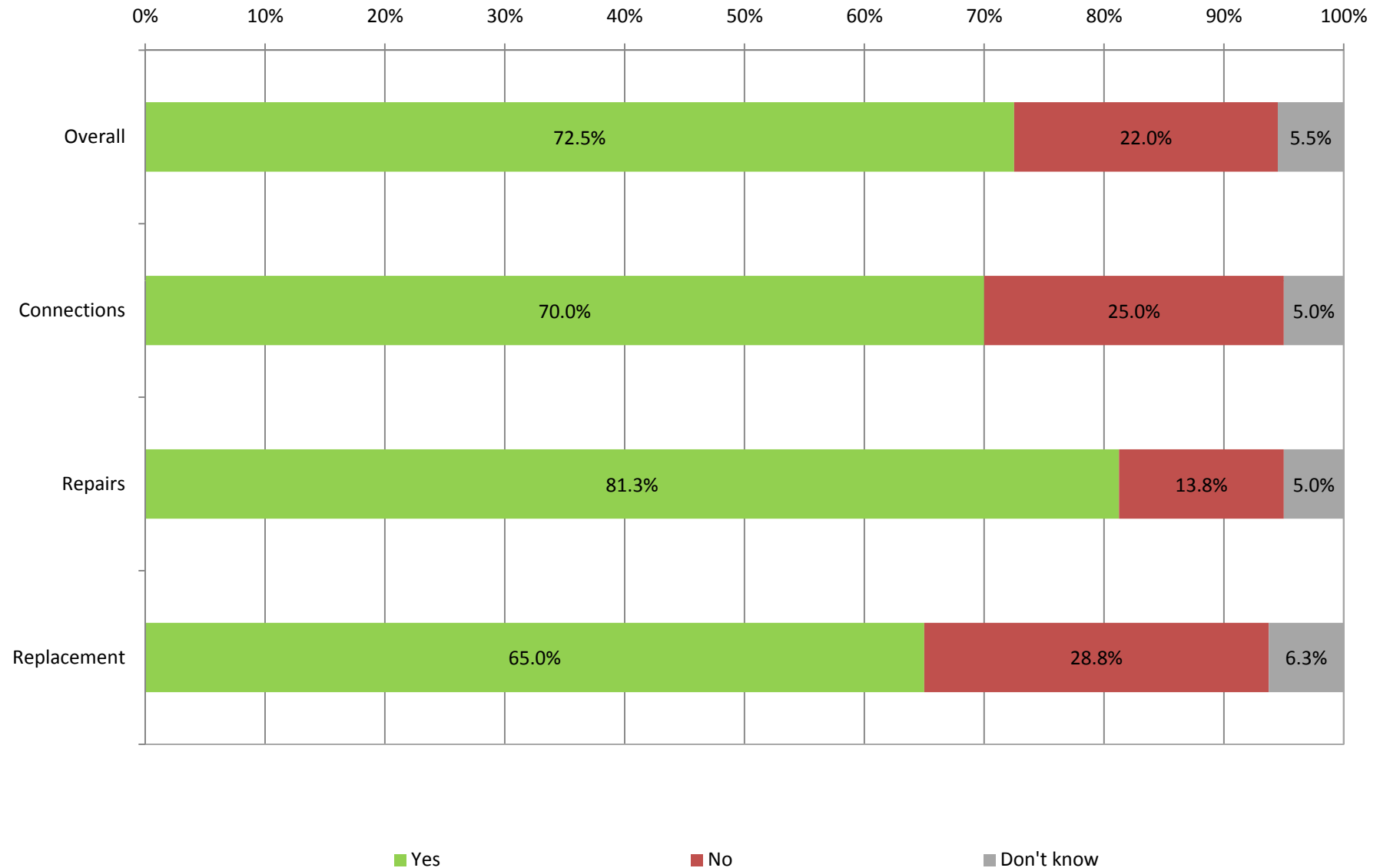




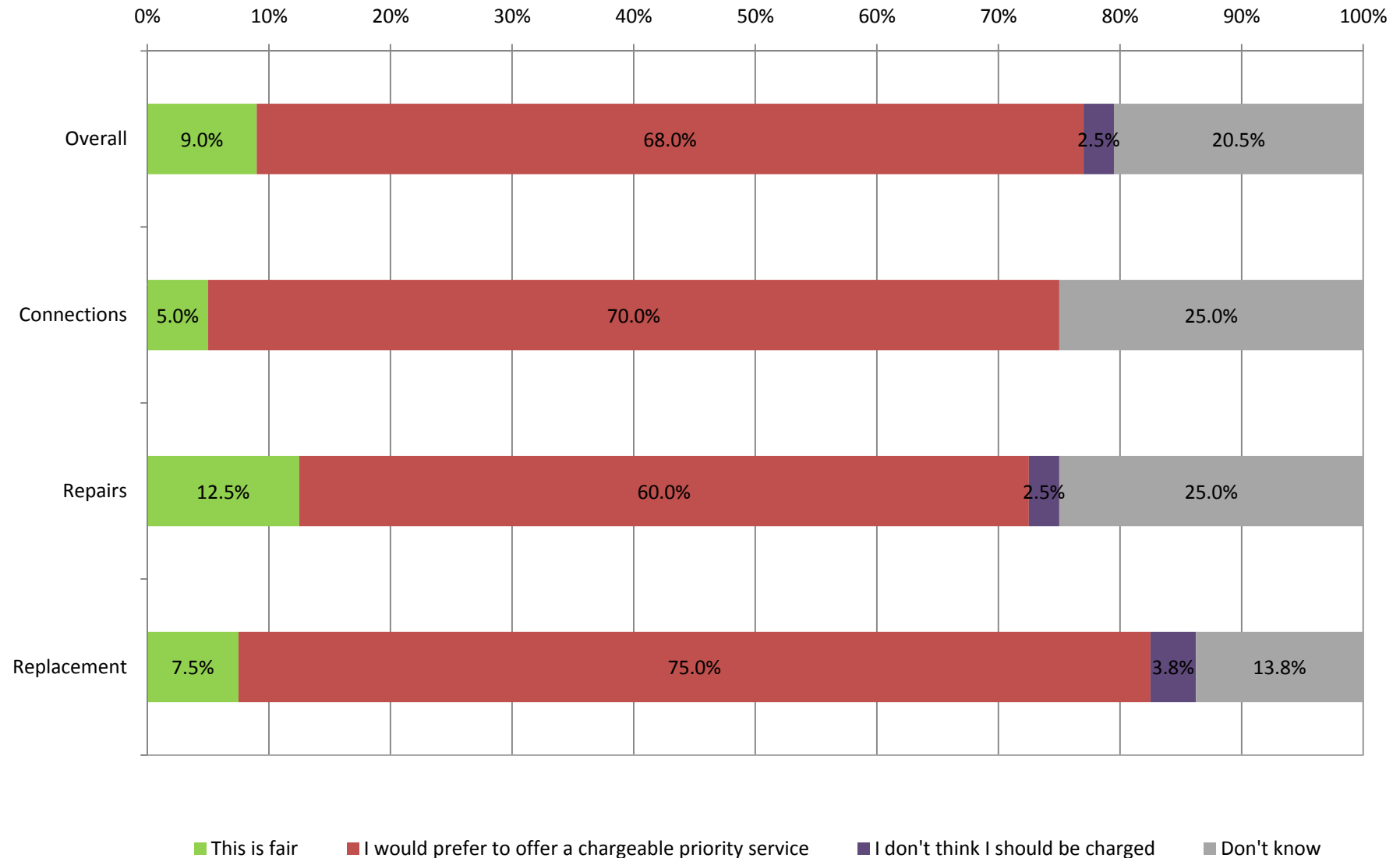
To regenerate the land following the demolition of the holder would cost an extra £1.48 per year. Would you be happy to pay for this?



When a customer requests a new gas supply our present standard is to ring up the customer within 20 days of payment being made to arrange a date. If we were to reduce this standard to 5 days it would cost an extra 10p per job – Does this seem acceptable to you?



If we were to guarantee a new supply would actually be completed within 20 days of payment being made. The