Accent's customer survey report

As part of the electricity distribution business price control review (DPCR) Ofgem is reviewing the existing quality of service arrangements to ensure that DNOs continue to be provided with appropriate incentives to deliver a good quality of service to consumers.

One of the key inputs into this work is a detailed understanding of which aspects of quality of service and other outputs are valued by consumers, the relative priorities placed on different outputs and consumers' willingness to pay for improvements.

Ofgem has appointed Accent Marketing and Research to carry out a programme of customer research in this area. The first stage of this research has focused on the following issues:

- consumers' experience and whether they are broadly satisfied with the quality of service they receive or whether a step change is necessary;
- determining which areas of quality of service, environmental and social outputs that consumers value and their relative priorities amongst these, including for example standards of performance, communication during power cuts and network resilience;
- broad expectations of improvements and willingness to pay for such improvements; and
- determining consumers' views on variations in quality of service delivered in different geographical areas.

This report sets out the results of the first stage of the customer research and will be used by Ofgem in deciding areas where cost information should be requested from the DNOs, in developing the form and scope of the output incentive scheme for the DNOs and changes to the standards of performance. Comments in the report reflect Accent's views and should not be regarded as Ofgem policy.

The next phase of customer research will take place in the new year and will focus in more detail on customers' relative priorities and willingness to pay for improvements in service.

Key issues for consideration

Ofgem welcomes views on any of the issues discussed covered in Accent's report and in particular on the key conclusions that should be drawn from the survey results in terms of:

- the form and scope of the output incentive scheme for the next price control period;
- additional outputs that should be used to monitor performance between price reviews;
- changes to the standards of performance arrangements; and
- the main areas that should be considered in the second phase of the customer research on willingness to pay.

Responding to this document

If you wish to comment on any of the issues raised in Accent's survey report and/or those outlined above please include them with your response to the DPCR Update Document intended for publication on 17 October 2003. Responses should be sent by 19 November to:

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Unless marked otherwise as confidential all responses will be published by placing them in Ofgem's library or on our website. It would be helpful if responses could be submitted both electronically and in writing. Any questions on this document should be addressed in the first instance to James Hope (e-mail james.hope@ofgem.gov.uk or tel 020-7901-7029) or Roxane Rodrigues (e-mail roxane.rodrigues@ofgem.gov.uk or tel. 020-7901-7175)

Expectations of Electricity DNOs & WTP for Improvements in Service Stage 1 Quantitative Research Findings

Final Report: September 2003

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1. INTRODUCTION

1.1 Background

Ofgem was formed in 1999 with the principal objective of protecting the interests of gas and electricity consumers in England, Scotland and Wales. Its objectives are to ensure both domestic and business consumers are afforded protection not only in terms of the price they pay but also the quality of the service they receive from Distribution Network Operators (DNOs). The existing regulatory framework provides such protection in terms of quality of service through two main mechanisms:

- Guaranteed and Overall Standards of Performance (GOSPs); and
- A quality of service incentive scheme under the Information and Incentives Project (IIP).

As part of the distribution business price control review Ofgem is reviewing the existing quality of service arrangements to ensure that DNOs continue to be provided with appropriate incentives to deliver a good quality of service to consumers.

In order to support this work, Ofgem commissioned a research study to provide a detailed understanding of which aspects of service are valued by customers, the relative priorities placed on different outputs and customers' willingness to pay for improvements.

This report provides details of the findings from the first quantitative element of the study conducted in July 2003.

1.2 Objectives

Overall Objectives

The outputs from this study as a whole are designed to inform the following:

- the areas which will be financially incentivised (or in which additional reporting requirements will be introduced);
- target setting;
- incentive rates; and
- compensation payments under the GOSPs.

The Specific Objectives

The research presented in this report was designed to specifically explore:

- customers' experience and satisfaction with the quality of service they receive;

- areas of quality of service, environmental and social outputs that customers' value and their relative priorities amongst these; awareness of the GOSPs, their views on improvements or extensions to the GOSPs, their relative priorities for improvements and their willingness to pay for such changes;

- expectations of average levels of quality of service, their relative priorities among potential improvements in different aspects of quality and their willingness to pay for improvements;

- expectations regarding the resilience of their power supply to bad weather or other exceptional events and willingness to pay for improvements in this area;

- views on variations in the quality of service delivered in different geographical areas and customers' willingness to pay for improvements in service to worst-served customers or customers in rural areas;

- views on the benefits of undergrounding parts of DNOs' networks and their willingness to pay for a programme of selective undergrounding; and

- consumers' views on streetworks carried out by DNOs and associated disruption.

2. METHODOLOGY

2.1 Introduction

The quantitative element of Stage 1 of the study consisted of a comprehensive phase of telephone interviews:

- 1263 telephone interviews were conducted with domestic customers who were either solely or jointly responsible for paying electricity bills; and

- 402 telephone interviews were conducted with business customers, again with the person responsible for paying the company's electricity bill. e.g. Energy Manager, Facility Manager, Finance Director, Owner/Manager etc.

Interviews were conducted between 4 July and 4 August 2003 by staff at Accent's dedicated telephone units in Bristol and Edinburgh. The average duration of each interview was 20 minutes.

The geographical coverage of stage 1 was UK wide with a number of key segments identified to allow for specific analysis:

- those with no experience of power outages versus those with experience of frequent or extended power outages
- those in rural locations versus those in urban areas
- different age groups (domestic customers only)
- socio economic groupings – SEGs (domestic customers only).

A breakdown of the number of interviews achieved in each of the key consumer segments is shown in Table 1 in Section 3.1 and the number achieved for each of the business segments is shown in Table 7 in Section 4.1.

2.2 Questionnaire

A number of qualitative focus groups and interviews were carried out to inform the design of the quantitative questionnaires and to ensure that they reflected the requirements of the both the client and customers.

Prior to the main fieldwork stage a small number of pilot interviews were conducted to ensure the clarity, flow and understanding of the draft questionnaire. Some minor changes were made as a result of the pilot.

The main topics in the final questionnaire are:

- customer experiences / concerns;
- experience of outages lasting 3 minutes or longer;
- experience of short interruptions i.e. lasting less than 3 minutes;
- experience of planned interruptions;
- expectations of the power supply;
- preference ranking;
- attitudes towards standards and targets;

- attitudes towards exemptions from compensation payments;
- improvements desired;
- experience of streetworks;
- attitudes towards subsidising rural areas; and
- customer priorities.

2.3 Analysis & Presentation of Results

Segmentation of Results

This report presents the overall findings for domestic customers and businesses. In addition, where there are any key differences by region, location (rural versus urban), experience of outages, age (domestic customers), SEG (domestic customers) and company size or type these are highlighted in the text.

The segmentation used to determine regional differences was:

- Scotland
- Midlands & North
- Wales
- South & East.

These were defined by postcodes as follows:

- Scotland:
  - HS, KW, IV, AB, PH, DD, PA, FK, KY, G, KA, ML, EH, TD, DG
- Midlands & North:
  - NE, CA, SR, DH, LA, DL, TS, FY, BB, BD, HG, YO, L, BL, OL, HD, WF, LS, HU, M, WA, CH, CW, SK, S, DN, LN, ST, DE, SY, TF, WS, WV, DY, B, WR, HR, CV, LE, NG, HX, WN
- Wales:
  - LL, LD, SA, CF, NP
- South & East:
  - TR, PL, TQ, EX, TA, DT, BH, SO, PO, BN, TN, CT, ME, RH, BR, SM, KT, GU, SP, BA, BS, SN, RG, SL, HA, E, NW, N, IG, WC, EC, W, SW, SE, BR, DA, RM, SS, CM, AL, HP, LU, MK, SG, CO, CB, IP, NR, PE, NN, OX, GL, TW, WD, UB.

As there is no standard UK definition of rural versus urban locations, rural versus urban domestic customers were defined using the following question (commonly used in research):

"Would you define the area in which you live as rural, urban or city centre?"

Business customers were asked:

"Would you describe the area in which your company is located as rural, urban or city centre?"

The urban segment includes those defining themselves as located in an urban or city centre area.

The "experience of outages" segment is simply split as follows:

- experience
- no experience

with the former including anyone (or any company) that "had experienced a power cut of more than just a few minutes in the last 12 months" and the latter anyone (or any company) that had not.

The age splits used in the domestic customer analysis were:

- 16-29
- 30-49
- 50+

with this information sought from the respondents.

The socio economic group (SEG) splits used in the domestic customer analysis were:

- AB
- C1C2
- DE.

These are determined by asking respondents a standard classification question as follows:

"What is the occupation of the head of your household?"

Respondents are then classified accordingly using a comprehensive glossary. Broad definitions are as follows:

- ABs:
  - these represent approximately 17% of the total population
  - they include professional people (A), very senior managers in business or commerce (A), top level civil servants (A), retired people who were previously one of the latter and their widows (A), middle management executives in large organisations (B), principal officers in local government or the civil service (B), top management or owners of small business concerns, educational and service

establishments (B) and retired people who were previously in one of the latter "B" categories and their widows (B)

- C1C2s:
  - these represent approximately 51% of the total population
  - they include junior management (C1), owners of small establishments (C1), all others in "non-manual" positions (C1), retired people who were previously in one of the latter "C1" categories and their widows (C1), all skilled manual workers (C2), manual workers with responsibility for other people, retired people who were previously in one of the latter "C2" categories with pensions from their job (C2) and widows, if receiving pensions from their late husband's job (C2)
- DEs:
  - these represent approximately 32% of the total population
  - they include all semi-skilled and unskilled manual workers (D), apprentices and trainees to skilled workers (D), retired people who were previously grade D, with pensions from their job (D), widows, if receiving a pension from their late husband's job (D), those entirely dependent on the state long-term through sickness, unemployment, old age or other reasons (E), those unemployed for a period exceeding six months (E), casual workers and those without a regular income (E).

The segmentation used to split businesses by size was based upon their stated maximum demand, as follows:

- 1MW+
- 100KW-<1MW
- <100KW.

Business respondents that were unable to state their maximum demand were asked the approximate cost of their annual electricity bill. This was then equated with the above breaks as follows:

- >£159,000 = 1MW
- £15,000-£159,000 = 100KW-<1MW
- <£15,000 = < 100KW.

Open Ended Results

Where a question was open ended, or allowed for the specification of an "other" response, all responses received from 5% of more respondents were coded. All others were included under "other".

Mean Results

Some of the questions where mean results are important included extreme data (i.e. very high or very low responses compared to most other responses). Following discussion with Ofgem, we have applied a 5% trim to such data and produced means excluding these outliers. The questions where this applies are:

Domestic Customers: Q48, Q56a2i-4i, Q56b2i-3i, Q56c3i-4i, Q60b-c, Q66b-c, Q70bi and Q70bii.

Business Customers: Q45, Q48, Q56a2i-4i, Q56b2i-3i, Q56c3i-4i, Q66b and Q70b.

Cluster Analysis

Cluster analysis was run on the data for domestic and business customers to identify whether there were additional groups (beyond those already identified in the questionnaire and tabulations) that should be used to set quotas and segment the second phase of quantitative research which will be undertaken next year.

The analysis did not highlight any such groups.

Willingness To Pay

A number of questions in the survey sought to gain a preliminary understanding of domestic and business customer willingness to pay for improvements in service. There are a number of key points to note with respect to this data, namely:

- the willingness to pay results presented in this report are indicative only; stated preference research will be undertaken in the second phase of quantitative research (being undertaken next year) to provide more robust estimates of willingness to pay

- domestic customers were given the choice of expressing their willingness to pay in either £s per month or as a % of their monthly bill

- the report shows averages for each separately, revealing that the averages that they are willing to pay when expressed in one form (e.g. £s per month) are different to those they are willing to pay if expressed in the alternative form (i.e. % of their monthly bill)

- the above anomaly – along with willingness to pay in general – will be explored further as part of the second phase of the research.

3. CONSUMER FINDINGS

3.1 Interviews Achieved

Table 1 compares the number of interviews achieved in the key consumer segments against the target set at the start of the project. In all but one case, socio-economic group (SEG) AB, the number of interviews achieved exceeded the target. However for even the AB group, the number of interviews achieved was sufficiently high for robust comparisons to be made.

Table 1: Interviews Achieved

	ACHIEVED	TARGET
REGION		
Scotland	301	300
Midlands & North	304	300
South & East	354	300
Wales	304	300
POWER CUTS		
Experience in past 12 months	618	600
No experience in past 12 months	645	600
LOCATION		
Rural	595	Min 200; max 600
Urban	668	600 +
AGE GROUP		
16-29	285	275
30-49	451	430
50+	526	495
SOCIO-ECONOMIC GROUP (SEG)		
AB	250	280
C1C2	651	580
DE	355	340
TOTAL	**1,263**	**1,200**

3.2 Customer Experiences and Concerns

All respondents were asked if they had any concerns about the electricity network and whether there were any changes they would like to see. The main responses are detailed in Table 2 below. Generally customers had no concerns, a finding which is often seen in utilities research where customers are frequently only concerned about getting a reliable supply. Customers in rural areas are slightly more concerned about the reliability of their supply and the number of power cuts than those in urban locations: 7% compared with 4% and 7% compared with 3% respectively.

Table 2: Thinking about the running of the network of local cables and wires that bring electricity to your home, what aspects most concern you, or are there any changes that you would like to see?

77%	had no concerns
6%	said reliability of supply was a concern for them
5%	mentioned the frequency of power cuts
4%	the undergrounding of cable
2%	length of cuts
2%	provision of advance info about cuts
2%	Streetworks
1%	environmental concerns
1%	quality of supply in rural areas
1%	impact of electricity network on rural areas
1%	pylons unsightly
1%	provision of updates on power cuts
5%	various other

Base: All respondents. Respondents were able to give more than one response so the figures add up to more than 100%.

Where quality of supply was not an unprompted concern respondents were asked specifically whether they had any concerns relating to the reliability of the supply. Responses to this question are shown in Table 3.

Similarly, those who did not mention the impact of the network on the environment were ask if they had any concerns with this both in their local area and in general. Their responses are shown in Table 4.

In both instances the vast majority stated that they had no concerns, with just a small proportion concerned about power cuts (6%) and – with respect to the environment – the greatest concerns being about putting more cables underground (7% in their local area and 10% generally) and having renewable energy (8% generally).

Table 3: What, if any, concerns do you have about the quality/reliability of your electricity service?

89%	had no concerns
6%	were concerned about power cuts
<1%	Safety

BASE: 1,193 respondents who did not mention quality/reliability as an unprompted concern

Table 4: What, if any, concerns do you have about the impact of the electricity network on the environment?

In the local area?	In general?
84% had no concerns	72% said none
7% wanted cables underground	10% wanted cables underground
2% wanted more renewable energy	8% wanted more renewable energy
2% mentioned health risks	3% mentioned the health risks
1% safety	2% safety
4% various “other”	5% various “other”

BASE: 1,249 respondents who did not mention impact of network on the environment as an unprompted concern

Key differences by segment included:

- ABs were far more concerned about power cuts (10%) than C1C2s (6%) or DEs (4%); they were also more concerned about putting cables underground in their local area (13% among ABs compared with 6% for C1C2 and DEs) and generally (17% among ABs compared with 10% for C1C2s and 7% for DEs); ABs were also more concerned about the environment/renewable energy (13% compared with 9% for C1C2s and 5% for DEs)

- the older respondents (50+) were more concerned about putting cables underground than the younger respondents (16-29): 9% compared with 4% in their local area and 13% compared with 6% generally

- the environment/renewable energy seemed less of a concern to those in the Midlands & North (4% compared with 8% overall).

3.3 Experience Of Power Cuts Lasting More Than 3 Minutes In The Last 12 Months

Experience of Cuts

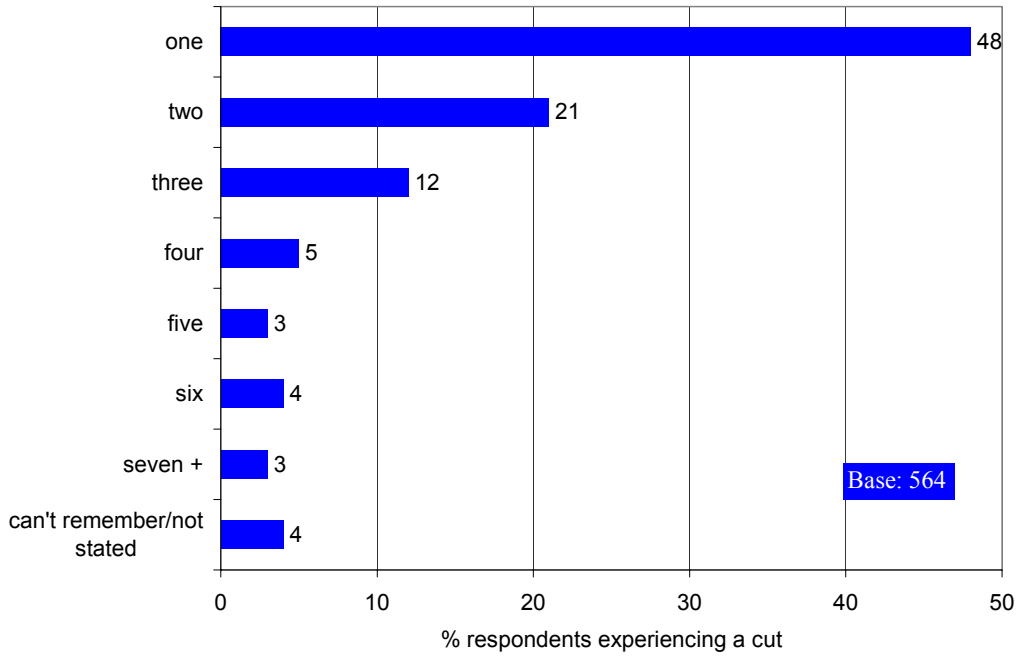
In the last twelve months 45% of all respondents had experienced an unplanned power cut lasting 3 minutes or longer with the average length of cuts in excess of 3 minutes being 1 hour 55 minutes. When considering this result it should be remembered that quotas were set to ensure that half of the sample had experienced a cut lasting more than a few minutes. This cut could have been either a planned or unplanned cut. Consequently, the proportion having experienced the unplanned cuts cannot be said to reflect the occurrence of unplanned cuts in the population as a whole. However, the average duration of unplanned cuts can be said to be representative of the average length of unplanned cuts amongst those that have experienced them.