cost of every job would rise by £97. Is this fair or would you like us to offer a chargeable priority service to customers who require an urgent supply?



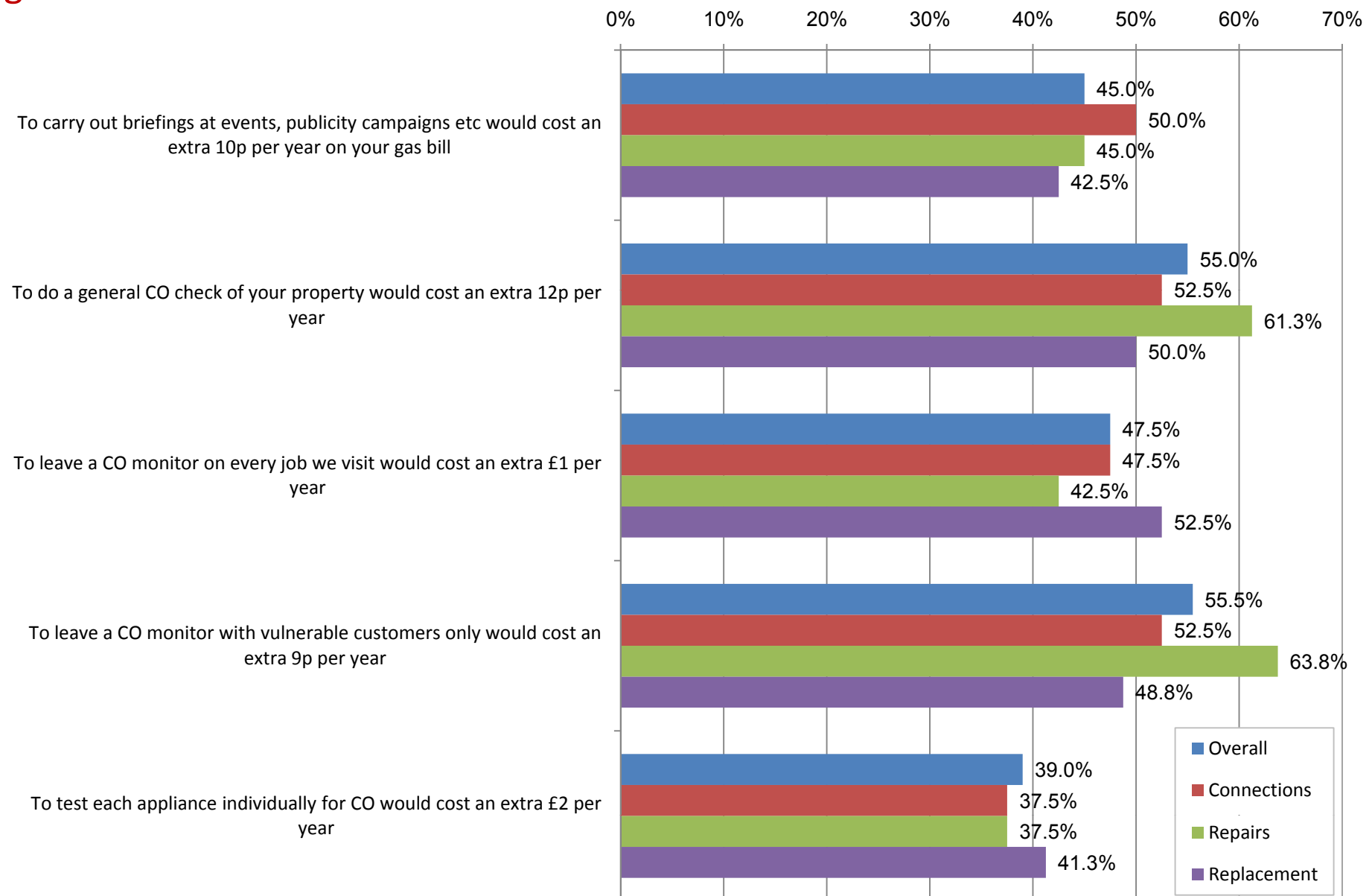
At present if we are working at your property and there is a fault on your appliance we will isolate your supply and you will need to get a GAS SAFE plumber to carry out a repair and relight all your appliances. If we were to offer a service that ensured all vulnerable customers were not left without gas it would cost an extra 16p per year on your bill – Would you be happy to pay this?



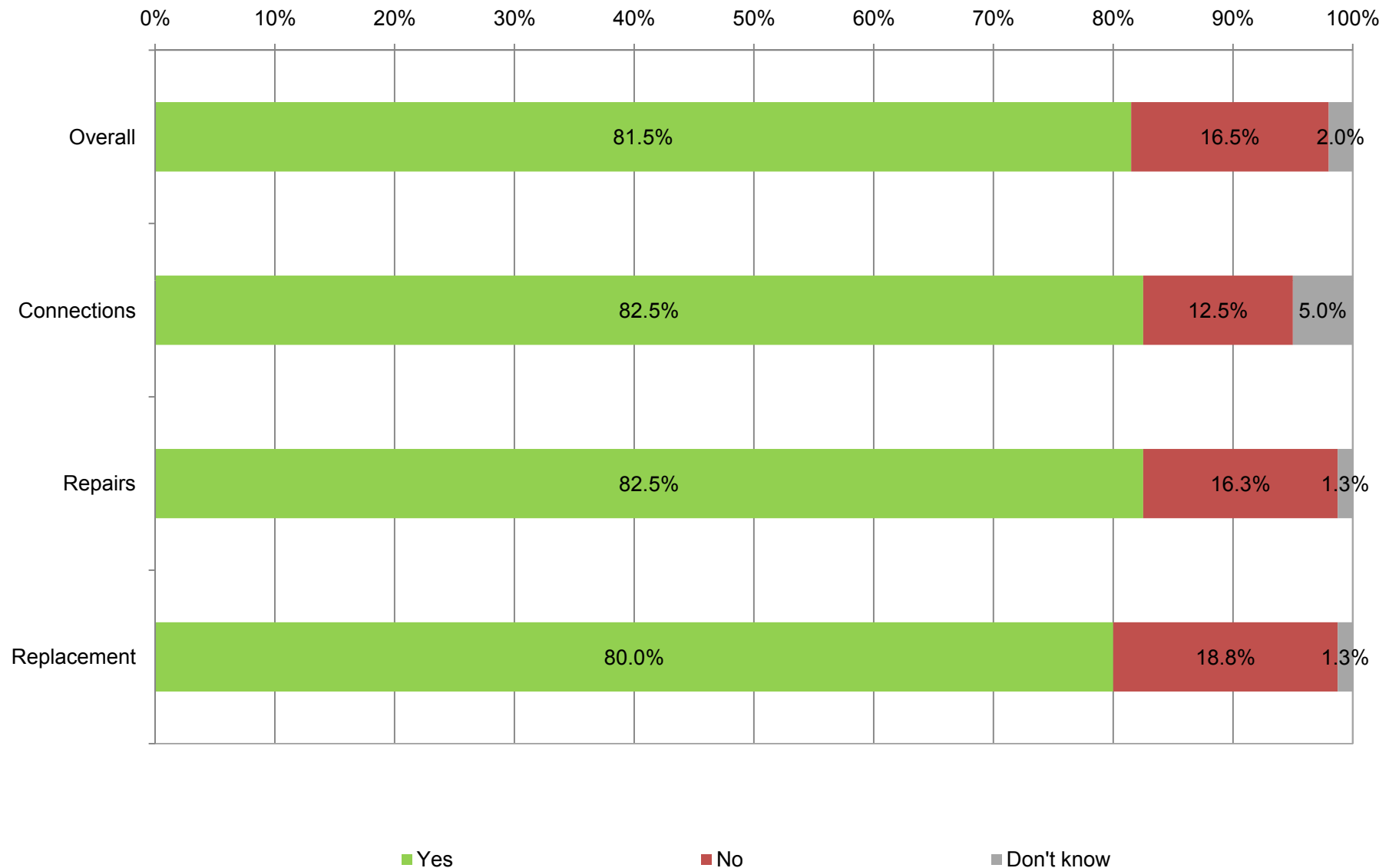
At present we have teams that work outside laying mains and supplies to properties and a separate man is then required to attend to do the inside work. It is possible to train our engineering staff to do the internal work as well which will save a lot of time for the customer to have their gas supply working again. This will cost an extra £1.12 per year for every customer. Would you be happy to pay this?