Experience of cuts was highest in Wales (57%) and lowest in the South & East (40%) and the Midlands & North (39%). As no quotas were set on experience of cuts by region, these results can be said to be indicative of the regions experiencing the greatest occurrence of unplanned cuts.

As one might expect, more customers had experienced cuts in rural areas (54%) than urban areas (37%). However, the average duration of power cuts did not show huge variation by region or location.

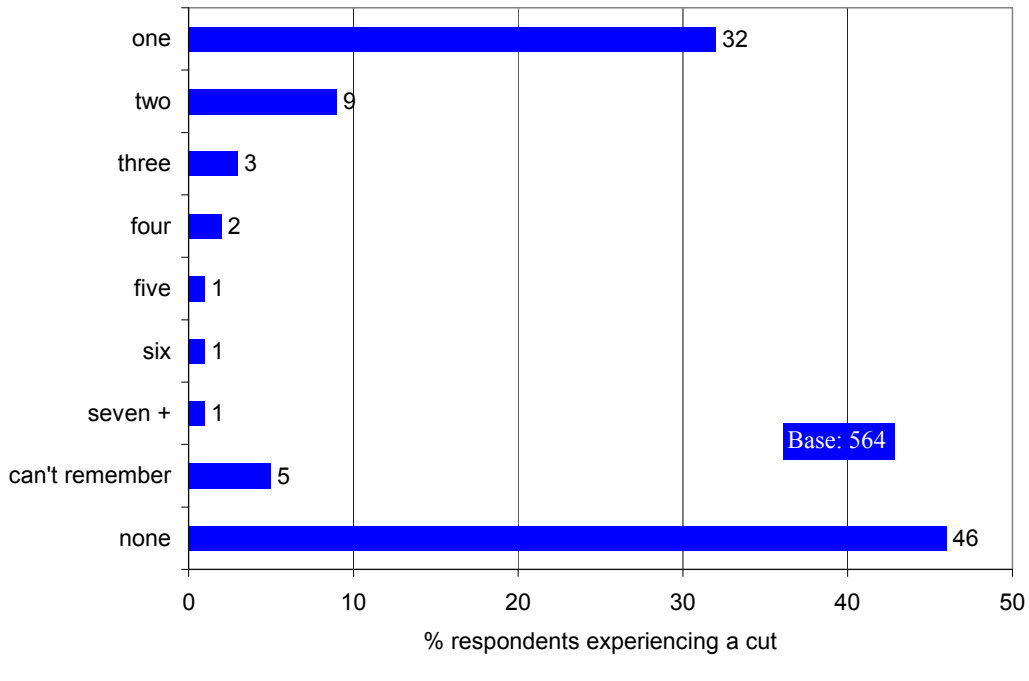
Full results (for those customers that experienced power cuts) are shown in Figure 1. Most of these customers (48%) said they had only experienced one cut in excess of 3 minutes. However, a third had experienced two or three and 7% five or more. The mean number of cuts of greater than 3 minutes stated by respondents was 2.16 and there was no major variance in this by segment, although it was slightly higher in Wales (2.42) and rural areas (2.39).

Figure 1: Number of outages lasting >3 minutes in the previous 12 months



Forty nine percent of respondents who experienced a power cut of more than 3 minutes claimed to have also experienced an outage of more than 3 hours. 17% of these customers claim to have experienced two or more unplanned cuts in excess of 3 hours. The overall mean number of cuts in excess of 3 hours experienced was 1.64. The mean was again notably higher in Wales (1.81), but not in rural areas. Full results are shown in Figure 2.

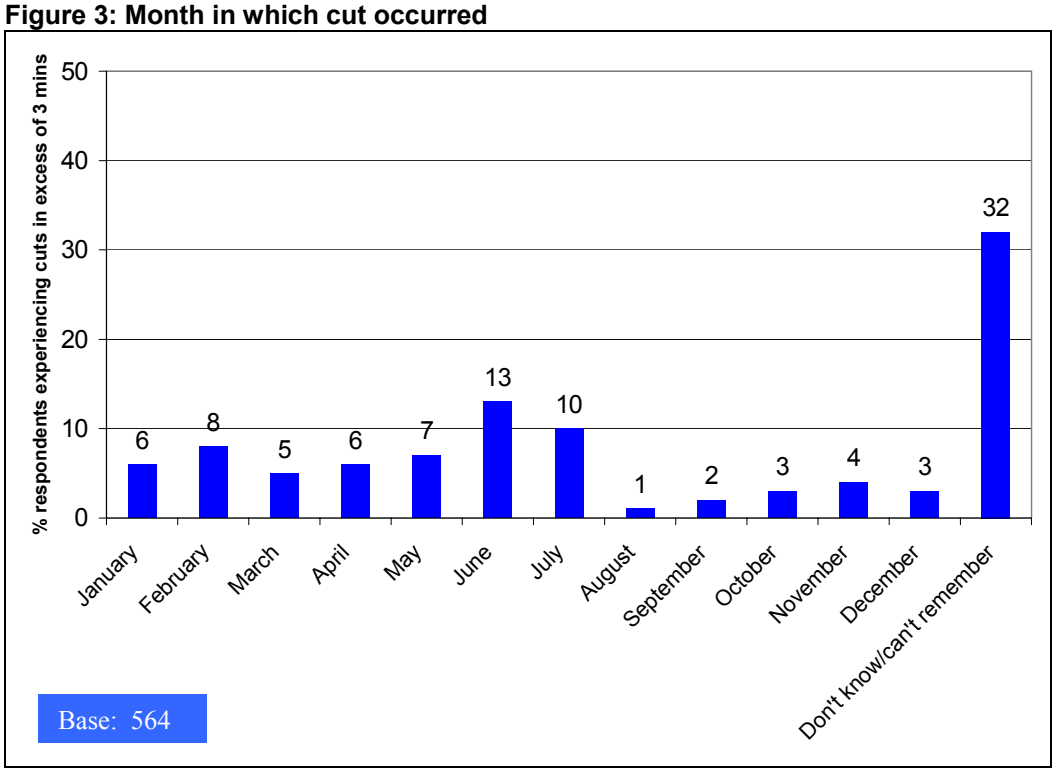
Figure 2: Instances of cuts lasting more than 3 hours in the last twelve months



Time of Year in Which Cut Occurred

Of those who could remember the month the power cut happened, 23% claimed it was in June or July, although 32% could not recall when the cut happened. Full results are shown in Figure 3.

Figure 3: Month in which cut occurred

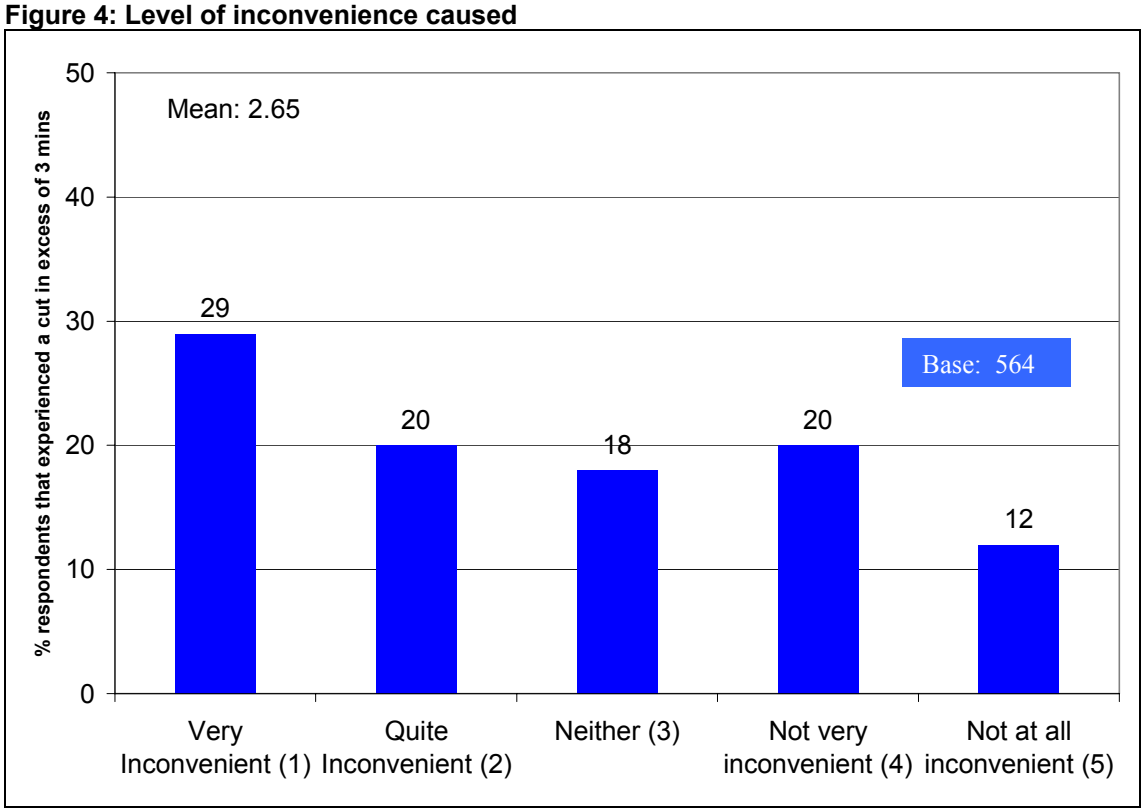


Those who could not recall the month were asked if they could remember in which season the power cut happened. Most (55%) thought it was in the winter, despite most of those remembering the month having thought it was a summer month. 14% thought it was in Autumn and 19% thought the power cut happened in the spring. Only 2% thought it had occurred in summer, suggesting that when the specific month isn't recalled most believe it must have been in winter rather than summer, despite those remembering stating that the reverse was true.

Level of Inconvenience Caused

Forty nine percent of those who had experienced an unplanned cut of more than 3 minutes were either very or quite inconvenienced by it, as shown in Figure 4. The mean level of inconvenience caused (based on a rating scale of 1 to 5 where 1 was very inconvenient and 5 was not at all inconvenient) was 2.65. There was very little variance in this by segment.

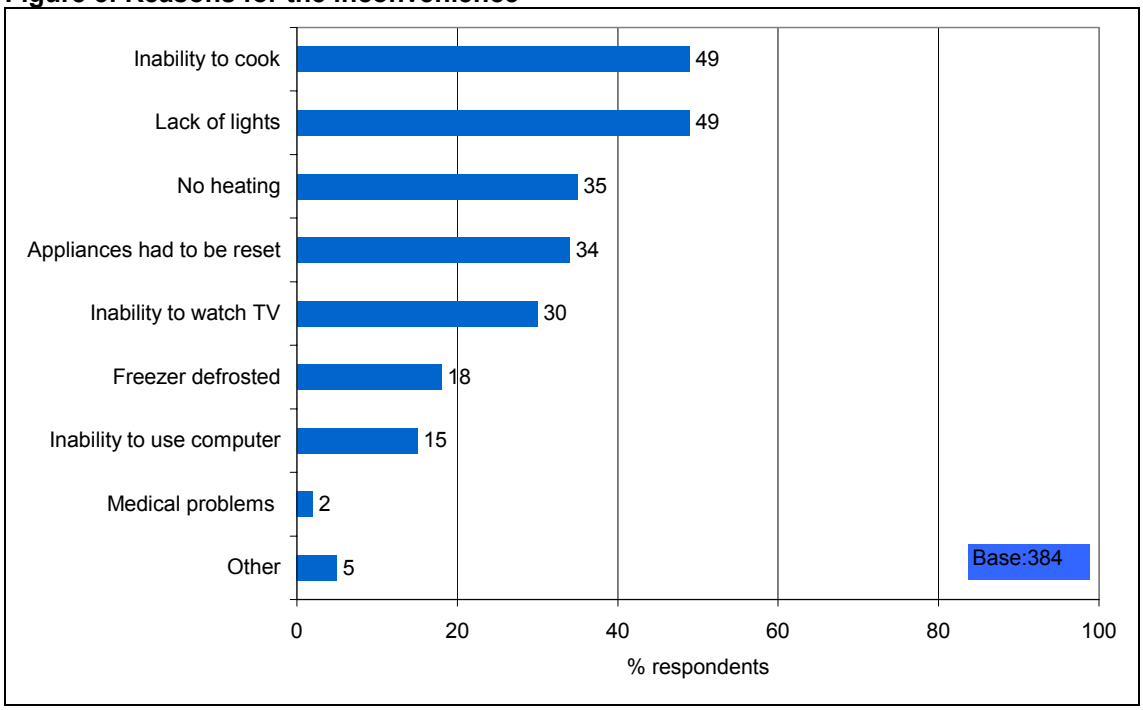
Figure 4: Level of inconvenience caused



Figures add up to 99% due to rounding errors.

The primary reasons given for inconvenience by almost half of those affected, were the inability to cook and the lack of lighting. Details of the main reasons are shown in Figure 5.

Figure 5: Reasons for the inconvenience



Respondents were able to give more than one response so figures add up to more than 100%.

Response to Cuts

Two thirds (62%) of those who experienced a cut of more than 3 minutes did not attempt to contact the distribution company. Middle-aged respondents (30-49) were more likely than average to have contacted their distributor (44% compared with 37% overall).

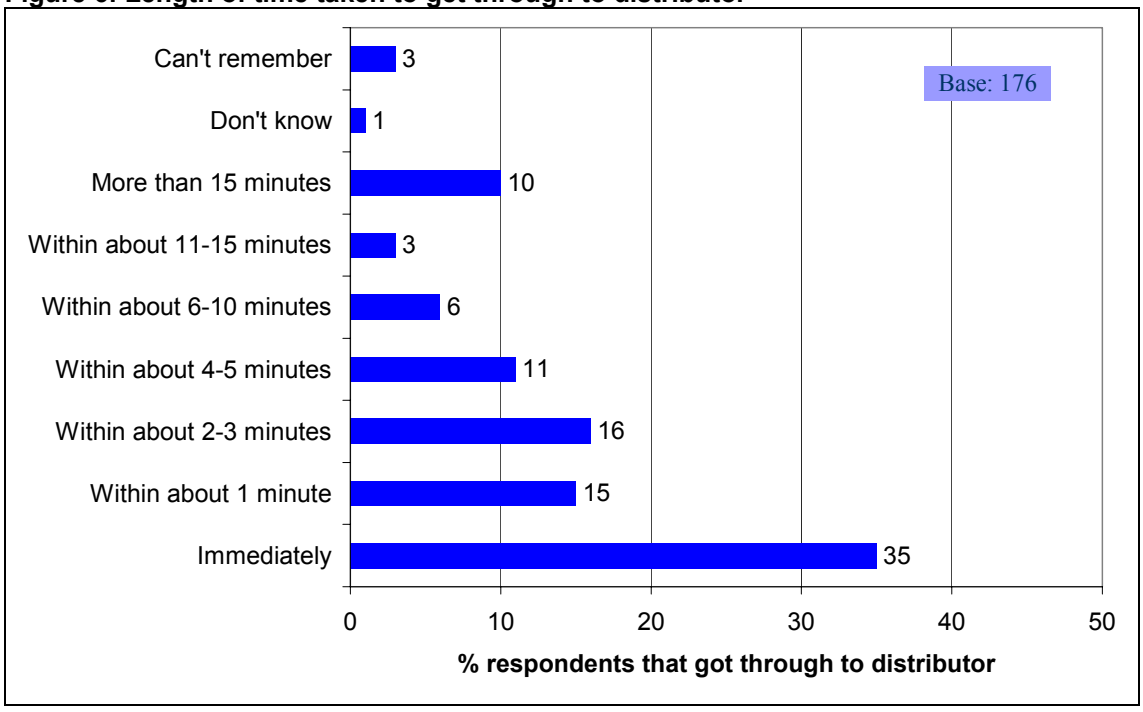
Of the 37% overall who attempted to contacted their distributor, 83% got through, of which:

- 41% spoke to call operator;
- 39% received a recorded message; and
- 18% received a recorded message and then spoke to an operator.

There were no major differences in ability to get through to the distributor by region.

The perceived time taken to get through varied considerably from 35% saying "immediately", to 10% saying more than 15 minutes. Full results are shown in Figure 6.

Figure 6: Length of time taken to get through to distributor



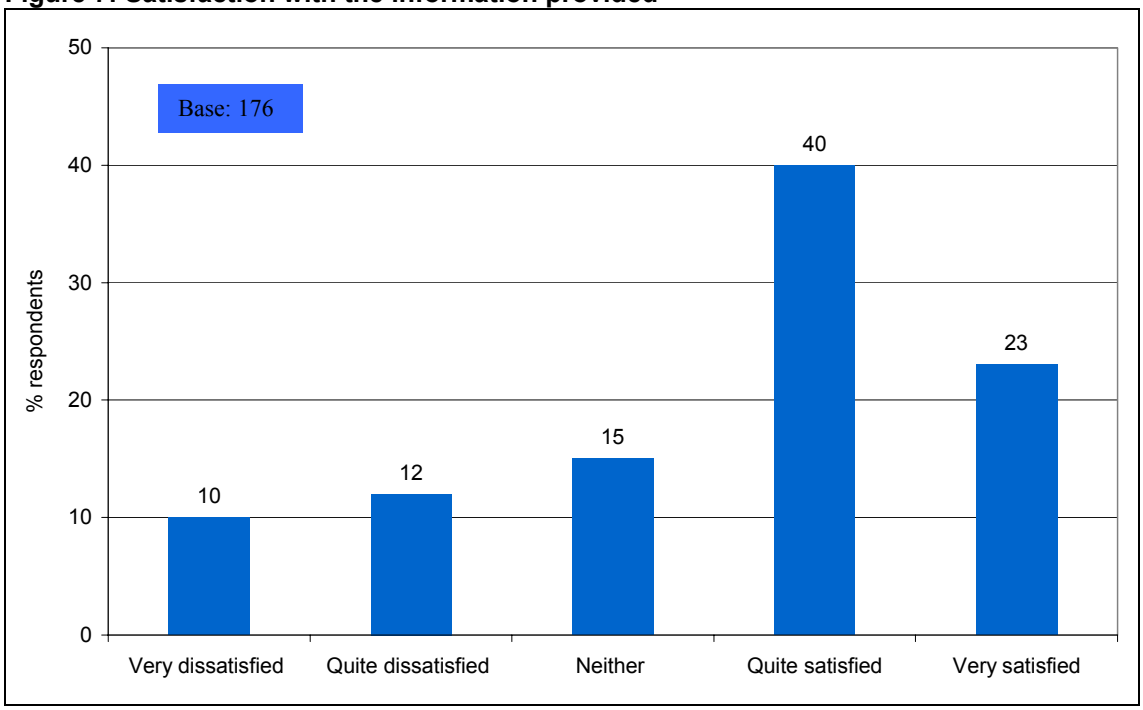
Attitude Towards Information Received About Power Cut

Overall 78% of customers claimed to have received the information that they wanted, with the figure slightly higher for those who spoke to a person than those who heard a recorded message: 82% compared with 76%.