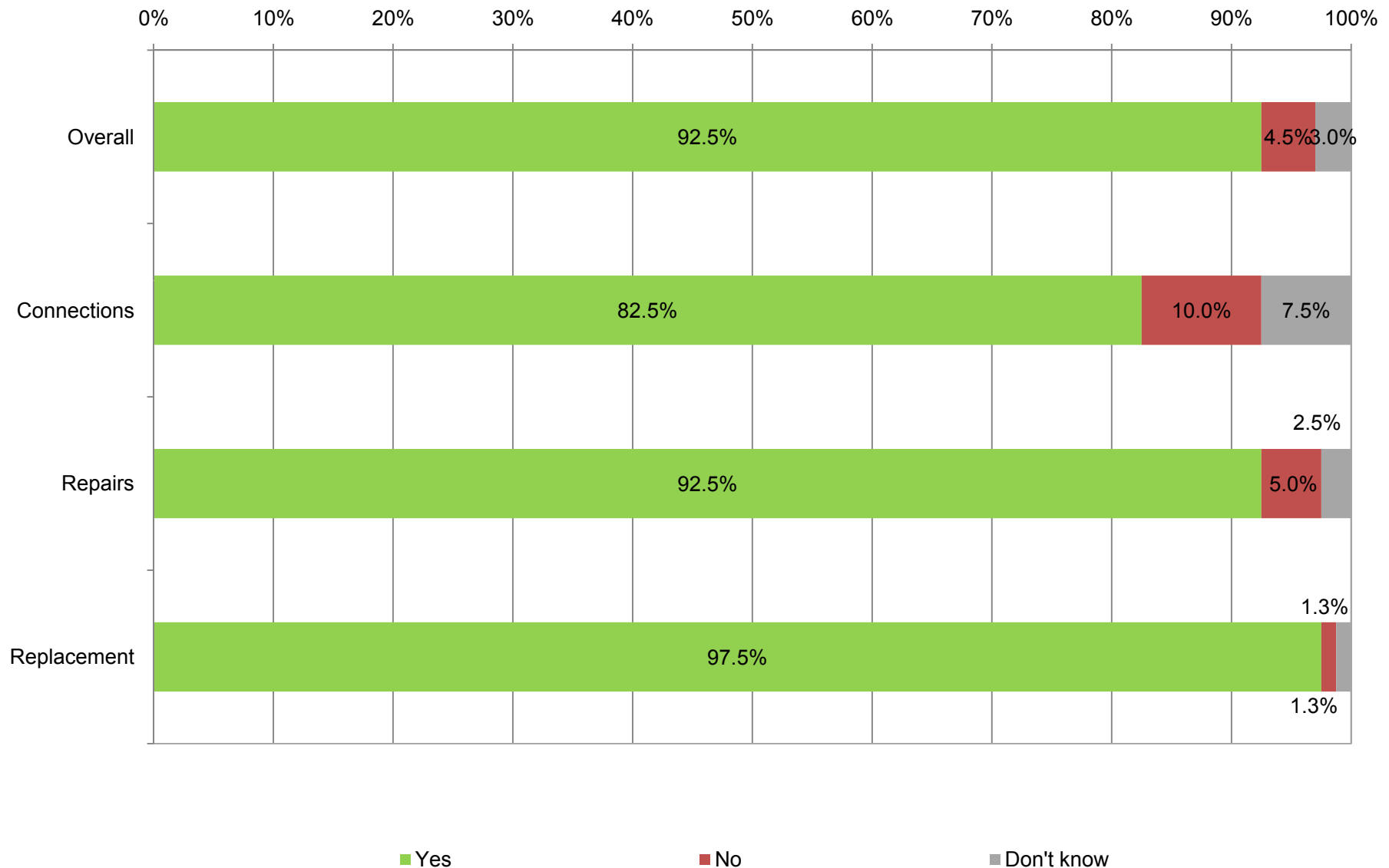
At present when we are working in your property, we only carry out a visual check of appliances for presence of Carbon Monoxide .Potentially Northern Gas Networks could do more. Which option / options, if any do you think we should go for?



If you smell gas inside your house and after turning your gas valve off the smell seems to have gone, we will attend within 2 hours of your call. Would you be happy waiting 2 hours for our Engineer to arrive?

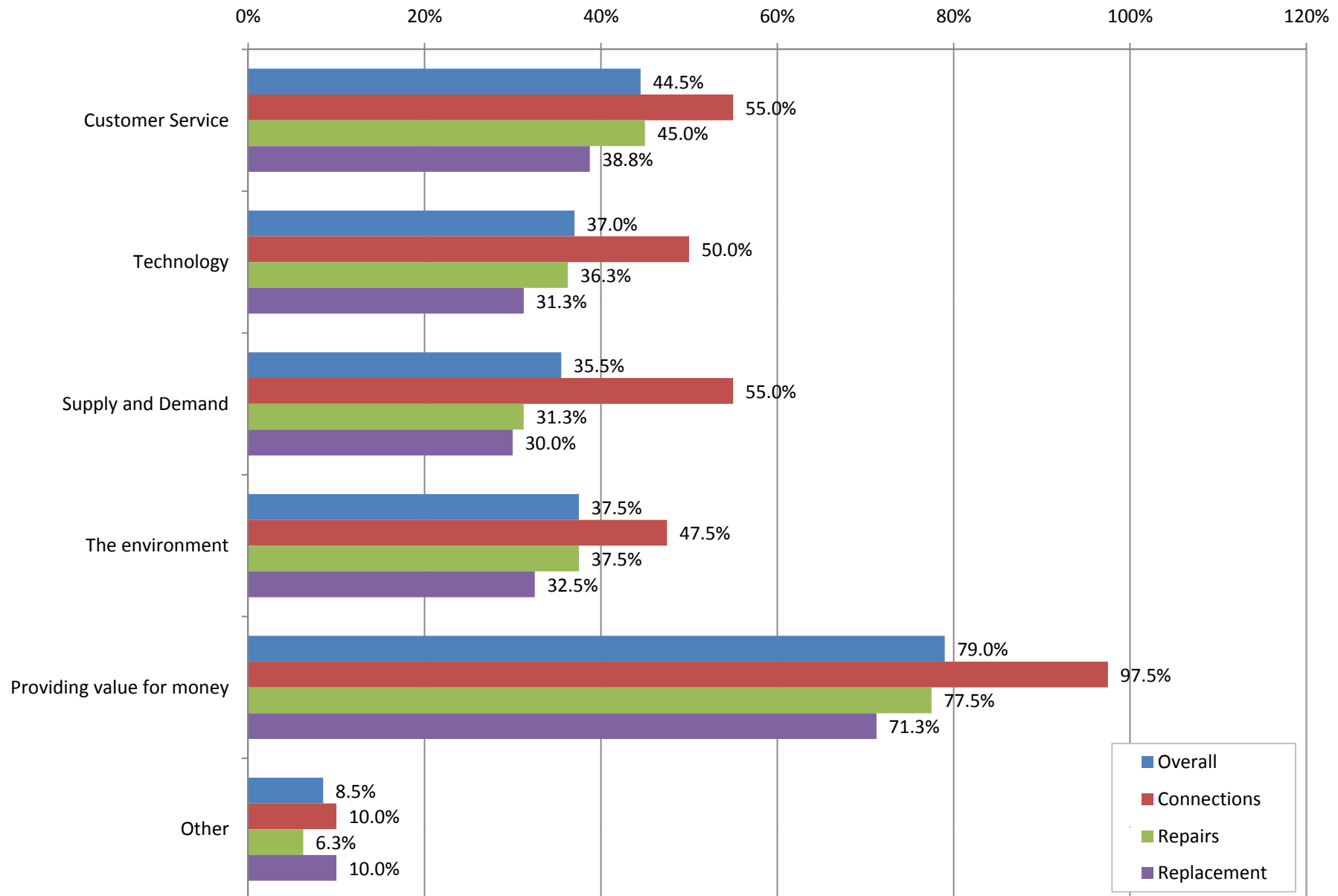


There is an expectation that gas supply is reliable, with a continuous and uninterrupted service to consumers' homes. Do you think we provide a reliable service to you?





Northern Gas Networks believes it is important to look ahead and innovate. In what areas should we focus our efforts?



**A5E Level Two Stakeholder Panel Presentation 1**



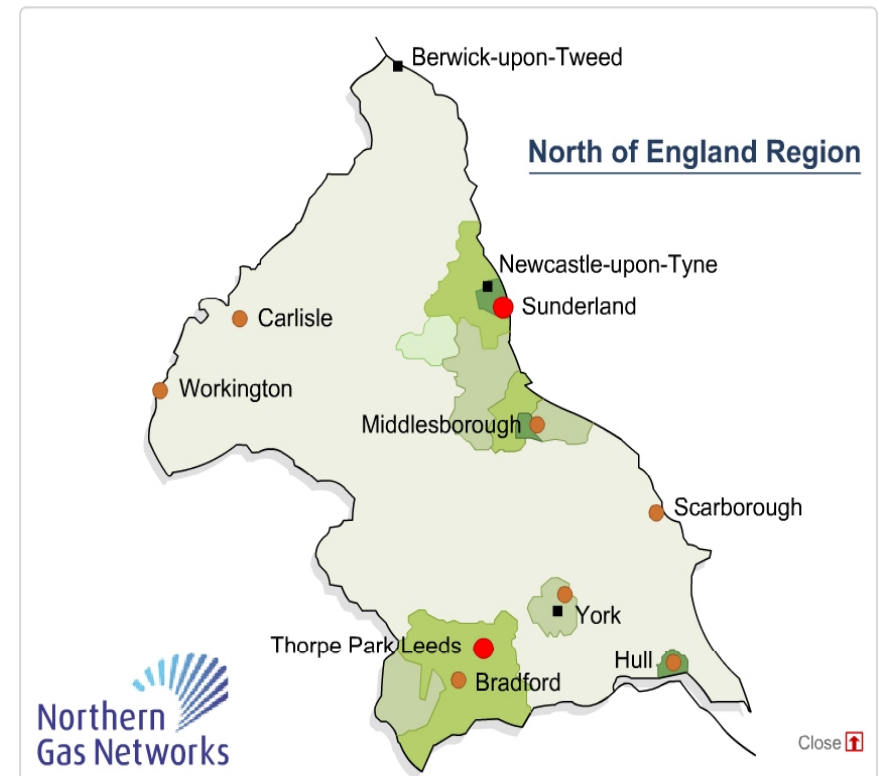
Your views  
matter

# Stakeholder Engagement

**John O Grady – Communications Director**

# Key Facts

- Staff
  - 400 Office
  - 800 Field workers
- Services
  - 134 Intermediate pressure
  - 6,827 Medium pressure
  - 2,465,350 Low pressure
- Mains
  - 1,870km High pressure
  - 3,630km Medium pressure
  - 30,465km low pressure
- Storage
  - 48 gas holders on 34 sites
  - 5 High pressure storage sites



# Asset Profiles

- 23 Offtake Stations (NTS to NGN System)
- 310 Above Ground Installations (Valves/Filters)
- 5,500 Pressure Reduction Units (Governors)
- 2.6M service pipes
- 38 Storage Sites (Gas Holders/High Pressure Tanks)
- 35,000km pipes (55% PE, 45% Metallic)

# Our Team

- Our Structure
- Investment in People
- Our Contractors

# Works Summary

- Replacement Work / Year
  - Mains Replacement - 575km (63mm to 900mm)
  - Service Replacement - 30,000
  - Service Transfers - 20,000
  - Mains Diversions - 20km
- New Pipe work / Year
  - Governors -50 Units
  - Network Reinforcement - 25km
  - Connections - 38km Mains 10,000 Services
- Maintenance Work
  - Emergency Reports - 130,000
  - Total Actioned Repairs - 28,000 (Mains and Services)
  - Disconnections/Reconnections – 7,500
  - Routine Maintenance Jobs - 16,373
  - Non-Routine Maintenance Jobs - 12,858



# Challenges 2011

- Customer service, workforce efficiency and safety improvements
- Interruption reform and extension of the network to alleviate “fuel poverty”
- Addressing environmental concerns
- Outperform regulatory allowances and maximise incentives and rewards
- Reduce costs