Overall 93% agreed that the information they received was correct.

Most were quite (40%) or very (23%) satisfied with the response that they got (see Figure 7. The overall mean satisfaction score was 3.55 where 1 equals very unsatisfied and 5 equals very satisfied.

Figure 7: Satisfaction with the information provided



3.4 Experience of Short Interruptions of Less Than 3 Minutes

Experience of Cuts

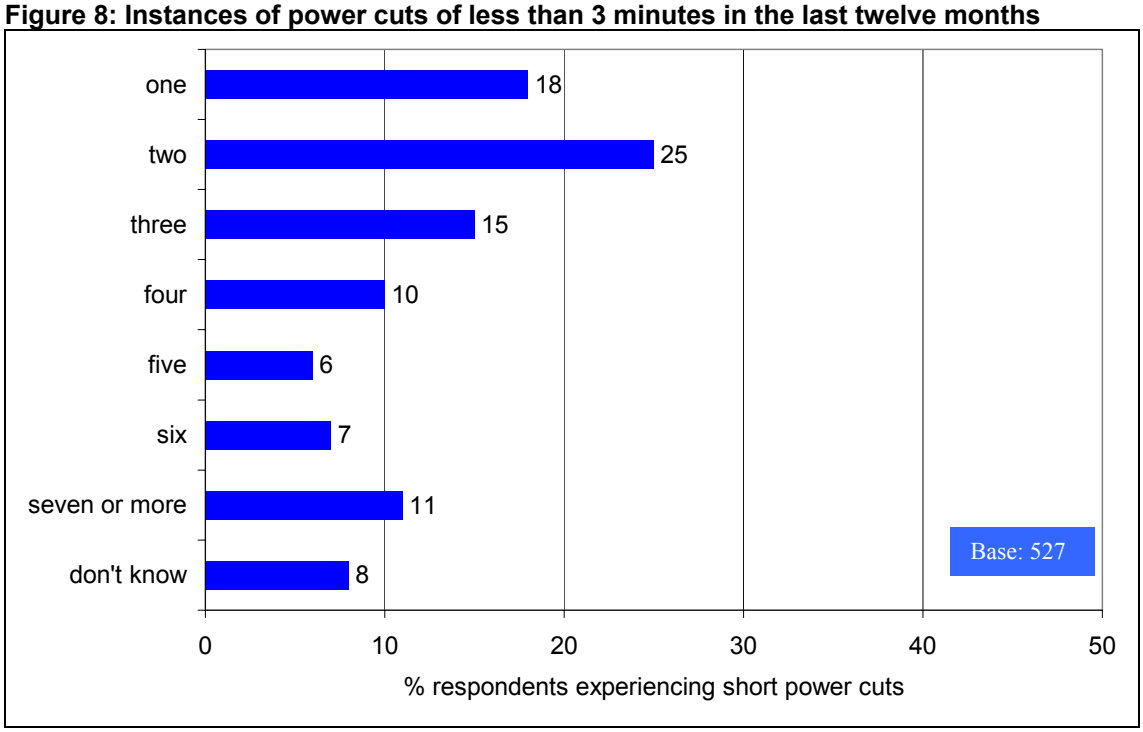
Overall 42% of respondents had experienced power cuts of less than 3 minutes in the last twelve months. 51% of customers in rural areas had experienced brief interruptions to their supply compared to 34% of respondents in city or urban locations. 52% of respondents in Wales had been affected by short interruptions to their power supply, compared to 35% of respondents in the Midlands and North region, 39% in the South and East and 41% in Scotland.

A breakdown of the occurrence of interruptions of less than 3 minutes is given in Figure 8. This shows that the majority of respondents had received between one and 3 short interruptions to supply, although 11% had experienced more than seven. The proportions experiencing more than seven were higher than average in Wales (15%) and rural areas (13%).

The overall average number of short interruptions experienced was 3.28. The means by region and rural versus urban are shown below:

- Scotland: 3.18
- Midlands & North: 3.15
- Wales: 3.58
- South & East: 3.11
- urban: 2.93
- rural: 3.53.

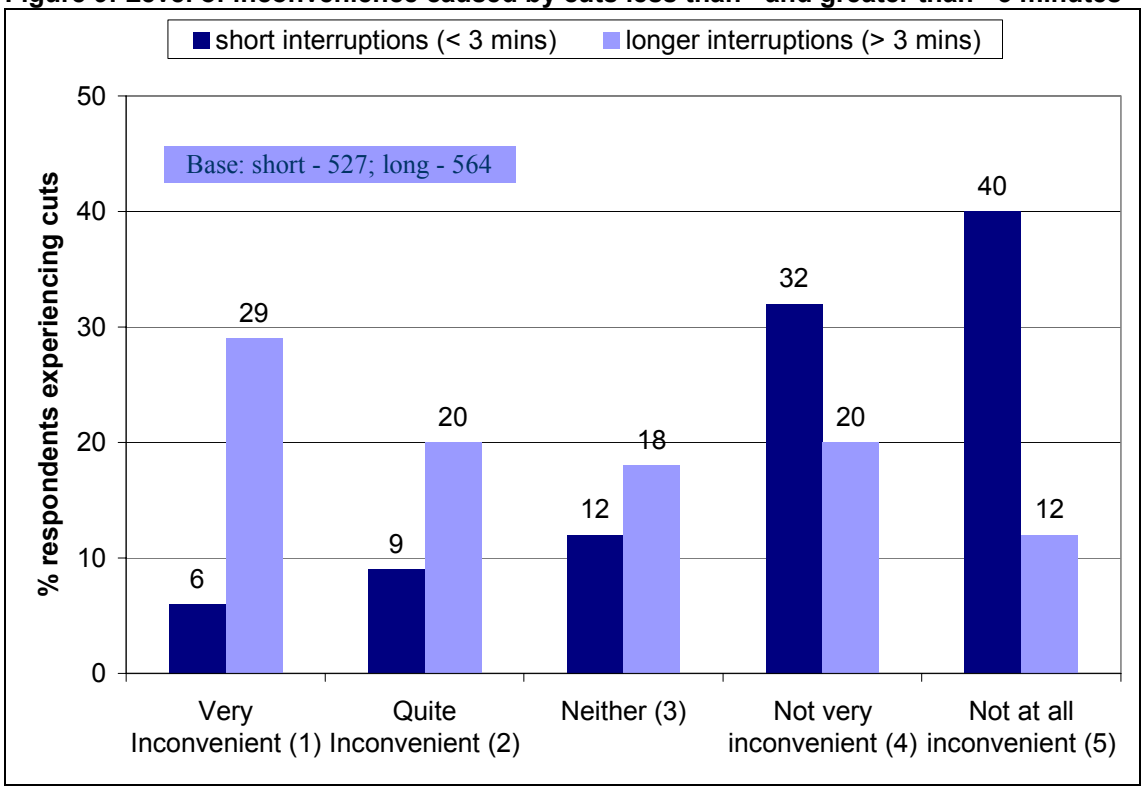
Figure 8: Instances of power cuts of less than 3 minutes in the last twelve months



Level of Inconvenience Caused

Short interruptions did not cause the same level of inconvenience as longer power cuts with only 15% being very or quite inconvenienced, as shown in Figure 9. The mean level of inconvenience was 3.93.

Figure 9: Level of inconvenience caused by cuts less than - and greater than - 3 minutes



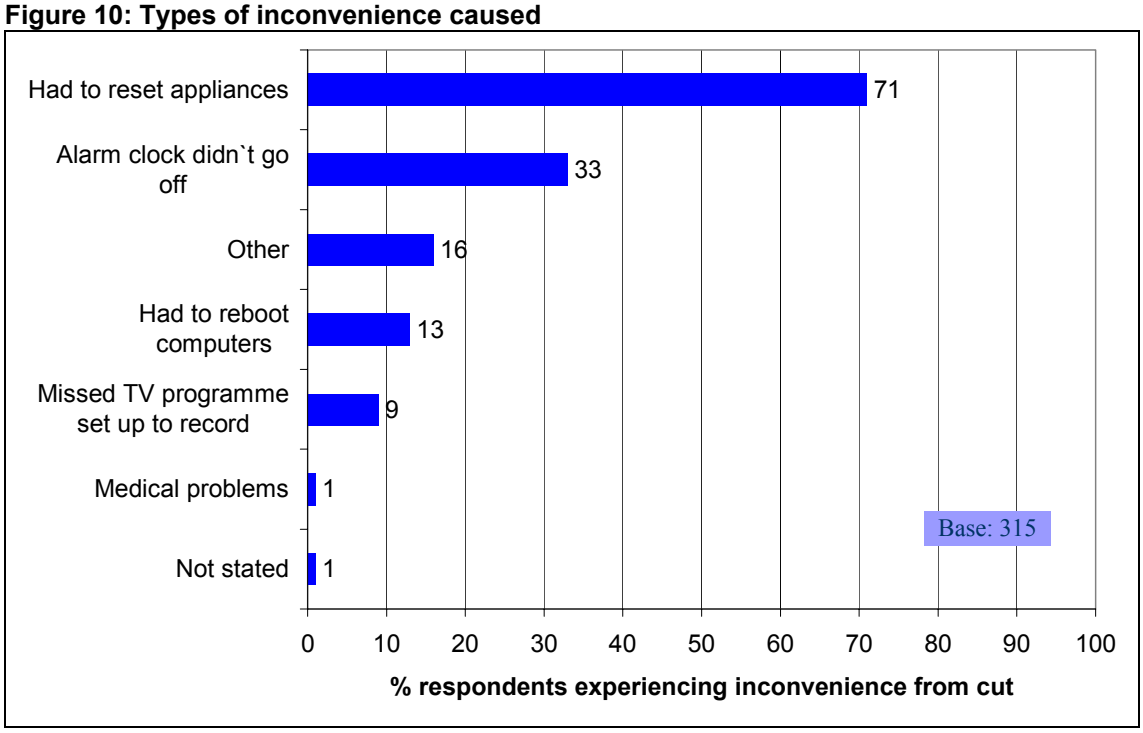
Figures add up to 99% due to rounding errors.

The main reasons for the inconvenience were having to:

- reset appliances (71%);
- reset alarm clocks (33%); and
- reboot computers (13%) .

Full results are shown below.

Figure 10: Types of inconvenience caused



Respondents were able to give more than one response, so the percentages add up to more than 100%.

Attitudes Towards Long Versus Short Interruptions to Supply

Considering the findings discussed so far, it is not surprising that power cuts of longer duration were of more concern than those of short duration (84% of respondents compared with 7%). Six per cent stated that both were of equal concern. There were no geographical variations in the strength of this opinion.

3.5 Experience of Planned Interruptions in the Last Twelve Months

Experience of Planned Interruptions

Overall 11% of respondents had experienced a planned interruption to their electricity supply in the last twelve months. The split by region is as follows:

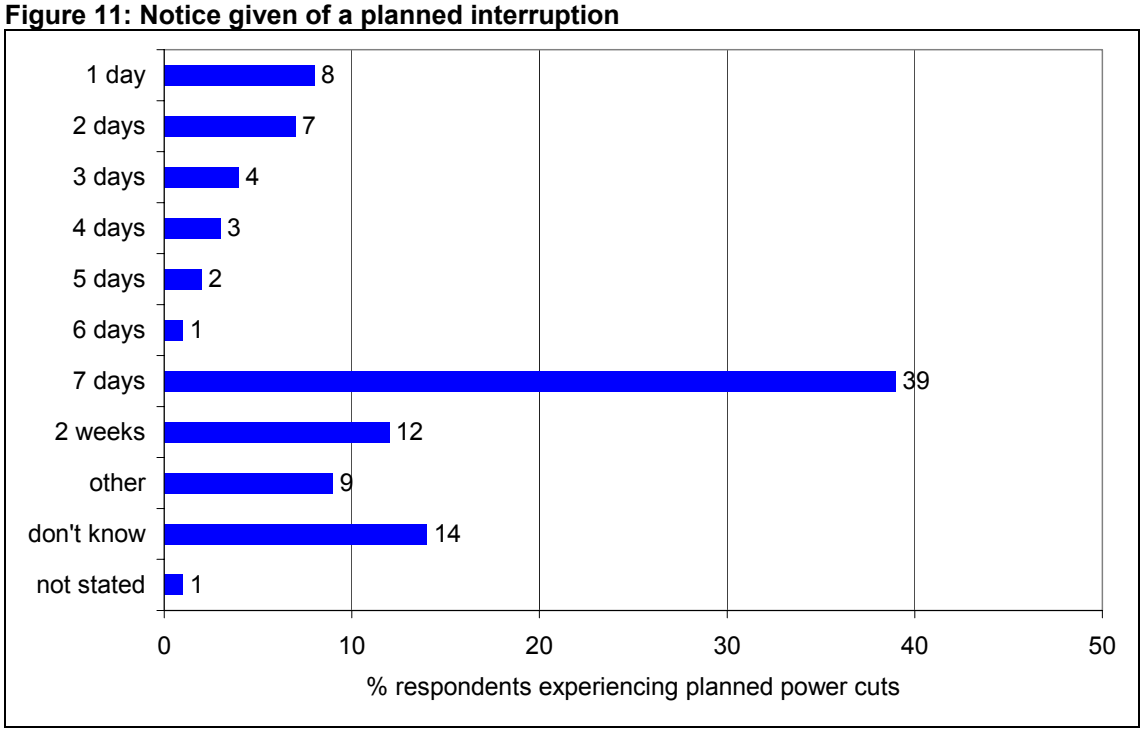
- Wales: 21%
- Scotland: 13%
- Midlands & North: 6%
- South & East: 6%.

This was particularly high in Wales and in rural areas (18% compared with 6% in urban areas).

Amount & Type of Notice Given of Planned Interruptions

Amongst those who had experienced a planned interruption to supply, 12% had been given 2 weeks notice that a power cut was scheduled to take place and 39% had been given 7 days notice. However, 15% had only been given 1-2 days advance warning. Details of the range of notice periods are shown in Figure 11.

Figure 11: Notice given of a planned interruption



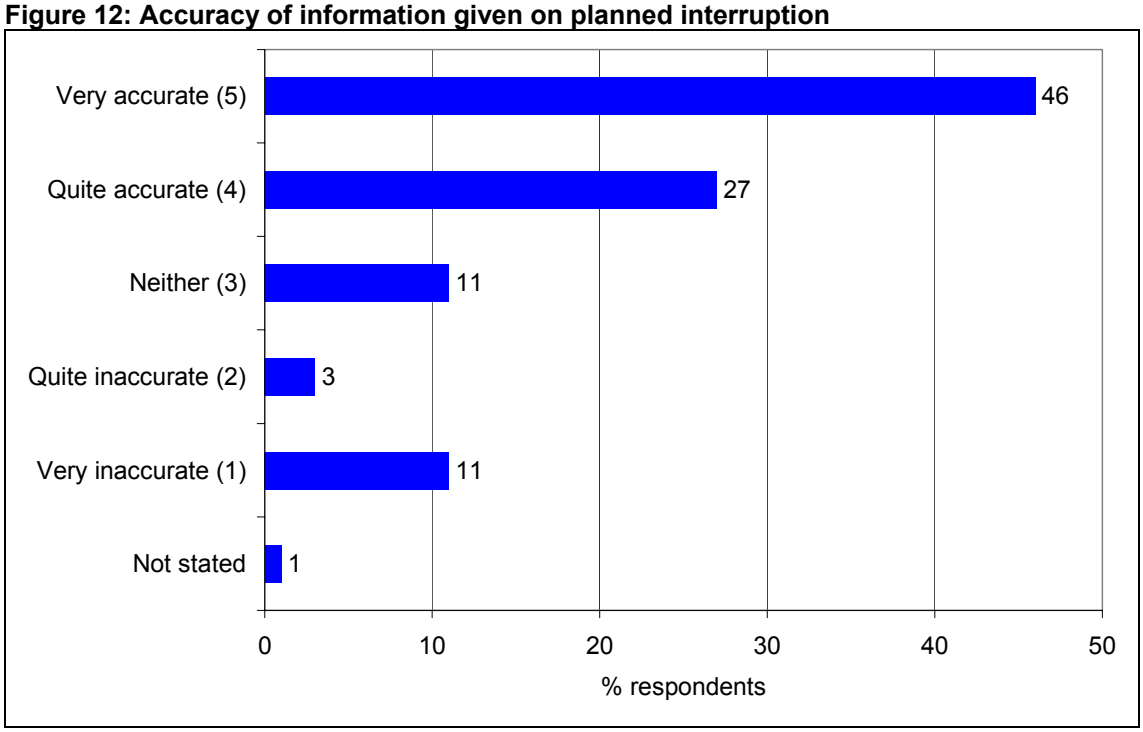
Base: 145 Respondents who have experienced planned power cuts

Nine percent gave an "other" response. These were varied and included:

- over a week: 1 respondent
- 10 days: 1 respondent
- 2-3 weeks: 4 respondents
- 17 days: 1 respondent
- 3 weeks: 3 respondents
- three weeks to a month: 1 respondent
- 4 weeks: 1 respondent
- a month: 2 respondents.

Forty-six per cent of respondents who had received written notification agreed that the information it contained was very accurate and a further twenty-seven per cent that it was quite accurate. The mean score for the accuracy of the information contained in the notice was 3.95 and there were no striking differences by segment. Full results are shown in Figure 12.

Figure 12: Accuracy of information given on planned interruption



Base: % respondents that experienced a planned interruption to supply – 145. Figures add up to 99% due to rounding errors.

The majority of respondents in this group (88%) felt that they did not require any further information. Regionally, customers in Wales were least likely to require further information with only 3% saying they would have liked additional information compared to 13% in Scotland and the South and East regions and 16% in the Midlands and the North. Those who did require further information mainly wanted to know why the work was being done.

Timeliness of Work Completion

The majority (89%) of customers who had experienced planned interruptions stated that the work was completed on schedule. Looking at the regional data however, in the South and East only three-quarters agreed that the work was finished on time compared to nine out of ten respondents at least in the other three regions:

- Scotland: 92%
- Midlands & North: 95%
- Wales: 91%
- South & East: 74%.