# Conclusion

“The challenge is to outperform the regulatory allowances while delivering on service standards and maintaining the integrity of the Network whilst continuously improving the efficiency and safety of our employees”





Your views  
matter

<http://ngnconsultation.co.uk>

# Ofgem Price Control Review

- RIIO Model
- Eight Year Timescale
- Business Plan

# Safety

- Mains Replacement
- Emergency Service
- Repair

# Environment

- Leakage
- Bio Methane
- Land Remediation
- Carbon Footprint

# Customer Satisfaction

- Customer Survey
- Complaints Handling
- Stakeholder Management

# Connections

- Exit Connections
- Entry Connections



# Social Obligations

- Gas Safety Awareness
- Fuel Poor

# Reliability

- Loss of Supply
- Network Capacity
- Records



**Your views  
matter**

<http://ngnconsultation.co.uk>

**A5F Level Two Stakeholder Panel presentation 2**



# Northern Gas Networks Stakeholder Engagement



Northern  
Gas Networks

# Overview



Your views  
matter

- Stakeholders Identified
  - Level 1 - MPs, Shippers, Suppliers
  - Level 2 - LAs, HAs, Material Suppliers, Businesses
  - Level 3 - General Public
  - 6 areas of focus for outputs:
    - Environment
    - Customer Satisfaction
    - Connections
    - Social Obligations
    - Network Safety
    - Network Reliability & Availability

# Done so far



- Web Portal live
- Stakeholder Booklet
- Video
- Telephone Surveys
- 121s
- Stakeholder Panels
- Customer Workshop
- Shipper visits
- Preliminarily suggestions identified and priced

Your views  
matter

# Doing now



Your views  
matter

- Stakeholder Panels
- Customer Workshop
- 121s
- Shipper visits
- Identify what we can bring into the business



# Doing prior to Business Plan



Your views  
matter

- Analyse Data Collected from Questionnaires
- Stakeholder Panels ( No 3 )
- Update questions
- Update Web Portal
- HA Workshop
- Utility Meeting (best practice)
- Vulnerable Persons Workshop
- Emergency Services Workshop

# Doing after Business Plan



Your views  
matter

- Stakeholder Panels
- Enhance Website
- Draft Stakeholder Plan for 2012
- Stakeholder events
- Brief Business on Progress
- Monitor Performance changes
- Drive in ideas as 'Business as Usual'

# Discussion Topics with Stakeholders Tiers 2 and 3



Your views matter

- Safety
  - Sites are untidy
  - Site Inductions need to be better
  - We should use Draughtsmen to ensure plans are correct.
  - Plans are not accurate enough
  - Signing of excavations is not good enough
  - We should attend all escapes within one hour
  
- Connections
  - We should make contact with all customers within 10 days
  - All work should be done within 20 days of acceptance
  - Applications should be available 'online'
  - Priority work carried out on an enhanced, chargeable basis
  - We should fit the meter when carrying out a new supply (or arrange it)
  - On an alteration we should carry out a 'One Stop Job'
  - Customers should be able to track work 'online'

# Discussion Topics with Stakeholders Tiers 2 and 3



Your views matter

- Social Obligations
  - Suppliers / NGN should pay for CO alarms for all gas users
  - Smart Metering should be Industry Driven
  - NGN should do more to make public aware of CO issues
  - A list of services for Vulnerable Customers should be available
  - More funding should be made available for 'Fuel Poor' work
  - Northern Gas Networks should carry out CO detection when working in properties
  
- Reliability
  - We should relay whole sections of main and not leave sections that leak
  - Gas Holders should be demolished
  - We should relay all our mains outside the winter months
  - Northern Gas Networks should research and develop new ideas
  - Northern Gas Networks should have a process for introducing new technology

# Discussion Topics with Stakeholders Tiers 2 and 3



Your views matter

- Environment
  - Use 'No Dig' techniques
  - Reduce the amount of gas lost
  - Replicate Sheepscar in the North East
  - Work with Highway Authorities ( long term planning )
  - We keep digging up the same place -Why ? Learn from our experiences
- Customer Service
  - Appoint Key Account Manager for large users
  - Telephone number should be on all excavations ( and action will be taken when rung)
  - Better Information on the website
  - Don't rely on customers always having the post code
  - Spoil taken away immediately
  - Better communication with customers on replacement jobs
  - Teams carry out 'purge and relights'
  - More assistance for vulnerable