3.6 Expectations of Power Service and Supply

Respondents were asked in what circumstances a power cut would be considered reasonable. The list of options read out to respondents included:

- Thunder & lightning;
- Gales / high winds;
- Flooding;

- Snow & ice;
- Industrial action;
- Terrorism; and
- Actions caused by third parties.

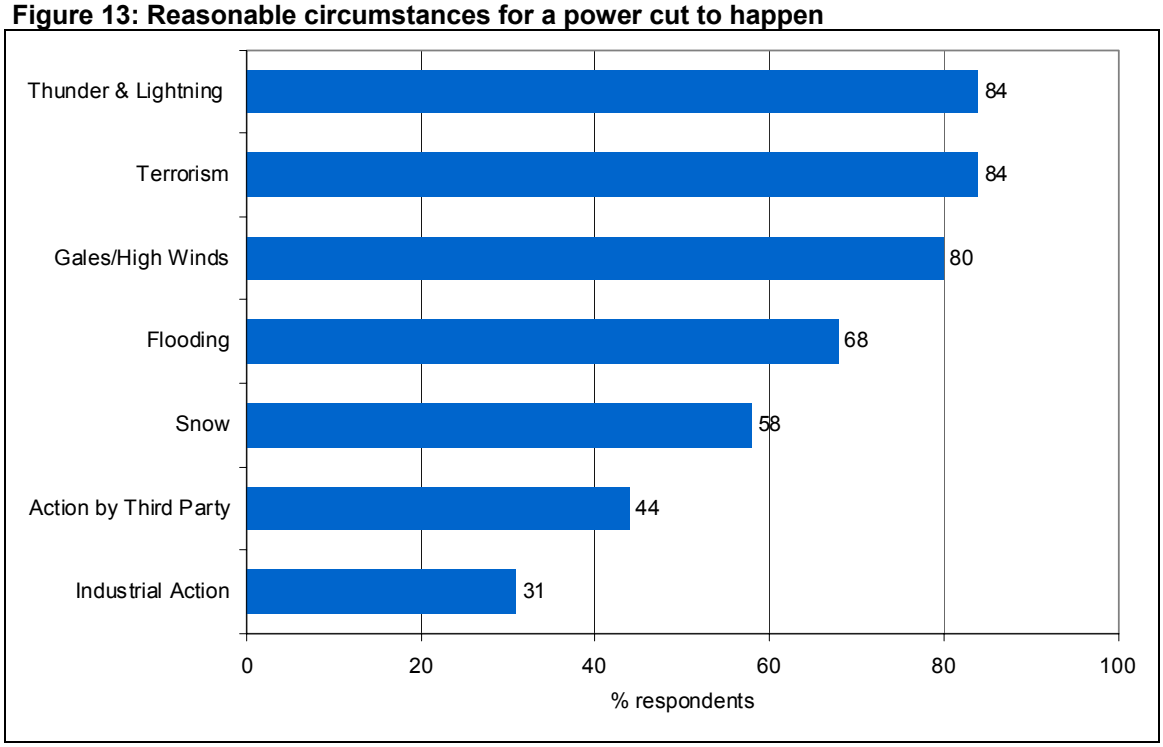
Respondents were asked to comment on the acceptability of each, so that the responses shown in Figure 13 add up to more than 100% accordingly, reflecting the proportion that stated that each was an acceptable circumstance. Figure 13 shows that the majority consider thunder and lightning, terrorism and gales & high winds to be acceptable circumstances when it would be reasonable to expect a power cut. Overall only about a third would accept industrial action as a reason for a power cut, whilst action by a third party was only considered an acceptable circumstance by 44%.

There were a couple of notable differences by region:

- two-thirds of respondents in Scotland (66%) would accept snow and ice as a reason for a power cut compared to 57% in the Midlands & North and Wales and 51% in the South & East

- 36% of those in the South & East and 35% of those in the Midlands & North would accept industrial action compared to just 25% in Scotland and 27% in Wales.

Figure 13: Reasonable circumstances for a power cut to happen



Base: All Respondents

Maximum Number of Unplanned Power Cuts Allowed Before Compensation Is Paid

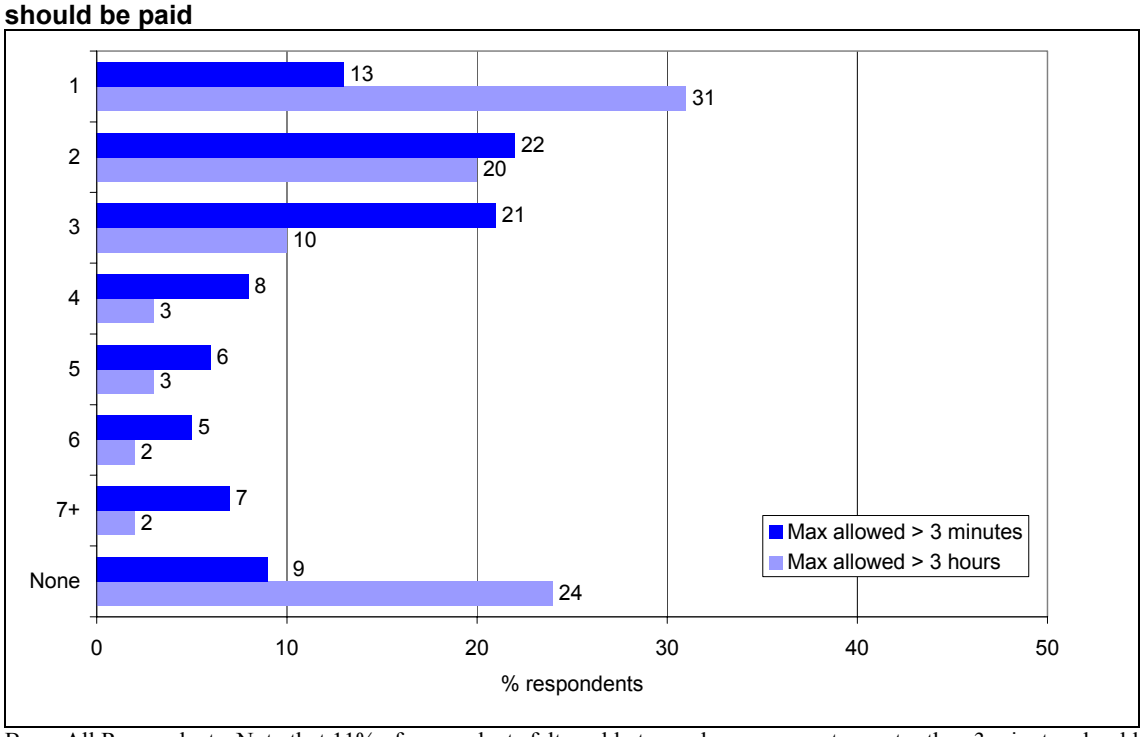
All respondents were asked for their opinion on the number of unplanned power cuts that distribution companies should be allowed to have before compensation is paid. Two

specific time scales were used for this question, that is, unplanned power cuts of greater than 3 minutes and unplanned power cuts of greater than 3 hours.

The responses can be seen in Figure 14 and show that respondents are more tolerant of short interruptions than longer power cuts. 13% of customers said that companies should pay compensation after only one power cut of greater than 3 minutes compared to 31% who said that compensation should be paid after only one power cut of greater than 3 hours. Almost a quarter feel that distribution companies should not be allowed to have any cuts of greater than 3 hours before compensation is paid.

The average number of cuts greater than 3 minutes that should be allowed was 3.18 and the average number of greater than 3 hours was 2.16. Differences by segment showed slightly less tolerance for longer cuts in the South & East (an average of just 1.94 compared with 2.16 overall) and amongst the 50+ age group (an average of 1.95 compared with 2.16 overall).

Figure 14: Maximum number of unplanned power cuts allowed before compensation should be paid

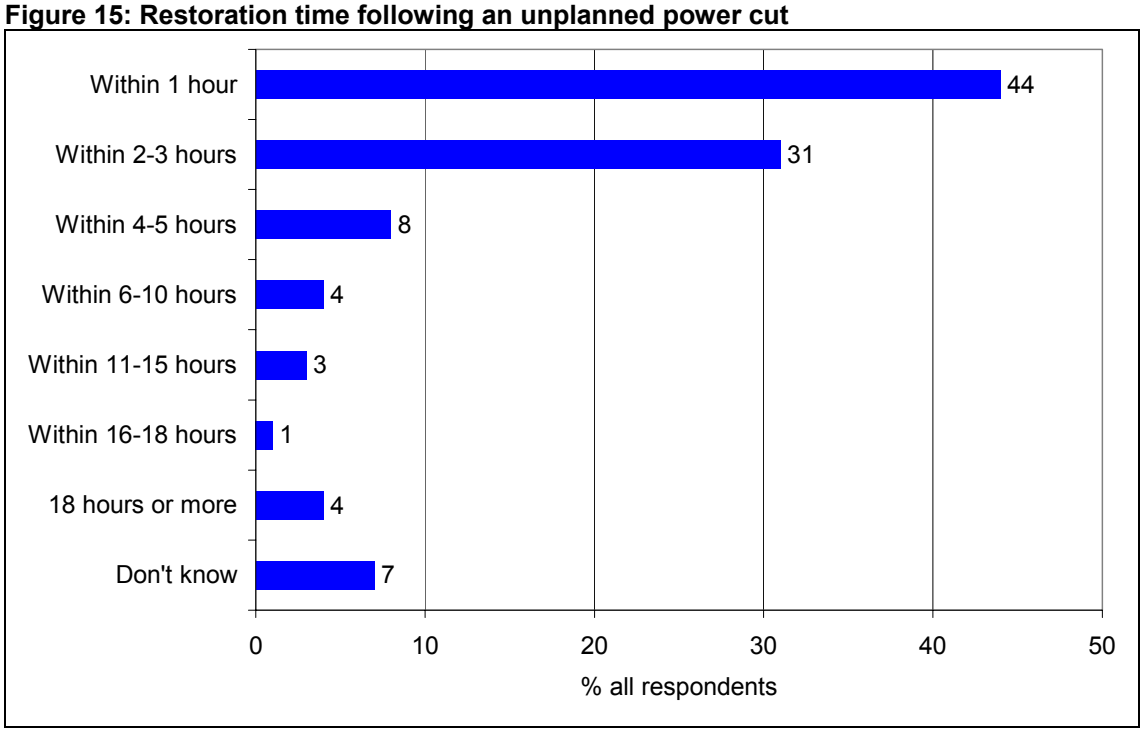


Base: All Respondents. Note that 11% of respondents felt unable to say how many cuts greater than 3 minutes should be allowed, whilst 6% felt unable to say how many cuts greater than 3 hours should be allowed. Taking the latter into account the overall percentages add up to more than 100% due to rounding errors.

When asked whether they would be most concerned with one 24 hour cut every 5 years or a 4-hour cut every year, it was almost an equal split of opinion with 48% more concerned with a 24 hour power cut every 5 years and 44% with a 4-hour power cut every year. Eight percent could not decide.

Three quarters of all respondents expect their supply to be restored within 3 hours of an unplanned power cut, as shown in Figure 15. Most of these customers (44% overall) expect restoration of power within an hour.

Figure 15: Restoration time following an unplanned power cut

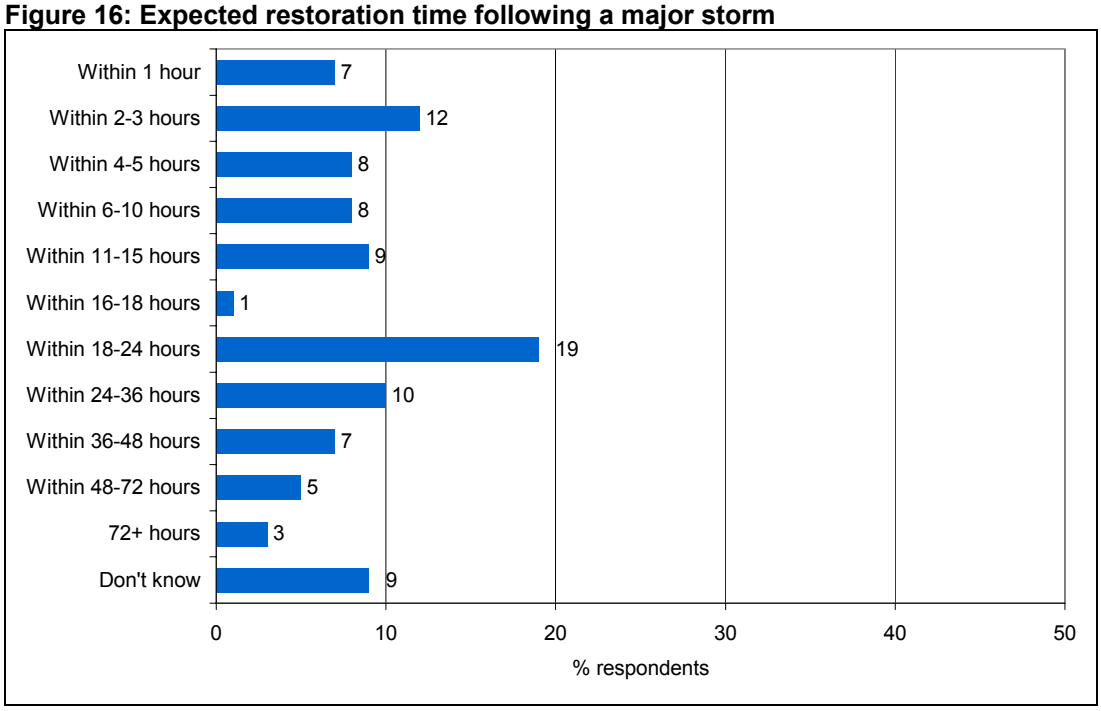


Base: All respondents; figures add up to 102% due to rounding errors

Excluding outliers, the average length of time after which respondents felt compensation should be paid in the event of a power cut was 8.92 hours. Mean results were around the 8 or 9 hour mark for all segments.

However, during periods of severe weather, where up to 100,000 customers could be affected (the scenario that was presented to respondents in the survey), the expectation for restoration of supply is more relaxed, with only 19% saying they expected the supply to be restored within 3 hours and a quarter saying 24 hours or more was acceptable in such circumstances (see Figure 16).

Figure 16: Expected restoration time following a major storm



Base: All respondents. Figures add up to 98% due to rounding errors.

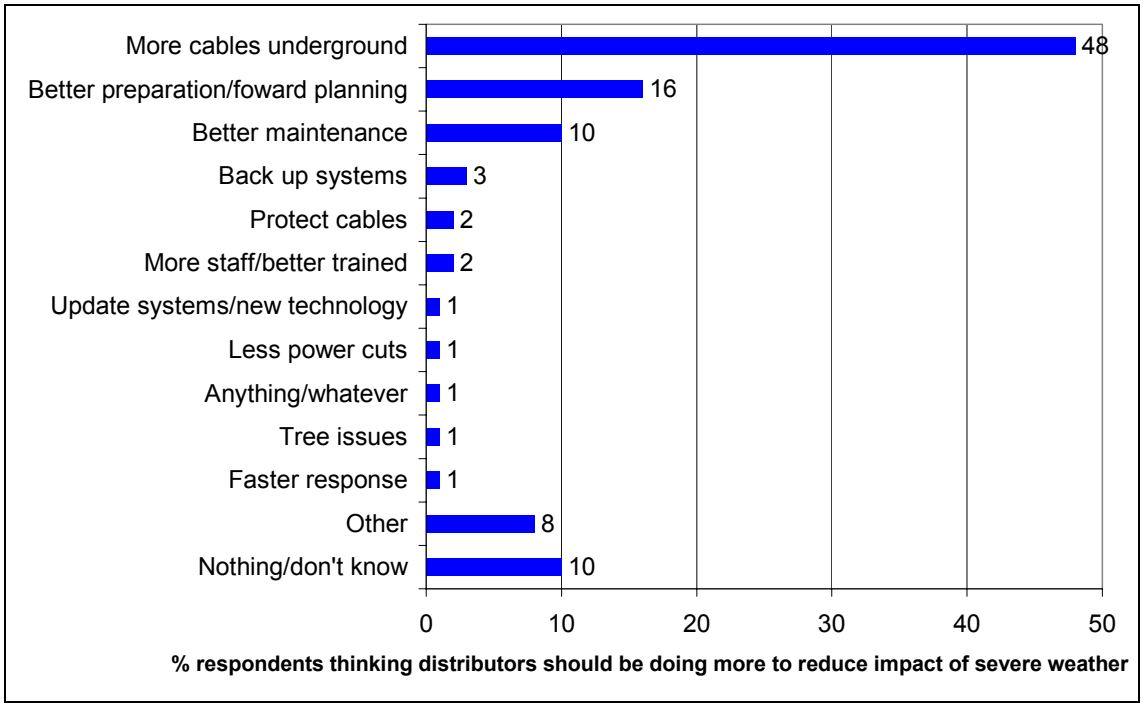
About two thirds (68%) of all respondents feel distribution companies should be doing more to reduce the impact of severe weather, particularly:

- those in Wales: 74%
- those experiencing cuts in Winter: 77%.

When asked what they the companies should be doing, a wide variety of responses was given. The top responses were:

- more cables underground: 48%
- better preparation: 16%
- better maintenance: 10%.

Figure 17: What should distribution companies be doing to reduce the impact of severe Weather



Base: respondents thinking distributors should be doing more to reduce impact of severe weather – 854. Respondents could give more than one response so figures add up to more than 100%.

3.7 Relative Importance of Aspects of Service & Supply to Consumers

At this point in the interview respondents were asked to rate certain aspects of service based upon their importance to them as customers of an electricity distribution company.

Table 5 shows the responses to the options read out by the interviewer ranked by their stated importance. The table shows the percentage that ranked the aspect as either quite or very important in column two, whilst column three shows only the percentage that said "very important" (i.e. excluding those that said "quite important"). The responses are ranked according to the percentages that said the aspect was quite or very important (i.e. by column two).

Having a dedicated helpline available for people with special needs was most important. It has the highest proportion of respondents saying it was important (either "quite" or "very") as well as the highest proportion saying it was "very" important. The table also shows that consumers are more concerned about getting good service than getting compensation for poor service.

Table 5: Importance of different service aspects during a power cut

Aspect of Service	% very / quite important	% very important
Dedicated help-line for those with special needs	93	78
Getting accurate info on when power will be restored	88	63
Rapid restoration of power	86	67
Being able to get through to someone quickly	81	55
Getting useful information	81	52
Receiving compensation	45	21

The mean level of importance of each aspect was:

- Dedicated help-line for those with special needs: 4.69
- Getting accurate info on when power will be restored: 4.47
- Rapid restoration of power: 4.47
- Being able to get through to someone quickly: 4.29
- Getting useful information: 4.29
- Receiving compensation: 3.39

There was only one notable difference in means by segment and that was for receiving compensation which was slightly more important to DEs[1] than other socio economic groups (3.66 compared with 3.39 overall).

In terms of information, respondents were asked to rate the following options (see Table 6) based on their requirements for information during a power cut. Again, the table shows the percentage that ranked the aspect as either quite or very important in column two, whilst column three shows only the percentage that said "very important" (i.e. excluding those that said "quite important"). The responses are ranked according to the percentages that said the aspect was quite or very important (i.e. by column two).

Knowing when power will be restored stands out as the most important type of information and the areas affected as least important.

Table 6: Importance of different information requirements during a power cut

Information Required	% very / quite important	% very important
When power will be restored	91	67
Regular updates	67	31
How to cope without electricity	57	32
Reason for the power cut	47	23
Areas affected	46	23

Mean levels of importance were as follows:

- When power will be restored: 4.55
- Regular updates: 3.84
- How to cope without electricity: 3.56
- Reason for the power cut: 3.41
- Areas affected: 3.31.

There was one notable difference by segment in these results. The importance of information on "how to cope without electricity" was 3.85 for those with a disability compared with 3.56 overall.

With regards to the provision of information during a power cut, respondents were asked whether an automated messaging service that gave accurate information and then

[1] DEs include all semi-skilled and unskilled manual workers, apprentices and trainees to skilled workers, retired people who were previously grade D, with pensions from their job, widows, if receiving a pension from their late husband's job, those entirely dependent on the state long-term through sickness, unemployment, old age or other reasons, those unemployed for a period exceeding six months, casual workers and those without a regular income.

opportunity to speak to someone to report damage, would be acceptable. Two thirds of all respondents (63%) felt that it would be. It was particularly acceptable to ABs[2] (71% compared with 63% overall).

3.8 Attitudes Towards Standards and Targets

Introduction

At this stage in the interview a series of questions were asked to evaluate customers' attitudes towards the guaranteed standards of performance (GSs) and to explore how these could be improved.

The interviewer read out a brief description of each of the standards prior to asking specific questions associated with the standard.

GS2

The interviewer read out the following description of GS2:

Distributors should restore domestic customers' supplies within 18 hours following unplanned interruptions. Failure to do so results in a penalty payment of £50 for domestic consumers for the first 18 hours plus £25 for each additional 12 hours.

Awareness of the standards of performance is generally low. Only 9% of respondents were aware of this standard.

45% of respondent felt that the 18 hour timeframe was about right while 48% thought this was too long. When those who thought it was too long were asked what they thought would be more appropriate, the mean number of hours given (excluding outliers) was 8.86.

Respondents were then asked whether they felt that £50 compensation for a period of 18 hours was considered about right. While 77% agreed it was, a further 19% felt this was too little with 4% saying it was too much.

Amongst those who thought £50 was too little, the mean amount considered appropriate (excluding outliers) was £102.

Overall two thirds felt a payment of £25 was about right for each subsequent 12 hour period, although 32% felt it was too little, just 2% said it was too much.

Where it was felt to be too little, a mean of £56 was considered more appropriate (excluding outliers).

[2] ABs include professional people, very senior managers in business or commerce, top level civil servants, retired people who were previously one of the latter and their widows, middle management executives in large organisations, principal officers in local government or the civil service, top management or owners of small business concerns, educational and service establishments and retired people who were previously in one of the latter "B" categories and their widows.

GS2A

The description read out for this standard was:

Customers are entitled to a penalty payment of £50 if they have 4 or more power cuts each longer than 3 hours in a single year.

Even fewer respondents were aware of this standard, just 4%, with awareness low across all segments.

In terms of the number of cuts that should be allowed each year before compensation is paid, 72% felt that 4 or more was about right. However, 23% felt it was too many and 5% too few.

Amongst those that thought 4 was too many, the mean considered appropriate (excluding outliers) was 1.98.

As far as the level of compensation was concerned, 82% considered that £50 compensation was about right and 16% that it was too little. Only 2% thought it was too much. Of those who thought £50 was too little, a mean of £106 was given (excluding outliers).

GS4

The following description was given for GS4:

Consumers must be given at least 2 days notice of a planned power cut. Failure to do so results in a penalty payment of £20 for domestic customers.

Again awareness was low, with only 7% of respondents aware of this standard.

Over three quarters (77%) agreed that 2 days notice for a planned interruption was about right, although 21% said it was not enough. Amongst the latter a mean of 5.82 days (excluding outliers) was considered appropriate.

Over two thirds (69%) thought that £20 was about the correct level of compensation for this standard, although 29% felt it was too little. The mean amount considered more appropriate by this group (excluding outliers) was £53.

Attitudes Towards Automatic Payment of Compensation

Overall 83% of respondents felt that penalty payments should be made automatically with just 16% considering claiming to be acceptable, with little variance by segment.

However, only 37% were prepared to pay slightly more to allow investment in the technology to provide automatic payments. There was slightly higher than average willingness to pay amongst ABs (43% compared with 37% overall).

Amongst those prepared to pay more, the average amount they were willing to pay was £2.63 per month or 3.3% of the monthly bill (excluding outliers).

Attitudes Towards Exemptions

Some two thirds of respondents (62%) agreed that it is reasonable that there should be some exemptions from paying compensation when the circumstances are outside the distribution company's control. There were no major differences by segment.

Asked whether severe weather was an acceptable circumstance in which to claim an exemption, provided all reasonable steps had been taken to prevent the power cut, 79% of all respondents stated that it was. Again, there were no major differences by segment.

Twenty-two percent of respondents were prepared to pay a small amount extra on their bills in order to get compensation even when there are power cuts caused by severe weather, with no major differences by segment. The actual amount they would be prepared to pay was not sought in this instance.

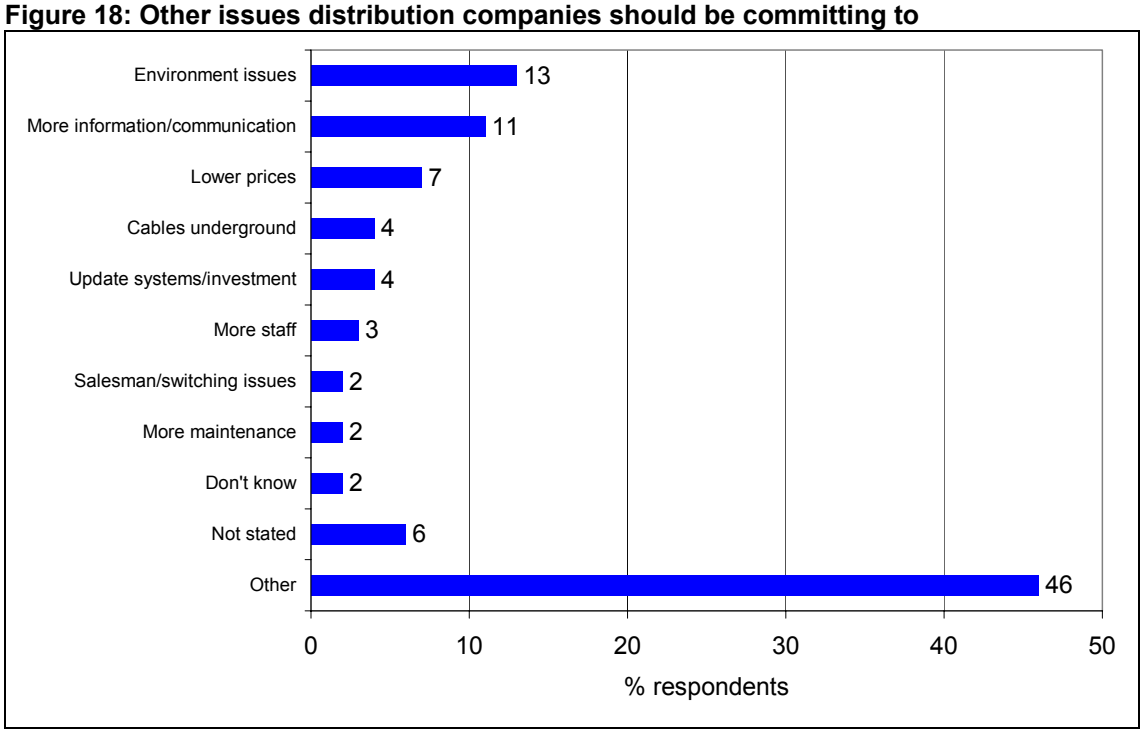
3.9 Improvements Desired

Respondents were asked whether there was anything further that had not been discussed that they felt distributors should be doing. Only 17% said that there was with responses shown in Figure 18, highlighting environmental concerns and better communication as the top two issues expressed by 13% and 11% of respondents respectively. A wide range of other responses were given, but as none were stated by a high proportion of respondents, they have not been coded individually. The range of "others" included:

- I would rather see money going to the restoration and care of generators rather than administration
- directors/management staff should be on lower salaries/expenses to keep cost of electricity down
- sub-stations should not be put in between houses
- telling the truth
- digging up roads as promptly as possible
- co-ordinate all streetwork to reduce streetwork time
- all utility companies made to make repairs at the same time to avoid hassle
- paying out compensation when there is a power surge
- more protection from power surges for houses with sensitive electrical equipment
- easier ways for people with special needs to contact electricity distributors
- less margin of error, more staff training at the call centres, less excuses about computers breaking or being down
- compensation if on the phone for a long time trying to get hold of distribution companies
- for long periods (24 hour power cuts) the companies should supply alternative heating such as gas; I would rather have that than compensation
- co-ordination between different utilities when digging up for repairs and improvements
- dedicated line for the elderly or sick
- should be giving extra priority to housebound and their carers
- should be more control over the digging up of the road
- power stations should be positioned above flooding levels
- more information about the compensation available

- more information about standards
- more backups, look after old people more. More information and tell people what's available
- provide a summary of regulations
- reduce the amount of power surges in order to make power surge protectors unnecessary
- better service, fewer automated messages, more human operators
- reducing pylons
- better restoration of landscape
- updating rural areas – invest money from the bottom up not from the top down
- sub-stations should be hidden, things should be landscaped more
- local community should be made aware of what is going on at the local power station
- pylons being better maintained and safety fencing at power stations.

Figure 18: Other issues distribution companies should be committing to



Base: 216 respondents who thought there were other issues DNO's should be committing to.

When all respondents were asked if they would pay a little extra to get the improvements that were important to them (as cited earlier in the interview and at this stage), 36% said they would while 59% would not. Willingness to pay was slightly higher than average amongst:

- 16-29 year olds: 43% compared with 36% overall
- ABs: 45% compared with 36% overall.

It was lower than average amongst:

- 50+ age group: 31% compared with 36% overall
- DEs: 28% compared with 36% overall.

The average amongst those willing to pay extra was £3.05 or 2.9% (excluding outliers) on the monthly bill.

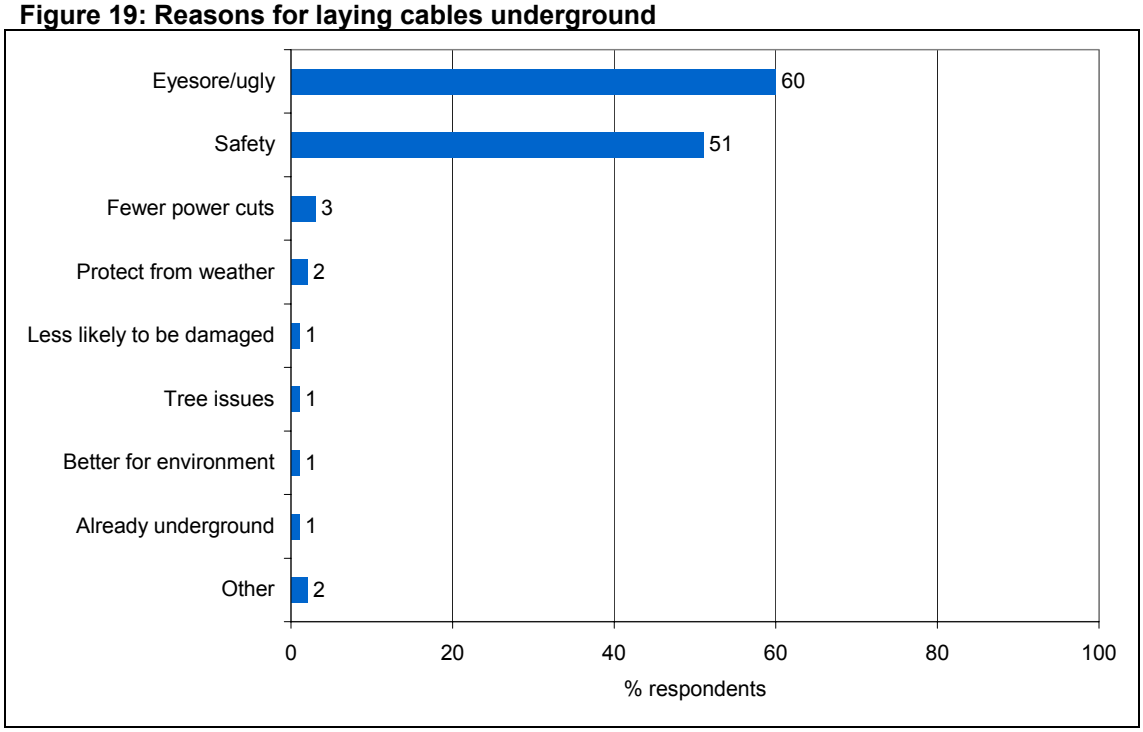
Respondents were asked if they would be **more** prepared to pay a little extra if the distribution company published their investment plans. Two fifths (40%) stated that they would be more prepared to pay in such circumstances, particularly:

- those in Scotland: 50% compared with 40% overall
- those aged 16-29: 52% compared with 40% overall
- ABs: 46% compared with 40% overall.

3.10 Attitudes Towards Laying Cables Underground

On prompting, overall 75% of those consumers interviewed would like to see more cables laid underground in their own area, this figure rising to 80% for those living in rural areas. The main reasons for wanting cables laid underground are shown below in Figure 19, with the top response being that they are ugly or an eyesore, followed by safety concerns.

Figure 19: Reasons for laying cables underground



Base: 944 respondents who would like to see more overhead electricity cables put underground in their area. More than one response could be given; hence figures add up to more than 100%.

The main reasons given by the 25% of respondents who did not want cables laid underground in their local areas were:

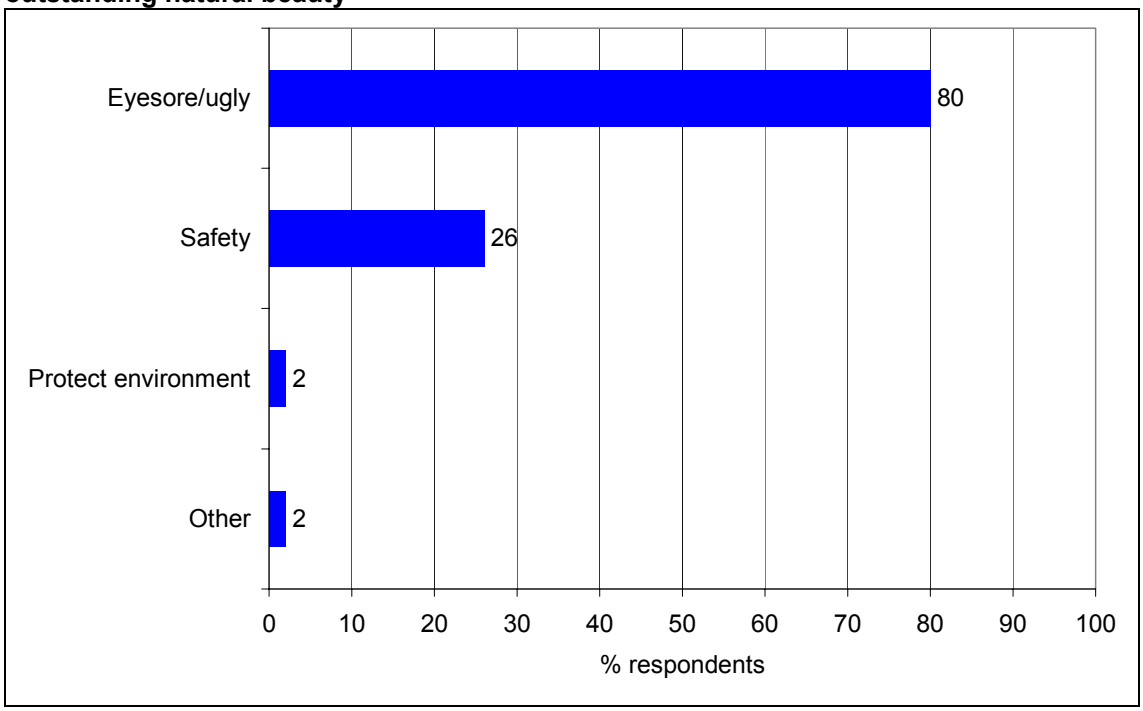
- not bothered: 42%
- don't want ground digging up: 8%
- harder to get at faults: 5%.

A further question was asked regarding the laying of cables underground in National Parks and areas of outstanding natural beauty. Responses to this question show that

89%, a higher proportion than in the previous question, would like cables underground in this situation. There were no major differences by segment.

The reasons they would like them undergrounded in these locations are shown in Figure 20 and here relate primarily to the fact that they are an eyesore.

Figure 20: Reasons for laying cables underground in national park and areas of outstanding natural beauty



Base: 1,127 respondents who would like to see more overhead electricity cables put underground in national parks and areas of outstanding natural beauty. More than one response could be given; hence figures add up to more than 100%.

The main reasons given by the 11% of respondents who did not want cables put underground in these areas were that:

- they were not bothered / not affected: 23%
- that they do not want the ground digging up: 18%
- expenses involved: 10%.

Respondents were asked if they would be prepared to pay extra for distribution companies to put 5% of their overhead lines underground, thereby helping to reduce the number of power cuts and the visual impact of overhead lines but increasing the time taken to repair faults.