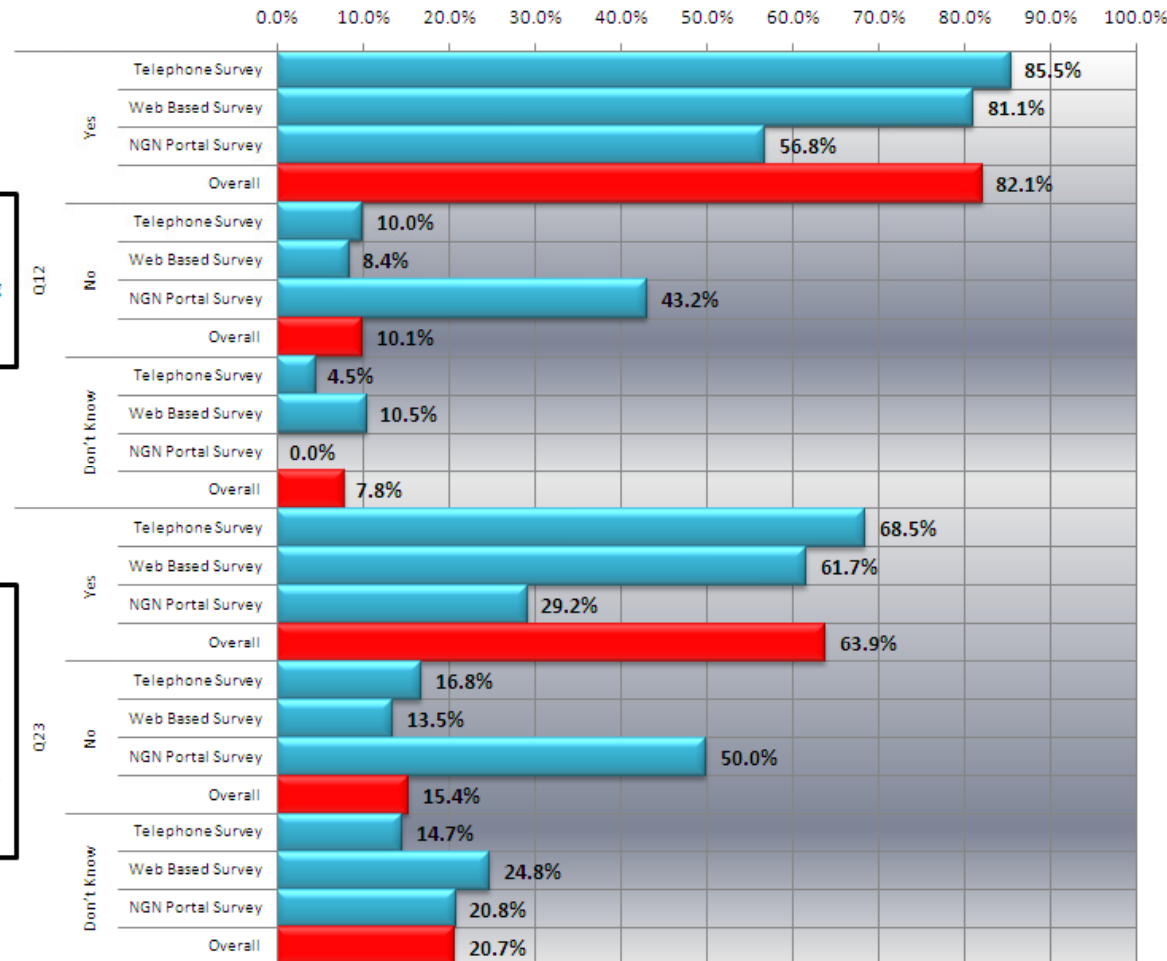
# Stakeholder Survey

## - Key Results

Your views  
matter

Q12. Should we complete all of our planned works between February and November, so no planned mains replacement work is carried out during the poor weather in December and January?

Q23. When carrying out an alteration to your gas service, such as when you build an extension or re-design your kitchen, we re-connect the copper pipe work up to 2m for a charge. If the length is greater than 2m, a gas safe registered plumber is required. Would like us to offer a service where there is no limit on the length of this type of pipe work?





Your views  
matter

<http://ngnconsultation.co.uk>

# Potential Cost Increases

Your views  
matter

- All the costs are based on an average gas bill of £750 per annum.
- Reinstatement
  - D+1        £8.00 / yr on your bill
  - D+2        £2.70 / yr
- Gas Holders
  - Demolish all holders - 48p / yr
  - Land Regeneration - £1.48 / yr



# Potential Cost Increases

Your views  
matter

- Connections
  - Schedule work within 5 days      10p increase / job
  - Complete works within 20 days      £97 increase / job
  
- Vulnerable Customers
  - Never leave customers with no gas      16p/ yr

# Potential Cost Increases

Your views  
matter

- Purge & Relights
  - Training and ongoing costs    £1.12 / yr
  
- CO Detectors
  - CO Awareness    10p / yr
  - General detection    12p / yr
  - Leave monitors    £1 /yr
  - vulnerable customers only    9p / yr
  - Appliance testing    £2 / yr

# Innovation



- Issues
  - Process
  - Ideas from workforce.
  - Working with Suppliers
  - Testing
  - Development

Your views  
matter



Your views  
matter

<http://ngnconsultation.co.uk>

**A5G Level Two Stakeholder Panel presentation 3**

# Northern Gas Networks

# Agenda

- Engagement Methodology
- Who we have engaged with
- Timelines
- Engagement in Customer Service
- Engagement in Safety
- Engagement in Social Obligations
- Engagement in Reliability
- Engagement in Environment
- Engagement in Connections
- Costs
- Next Steps

# Existing position (pre-RIO)

Your views  
matter

- Media/Community/PR
  - Not a business priority - sporadic
  - Limited resources but delivers value via media, green project, industry groups
- Ofgem surveys
  - Improvement over 5 years but not a consistent top 2 performer
  - NGN's approach has influenced Ofgem thinking (1-10 not 1-5, include Connections)
- Complaint management
  - Reduced by 67% from 2007/8 to 2010/11
  - Monitor for 'repeat' offenders
- Impression Cards
  - C11k/year (first GDN to adopt them)
  - Feed into Action Plans (reinstatement, mud/mess, purge & relight)
  - Deliver contemporaneous feedback prior to Ofgem surveys



# Methodology

Your views  
matter

- Knowledge of existing Issues
- Identify who will be of value to the process
- Set a range of questions at the level of the Level Group
- Ensure Issues came from Stakeholders
- 1<sup>st</sup> Stage - Gather as much quality data as possible
- 2<sup>nd</sup> Stage - Quantify and analyse data
- 3<sup>rd</sup> Stage - Establish cost of main idea's
- 4<sup>th</sup> Stage - Are Stakeholders willing to pay
- 5<sup>th</sup> Stage - Analyse all data
- Business as Usual

# The Stakeholder Pyramid

Your views  
matter

Level Three

Level Three consists of MPs, Gas Shippers and Suppliers and influential groups and organisations

Level Two

Level Two consists of Local Authorities, Highway Authorities, charities, pressure groups and large (business) users of gas within the NGN region

Level One

Level One consists of members of the public, from whom NGN already had a massive database of customers' opinions, through Impression Cards.