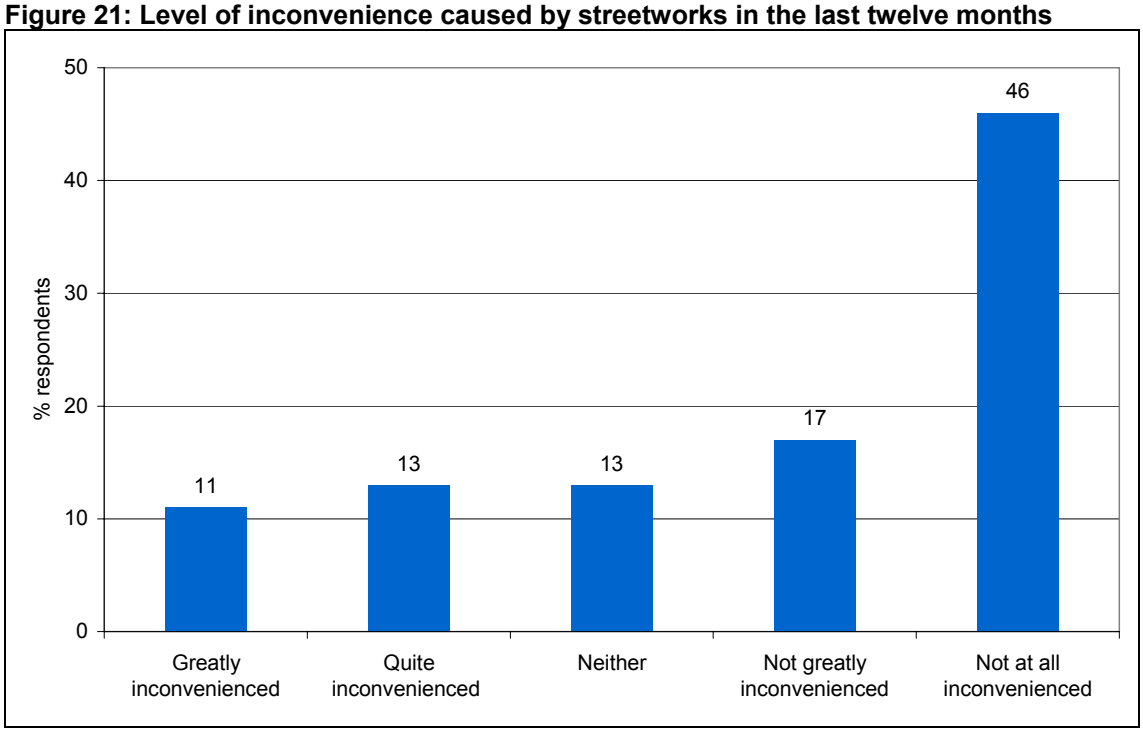
Two fifths (40%) said they would pay extra but most (54%) would not. Willingness to pay was again highest amongst 16-29 year olds (45% compared with 40% overall) and ABs (46% compared with 40% overall).

The average amongst those willing to pay was £2.70 per month or 3% on top of their monthly bill (excluding outliers).

3.11 Attitudes Towards Streetworks

A quarter of respondents said they had been inconvenienced by streetworks conducted by DNOs over the last twelve months: 11% greatly inconvenienced and 13% quite inconvenienced as shown in Figure 21.

Figure 21: Level of inconvenience caused by streetworks in the last twelve months

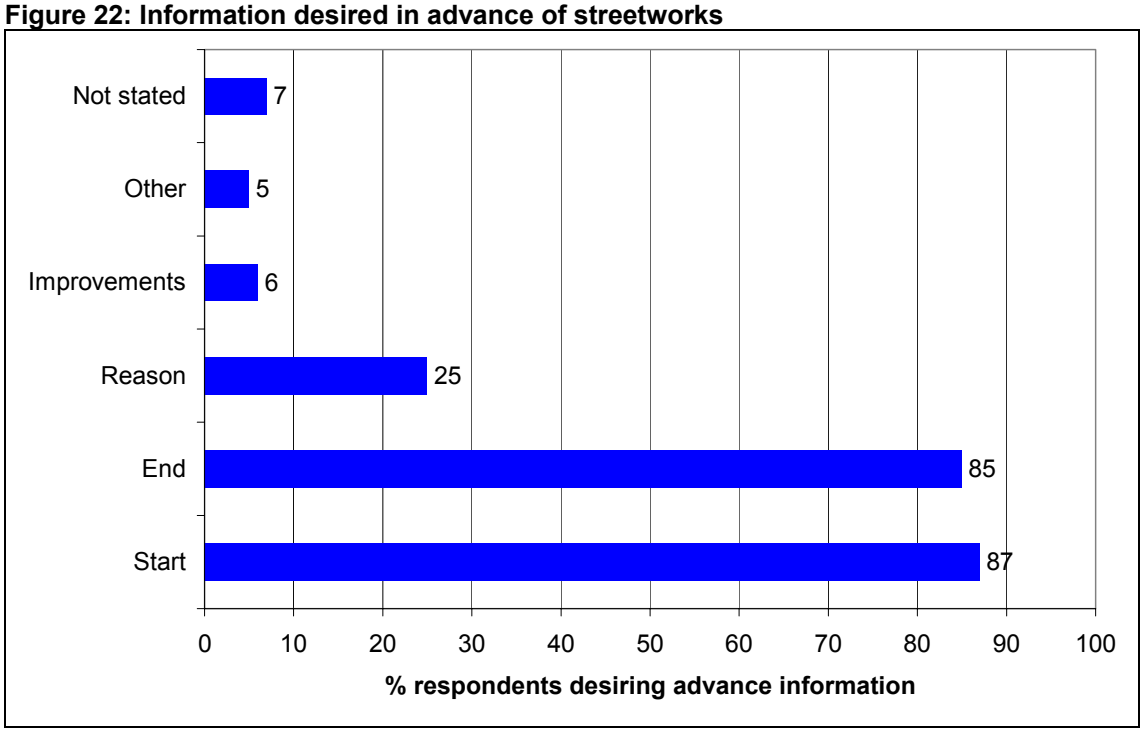


Base: All respondents

The mean level of inconvenience caused was 3.73, with no major differences by segment (including no differences in the result for rural versus urban respondents).

Over three quarters of all respondents (77%) would like to receive information in advance of streetworks in their area. The information they would like to receive is primarily start and end dates (87% and 85% respectively). Full results are shown in Figure 22.

Figure 22: Information desired in advance of streetworks



Base: those desiring information – 969. More than one response could be given, so the above figures add up to more than 100%.

3.12 Attitudes Towards Performance in Rural Areas

Two-thirds of all respondents (66%) felt it unreasonable that the quality of the supply is poorer in rural areas. Interestingly, however, there was little difference in responses between those in urban areas and those in rural areas (67% and 65% respectively). Those aged 16-29 were more likely to consider it unreasonable than average (74% compared with 66% overall) as were females (71% compared to 58% of males).

However, only 33% would be prepared to pay extra to improve the service of those in less well-served areas. Willingness to pay was again higher amongst ABs[3] (40% compared with 33% overall) and lower amongst DEs (28% compared with 33% overall). There was again no difference in results for rural versus urban respondents with 33% of urban respondents willing to pay extra compared to 34% of rural respondents.

The amount respondents were willing to pay varied, with 52% saying an extra 1% on their bill, 31% an extra 2–4%, 13% an extra 5–7% and 4% willing to pay over 10%.

Results for rural versus urban respondents were again very similar, being as follows:

	rural	urban
• 1% extra on bill	53%	51%
• 2-4% extra on bill	29%	33%

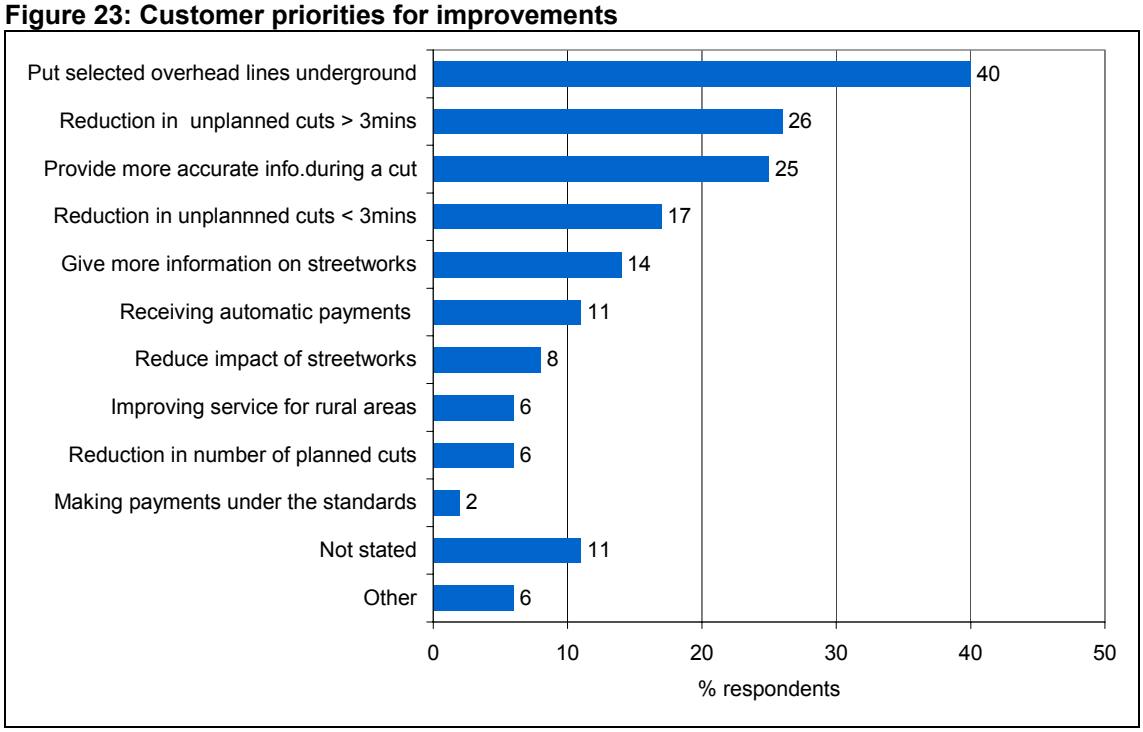
[3] ABs include professional people, very senior managers in business or commerce, top level civil servants, retired people who were previously one of the latter and their widows, middle management executives in large organisations, principal officers in local government or the civil service, top management or owners of small business concerns, educational and service establishments and retired people who were previously in one of the latter "B" categories and their widows.

- 5-7% extra on bill 13% 13%
- over 10% extra on bill 4% 3%.

3.13 Customer Priorities

In order to identify the service improvements of most importance to respondents, they were asked to consider all the issues and standards discussed throughout the interview and to specify the two issues most important to them. The results provided in Figure 23 show that the most important issue is placing overhead cables underground which was specified by 40% of respondents. The second most important issue for 26% was a reduction in the number of unplanned power cuts of more than 3 minutes. There were no striking differences by segment.

Figure 23: Customer priorities for improvements



Base: all 1263 respondents. More than one response could be given, so figures above add up to more than 100%.

4. KEY BUSINESS FINDINGS

4.1 Introduction

As in the domestic survey a short screening process was undertaken prior to the start of the main interview to ensure that the contact was the appropriate person to speak to about issues related to power cuts. The contact could have been either the company's Energy Manager, Finance Manager, Facilities Manager Finance Director or the Owner/Manager. The screening questions were also used to ensure certain quotas were met. Details of the number of business interviews achieved and the target for each of the key segments are given in Table 7 and shows that all targets were met other than for the Wales region which was only one interview short of the quota and does not affect the ability to make comparisons.

Table 7: Business interviews achieved

	ACHIEVED	TARGET
REGION		
Scotland	102	100
Midlands & North	100	100
South & East	101	100
Wales	99	100
POWER CUTS		
Experience in past 12 months	181	Min 100; ideal 200
No experience in past 12 months	221	200+
LOCATION		
Rural	101	100
Urban	301	300
SIZE		
1MW+ or £159,000+ spend	100	100
100KW-<1MW or £15,000-£159,000 spend	152	150
<100KW or <£15,000 spend	150	150
TOTAL	402	400

Six per cent of respondents in the business survey were from a Head Office site while 93% were based at site offices.

Respondents were drawn from various industry sectors with the key sectors being shown in Table 8. Some of the other industry sectors included sports & recreation, business services, agriculture, mining, financial services, education and central/local government although the number of respondents from individual industries was small in comparison to those shown below. Only results from the sectors below can be robustly compared as all other cell sizes are too small.

Table 8: Main industry sectors

Industry Sector	Number of Respondents
Metal Goods and Engineering	48
Wholesale/Retail Distribution	47
Manufacturing/Chemicals/Refining	43
Manufacture of Food and Drink	35

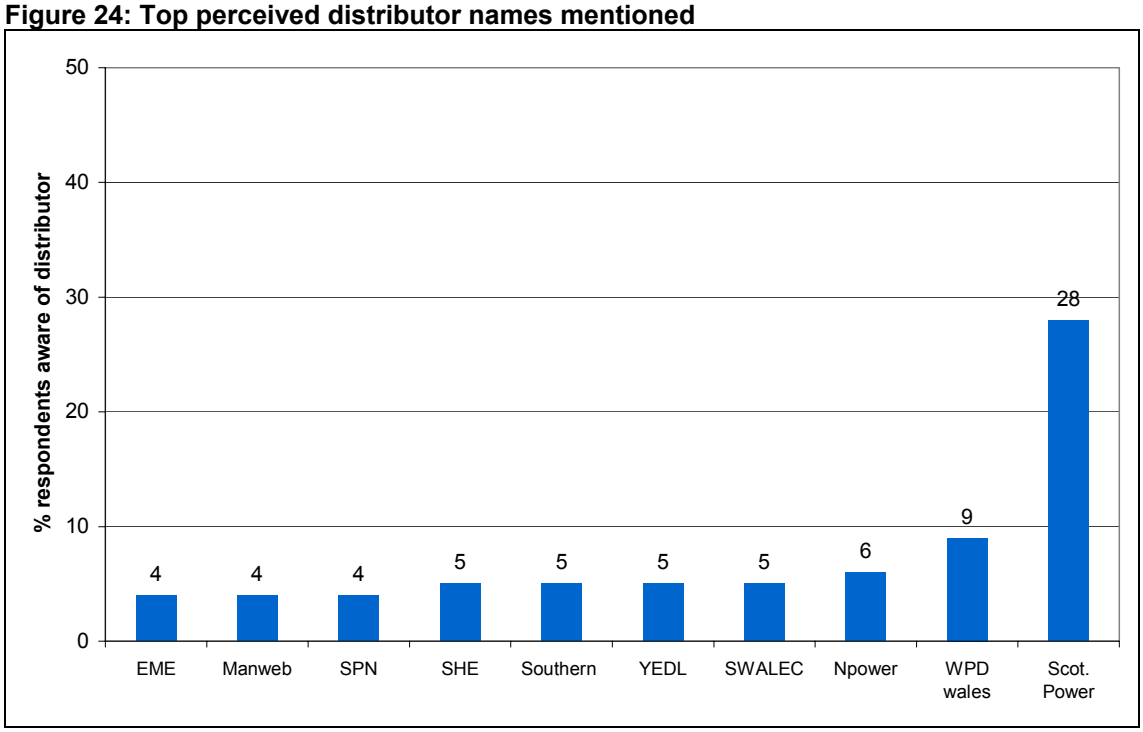
Manufacturing in General	30

4.2 Awareness of Distributor

Of the 402 business respondents surveyed, 317 (79%) stated that they knew who their distributor was. The breakdown of the top ten "known" distributors is shown in Figure 24.

Respondents in Scotland seemed to have the highest stated awareness, 93% saying they were aware who their distributor was, with 76% citing ScottishPower and 17% Scottish Hydro Electric. However, it is impossible to say in these two cases whether this was actual DNO awareness or whether in fact they were citing their supplier's name. Only two thirds of respondents (67%) in the South and East stated that they knew who their distributor was.

Figure 24: Top perceived distributor names mentioned



Base: 317 respondents who "knew" their distributor

4.3 Business Customer Experiences / Concerns

Three quarters of those interviewed (75%) had no concerns about the quality or reliability of the electricity supply. The key concerns cited are shown in Table 9. All other responses were given by 1% or fewer respondents.

Table 9: Concerns about the running of the network

7%	constancy/reliability of supply
5%	frequency of cuts
2%	more power needed/increased capacity

Those based in Wales were most likely to say they had concerns, 64% saying "none" compared to 75% overall.

As in the domestic customer study respondents who did not mention the quality of the supply as an unprompted concern were asked specifically if they had any concerns about the reliability of the supply in the locality. 82% had no concerns about the supply in the local area. Of the remainder, 8% were concerned about power cuts and 6% about power surges and 4% various other issues.

When asked specifically whether they had any concerns about the impact of the network on the environment locally, 88% said that they had none, 6% wanted to put cables underground and 2% mentioned health risks. Other responses included:

- safety: 1%
- green power: 1%.

More generally, 76% had no concerns about the impact on the environment, whilst 10% wanted cables put underground, 5% were concerned about the health risks, 4% wanted more green energy and 3% were concerned about safety.

4.4 Business Experience of Unplanned Power Cuts Lasting >3 Minutes

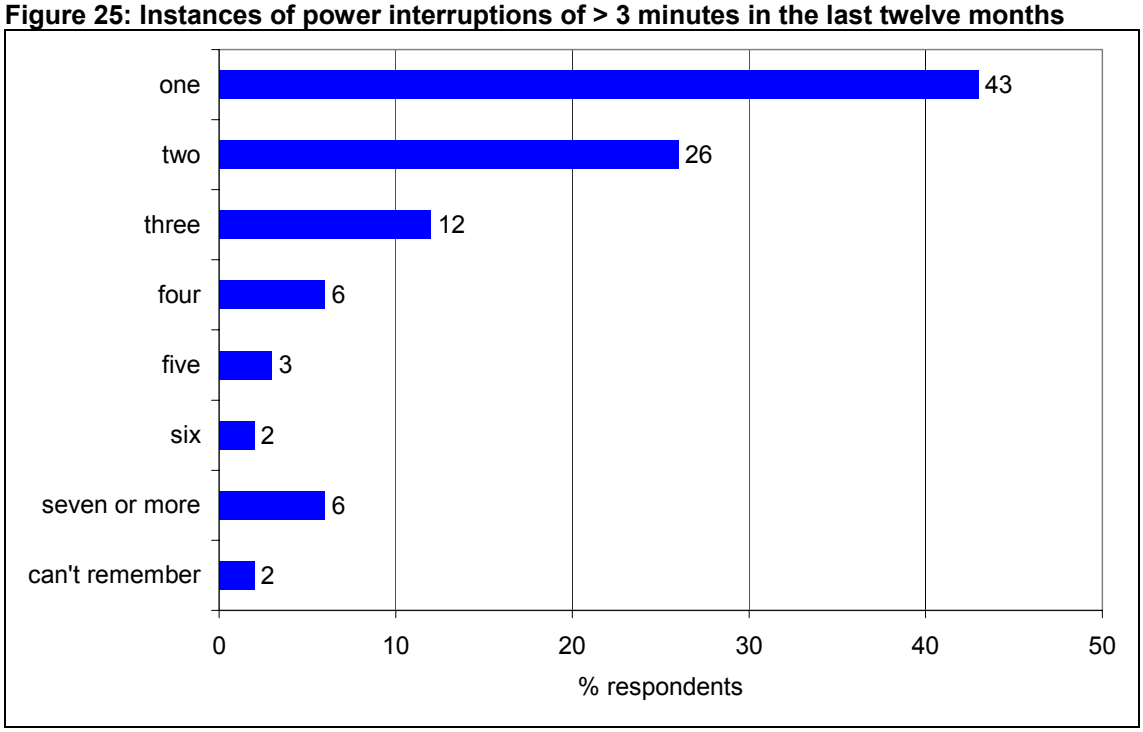
Experience of Cuts

Forty one percent of all businesses in the sample (a similar proportion to the domestic sample of 45%) had experienced unplanned power cuts lasting more than 3 minutes in the last twelve months. It should be remembered, however, that quotas were set to ensure that half of the sample had experienced a cut lasting more than a few minutes. This cut could have been either a planned or unplanned cut. Consequently, the proportion having experienced the unplanned cuts cannot be said to reflect the occurrence of unplanned cuts in the business population as a whole. However, the average duration of unplanned cuts can be said to be representative of the average length of unplanned cuts amongst those businesses that have experienced them.

The proportion was lower than average in the Midlands & North (27% compared with 41% overall) and higher than average in the South & East (50% compared with 41% overall). It was also much higher than average in rural areas (60% compared with 35% in urban areas).

Full results of the number of cuts longer than 3 minutes experienced by those respondents that had experienced such cuts are shown in Figure 25. It shows that more than two thirds of these customers had experienced one or two power cuts of more than 3 minutes duration in the previous year. The mean number of cuts greater than 3 minutes experienced by businesses was 2.28, the number being lower than average in the Midlands & North (1.69) and higher than average in Wales (2.65). It was also much higher in rural as opposed to urban areas (mean of 3.05 compared with 1.84).

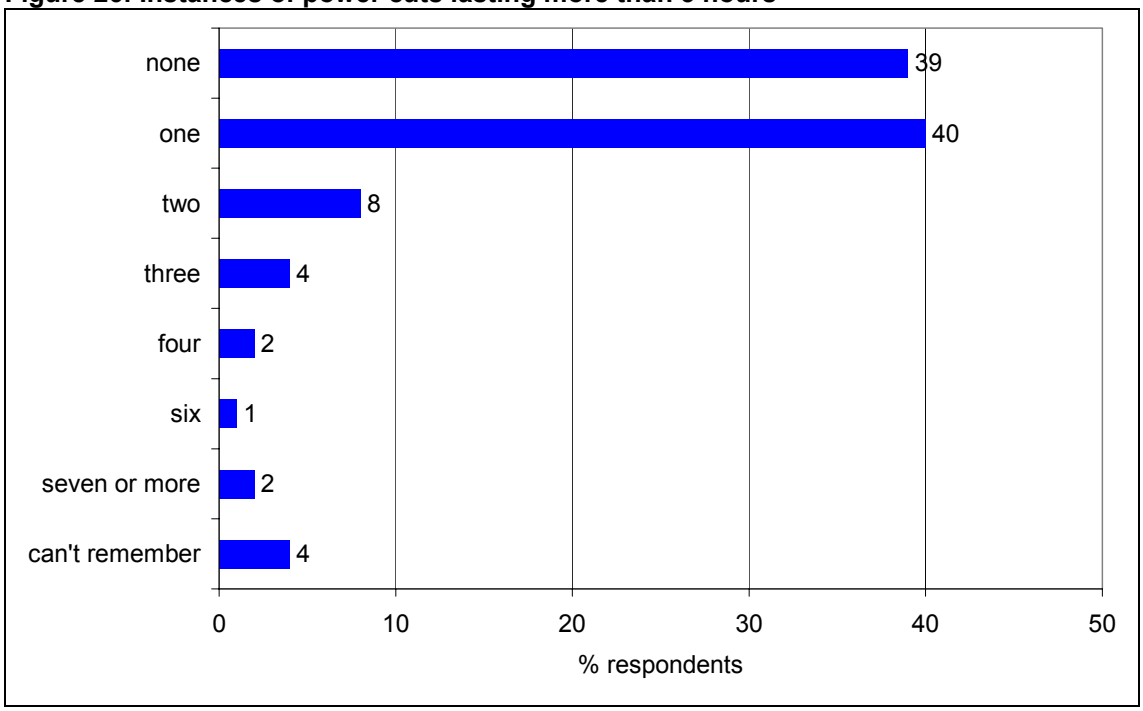
Figure 25: Instances of power interruptions of > 3 minutes in the last twelve months



Base: 166 respondents who have experienced power cuts lasting more than 3 minutes that they were not warned about

Most (57%) of those who had experienced unplanned outages of more than 3 minutes, claimed they had experienced power cuts of over three hours, 40% having experienced one outage of more than 3 hours and a further 8% experiencing two outages in excess of 3 hours. Nine percent had experienced three or more. The average number experienced in excess of 3 hours was 0.99, although it was higher in rural areas at 1.45.

Figure 26: Instances of power cuts lasting more than 3 hours



Base: 166 respondents who have experienced power cuts lasting more than 3 minutes that they were not warned about.

The average length of cuts in excess of 3 minutes was 2 hours 30 minutes, with differences by region and location as follows:

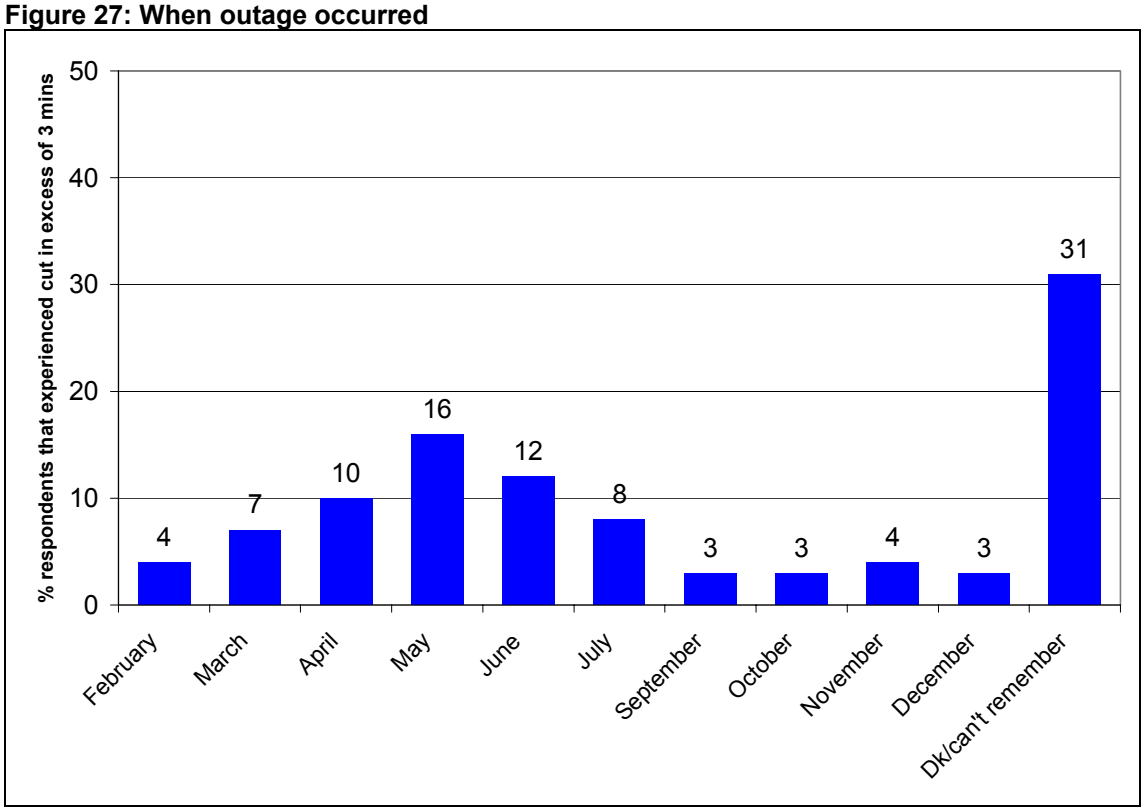
- Scotland: 2 hours and 40 minutes
- Midlands & North: 2 hours and 12 minutes
- Wales: 2 hours and 22 minutes
- South & East: 2 hours and 40 minutes

- urban: 2 hours and 25 minutes
- rural: 2 hours and 39 minutes.

Time of Year in Which Cut Occurred

Almost half (46%) stated that the outage occurred between April & July, although 31% could not recall when the power cut happened (see Figure 27).

Figure 27: When outage occurred



Base: those who had experienced an outage in excess of 3 minutes – 166. Figures add up to more than 100% due to rounding errors.

Those who couldn't remember what month their most recent power cut occurred in, were asked if they could remember what season it was in. The perception for 43% of respondents was that it had happened during the winter and for 14% it was thought to have happened in the autumn. Full results were:

- Winter: 43%
- Autumn: 14%
- Spring: 20%
- Summer: 4%
- Don't know/can't remember: 20%

Level of Inconvenience Caused

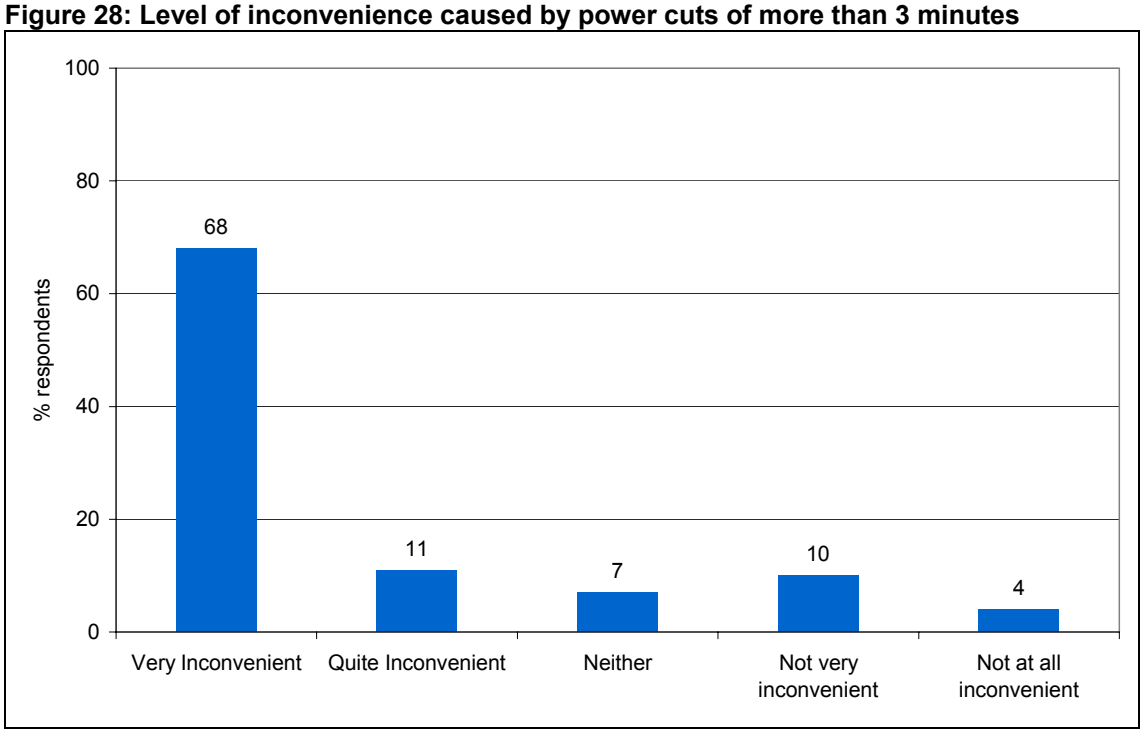
Four out of five businesses interviewed were inconvenienced by the power cut with 68% very inconvenienced, as shown in Figure 28.

The mean level of inconvenience caused was 1.69 (compared to 2.65 for consumers) – the lower the mean, the higher the level of inconvenience. There are some key differences in these results by company size, with levels of inconvenience far greater for the larger users:

- 1MW+: 1.20
- 100KW-1MW: 1.64
- <100KW: 2.03.

All sector cell sizes are too small for valid comparisons to be made.

Figure 28: Level of inconvenience caused by power cuts of more than 3 minutes



Base: 166 respondents who have experienced power cuts lasting more than 3 minutes that they were not warned about

Of those who were inconvenienced, 77% claimed the power cut caused disruption to the business and equipment, 78% also claimed to have lost money and 17% said it had damaged equipment. Lost money or production time were cited by almost all 1MW+ businesses (91%) compared to 57% of smaller users (<100KW).

Response to Cuts

Two thirds of businesses tried to contact their distributor when the power cut happened with 91% managing to get through – 63% within 5 minutes.

Those in the Midlands & North and South & East were less likely to have contacted their distributor than those in the other two regions:

- Scotland: 76%
- Midlands & North: 59%
- Wales: 72%
- South & East: 57%.

Smaller users were less likely to have made contact than larger users:

- 1MW+: 74%
- 100KW-1MW: 76%
- <100KW: 51%.

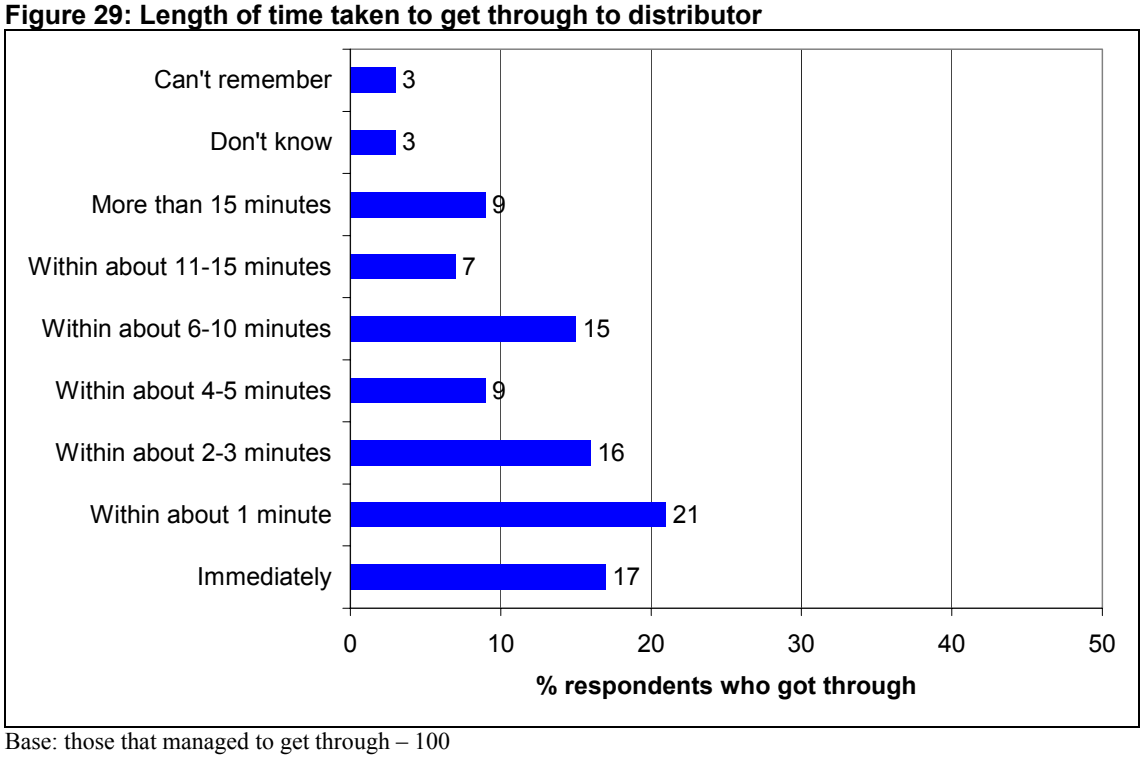
Of those who got through, 40% spoke to a call operator, 22% heard a recorded message and 23% both. Fifteen per cent could not remember.

There were no major differences in the number able to get through by region, although bigger users were slightly more likely to than smaller users:

- 1MW+: 96%
- 100KW-1MW: 91%
- <100KW: 87%.

As previously stated, 63% managed to get through within 5 minutes, with 17% getting through immediately and 21% within about 1 minute, as shown below.