# Who we have engaged with

- MPs
- Shippers
- Stakeholder Panels
- Business Visits (large users)
- Material/Equipment Suppliers
- Highway Authorities
- Local Authorities
- Environmental groups
- Customer Panels
- General Public via web-based Survey
- Customers via Telephone Survey

# Timelines

- Business Plan to be sent to Ofgem
  - Revised date for Business Plan submission
  - Feedback given to Northern Gas Networks
  - Business Plan Revisions to be submitted
  - Final Proposals
  - Price Control commences
- End July 2011
- End Nov 2011
- End Feb 2012
- End April 2012
- Dec 2012
- 1<sup>st</sup> April 2013

# Customer Service



## Key messages from stakeholders

- Stakeholders believe our excavations are left open too long
- Stakeholders want to better communication between operations and customers
- Stakeholders expect to see 'year on year' improvements
- Stakeholders think complaints should be dealt with in under 10 days

# Customer Service



Your views  
matter

## Recommendations

- Carry out all Reinstatement within 3 days
- Ensure Contracts are in place to ensure compliance
- Work with Highway Authorities to improve relationships
- Reinstate major roads the same or following day at the expense of minor roads
- Look at operational teams doing minor private reinstatement

# Safety

Your views  
matter

## Key messages from stakeholders

- Current levels of Mains Replacement about right
- NGN should replace mains that leak, not just near property but adjacent to open ground etc as well
- NGN keep going back to search for leaks in the same location and dig in the same place
- All gas escapes should be attended within 1 hour

# Safety



Your views  
matter

## Main messages

Never leave a Vulnerable customer without gas

- Preferably never leave any customer without gas
- Stakeholders cannot believe we would leave a customer without gas in the winter
- Stakeholders believe we should not carry out work if we cannot get to site to reconnect
- Stakeholders believe NGN should stand the cost of any repair to a Vulnerable Customers appliance if we turn it off
- Cost 16p/year



# Safety

Your views  
matter

## Main messages

More gas escapes should be attended within 1 hour

- Stakeholders believe it is unacceptable for customers with a potential leak to wait 2 hours for an engineer to attend site especially during winter, after being asked to turn off their gas and open their windows
- We attend 70%+ of all 2-hour gas escape jobs
- Costs to be established

# Safety

Your views  
matter

## Recommendations

- Never leave a vulnerable customer without gas
- Train our engineering teams to carry out meter work
- Carry out the necessary repairs to ensure our vulnerable customers are not left without heating
- Attend more gas escapes within 1 hr

# Social Obligations

## Key messages from stakeholders

- Our stakeholders believe NGN should do more for the communities we work in
- Our stakeholders believe fuel poor schemes should continue and NGN should do more if practical
- Our stakeholders believe NGN should carry out checks for Carbon Monoxide whilst working in properties

# Social Obligations

## Recommendations

- Initiate more programmes to highlight the dangers of Carbon Monoxide
- Carry out general detection in customers' properties
- Leave CO monitors with our vulnerable customers

Ofgem has told GDNs that it is looking at the whole CO issue separately

# Reliability

Your views  
matter

## Key messages from stakeholders

- There is an expectation that the gas supply is a continuous and uninterrupted service irrespective of weather conditions
- Customers view electricity differently and there is more of an understanding if there is an interruption to the service
- NGN should demonstrate that upgrading design solutions are fit for purpose and associated expenditure is minimised

# Reliability

Your views  
matter

## Recommendations

- Replacement programme to be reviewed and a more risk based solution to be implemented ( see next slide )
- Replacement programme to be suspended (or reduced) during December and January
- Work with operations to develop ideas from the feedback given by Stakeholders

# Reliability

Your views  
matter

## Iron Mains Replacement Programme

- Aim to make more Risk Based
- Use of Technology
- Model still based on failure data
- Wider Issues now to include Environmental and Customer Service factors
- Definition of Key Risk Indicators
- Development of Risk Control Strategy
- Three Level approach

# Reliability

Your views  
matter

## Iron Mains Replacement Programme

### Level 1

- 20% highest risk must be relaid on a length target.
- Remaining 80% via Network Asset Management Strategy

### Level 2

- Risk Threshold to be agreed with the HSE
- Forecast of volumes of mains exceeding this threshold to be submitted to Ofgem

### Level 3

- No threshold
- Forecast of volumes of mains exceeding this threshold to be submitted to Ofgem



# Environment



Your views  
matter

## Key messages from stakeholders

- Stakeholder feedback has reinforced the need for NGN to maintain leakage reduction as a major priority
- Level 2 stakeholder engagement confirms that contaminated land should be remediated
- Stakeholders believe we should be using recycled material and we should maximise Sheepscar and develop a similar facility in the North East

# Environment



## Recommendations

- Decommission and demolish gas holders
- Do not remediate the land following the demolition of gas holders at the customers expense
- No undue profits to NGN – share with customers

# Connections



## Key messages from stakeholders

- Stakeholders believe a service should be given were by work is completed quicker than at present
- Stakeholders would rather pay 50% up front and 50% on completion than pay the full amount upon acceptance.
- Stakeholders would like connections to offer more flexibility within its available services

# Connections



## Recommendations

- A plan date should be agreed with the customer within 5 working days from the customer's acceptance
- A chargeable fast track service should be available subject to the highway authority notice
- We offer a chargeable service to customers to lay >2m internal pipe work

Your views  
matter

# Stakeholder Business as Usual

- Key Account Manager/s
- Shipper Liaison
- Stakeholder Panels
- Customer Workshops
- One-to-Ones
- Highway Authority Liaison
- Emergency Service point of contact