Figure 29: Length of time taken to get through to distributor



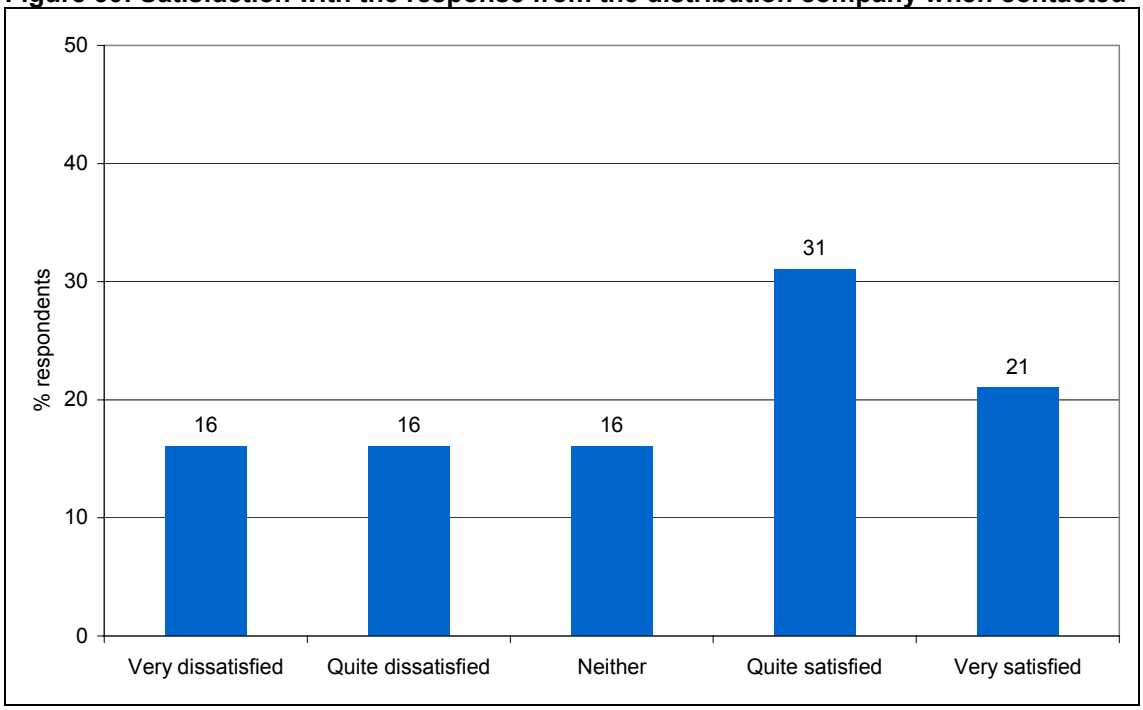
Base: those that managed to get through – 100

Attitude Towards Information Received About Power Cut

The percentage of those who said they received the information they wanted from their DNO was lower for business than domestic customers: 67% compared with 78%. However, the figures for those who felt the information was correct are broadly similar: 91% for business respondents compared to 93% of domestic customers.

Just over half were either quite (31%) or very (21%) satisfied with the response. The overall mean satisfaction score for the quality of the response was 3.25, again slightly lower than the mean score of 3.55 recorded for domestic customers.

Figure 30: Satisfaction with the response from the distribution company when contacted

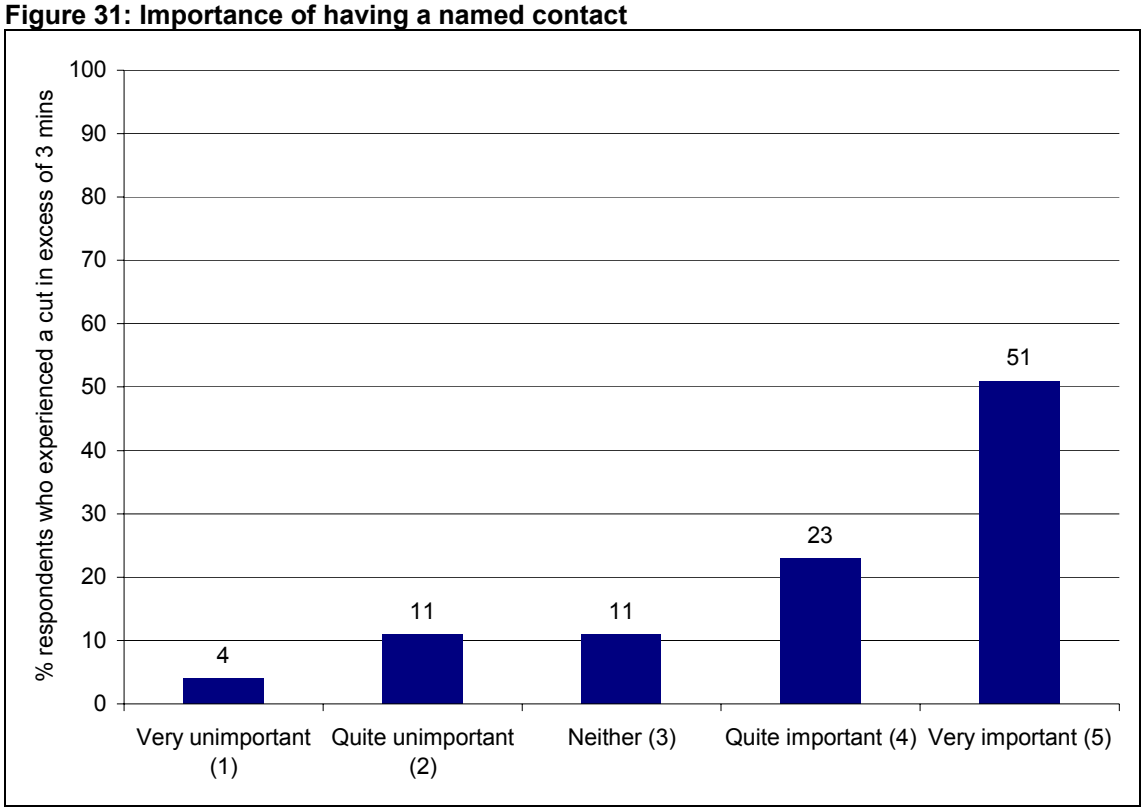


Base: 100 respondents who did get through to their electricity distributor

Importance of Having a Named Contact

Business respondents were asked how important it would be to them to have a named contact in the event of a power cut. The majority felt it was important, 51% stating it would be "very" important while 23% said it would be "quite" important.

Figure 31: Importance of having a named contact



4.5 Business Experience of Short Interruptions of Less Than 3 Minutes

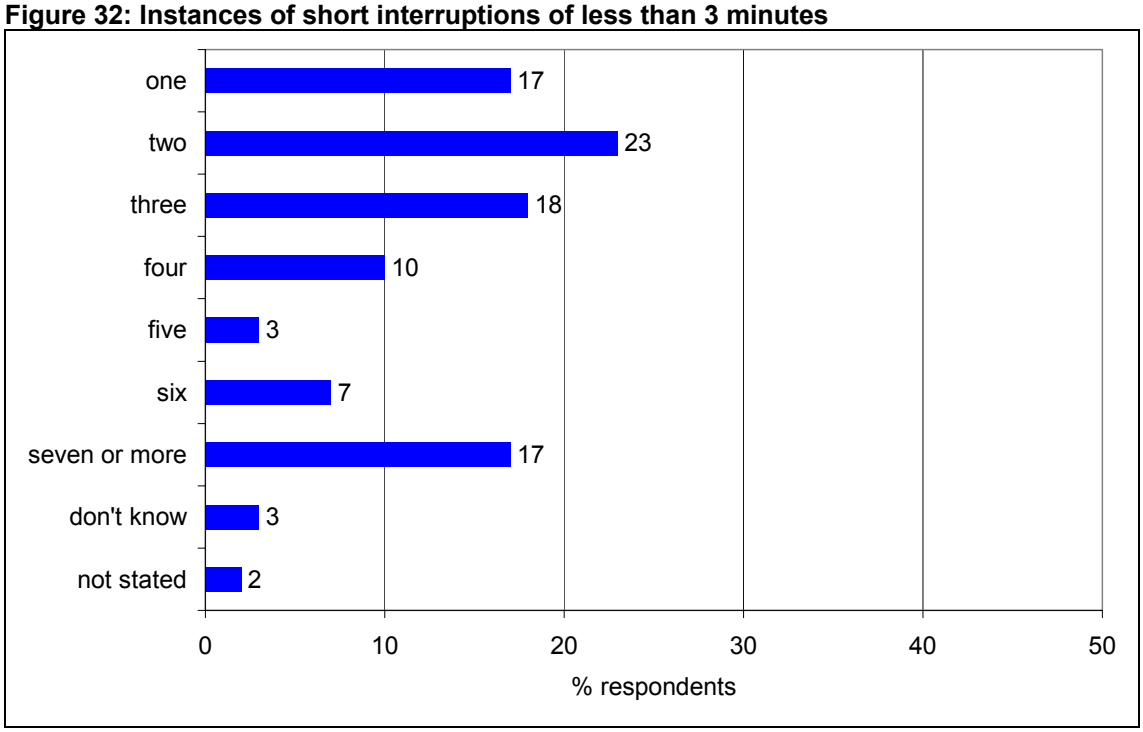
Experience of Cuts

Almost a third of businesses in the sample said they had experienced a short interruption to their supply lasting less than 3 minutes. The proportion was slightly higher in Wales (38%) and in rural areas (45%).

The majority of these businesses (58%) had experienced 3 or less such interruptions, although 17% had experienced 7 or more.

The average number of cuts experienced lasting less than 3 minutes was 3.49, again being higher in Wales (3.77) and rural areas (4.07).

Figure 32: Instances of short interruptions of less than 3 minutes



Base: 121 respondents who have experienced short power cuts lasting less than 3 minutes.

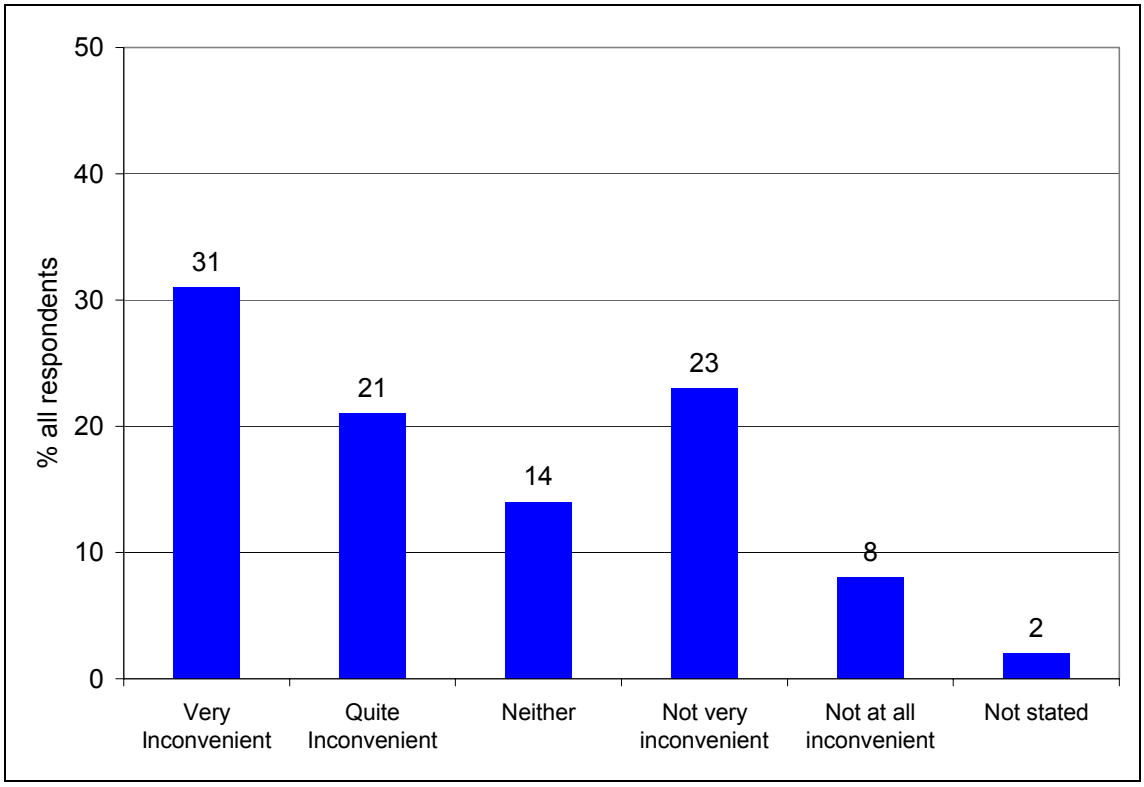
Level of Inconvenience Caused

Less inconvenience was caused by short interruptions than longer ones, with 52% inconvenienced (see Figure 33) compared to 79% by cuts in excess of 3 minutes.

The mean score for the level of inconvenience caused by short interruptions to the power supply was 2.55, much lower (i.e. more inconvenient) than for domestic customers (3.93). Larger users felt a much greater level of inconvenience than smaller users:

- 1MW+: 1.79
- 100KW-1MW: 2.48
- <100KW: 3.28.

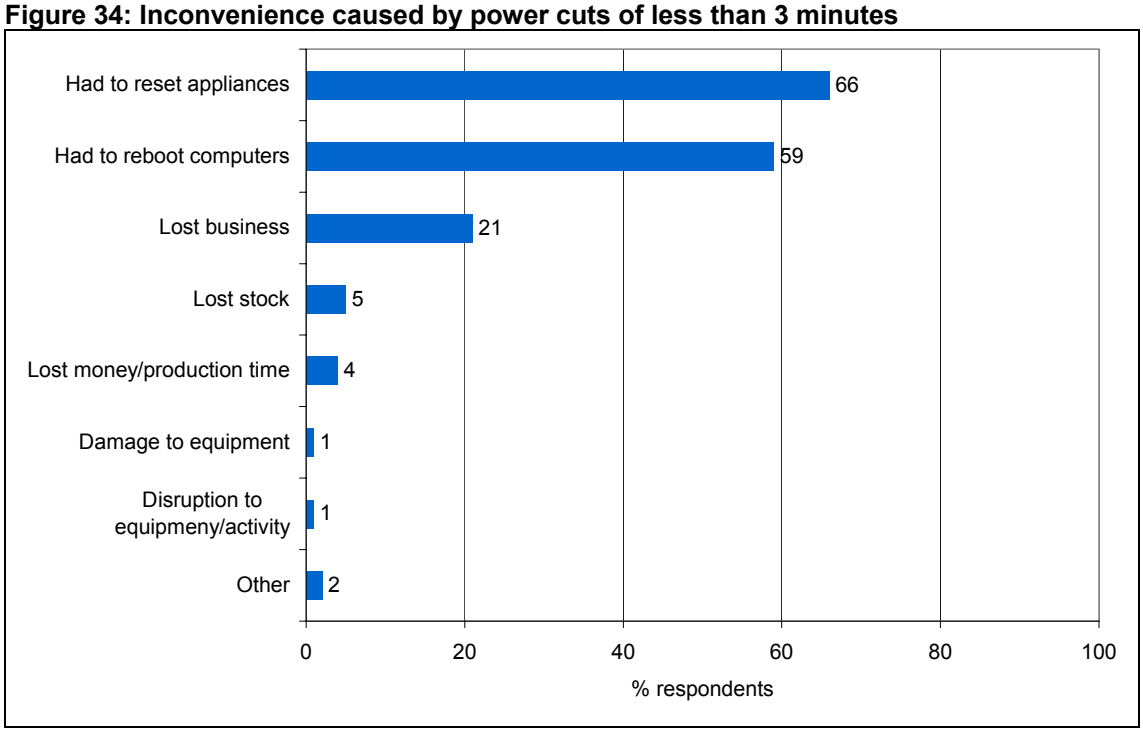
Figure 33: Level of inconvenience caused by short interruptions to the supply of less than 3 minutes



Base: 121 respondents who have experienced short power cuts lasting less than 3 minutes.

When asked for the main sources of the inconvenience, 66% said they had to reset appliances and 59% that they had to re-boot computers. A further 21% said that they had lost business because of the power cut. Details are shown in Figure 34.

Figure 34: Inconvenience caused by power cuts of less than 3 minutes



Base: 111 respondents who have experienced short power cuts lasting less than 3 minutes. More than one response could be given so that the figures add up to more than 100%.

As with longer cuts to supply, the larger users (1MW+) were particularly concerned by lost money or production time (12% compared with 4% overall) and by lost business (32% compared with 21% overall).

Attitudes Towards Long Versus Short Interruptions to Supply

Respondents who have experienced short power cuts (121) were asked which causes more concern for the business, power cuts of longer duration or short interruptions. Most (68%) said longer duration power cuts were of more concern, 17% short interruptions and 12% both equally. The remaining 3% did not know or could not say.

4.6 Business Experience of Planned Interruptions to Supply in Past 12 Months

Experience of Planned Interruptions

Overall 13% of all businesses had experienced a planned power cut, this being highest in Wales and the South & East, as well as in rural areas:

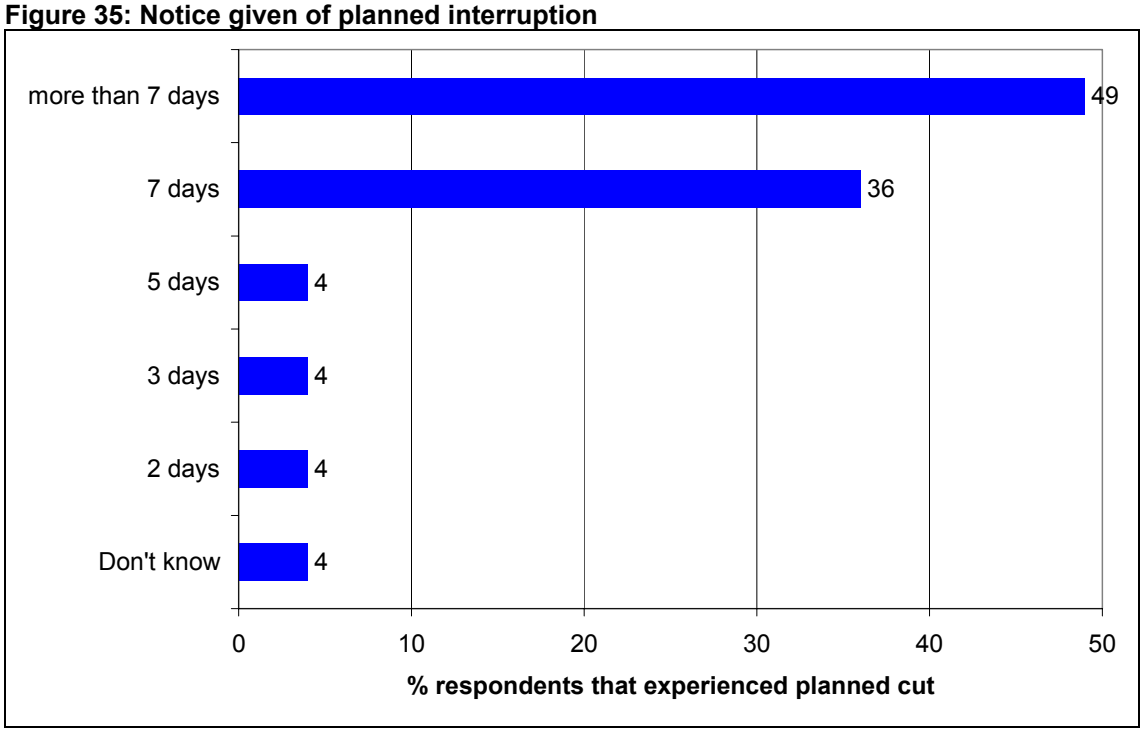
- Scotland: 7%
- Midlands & North: 10%
- Wales: 20%
- South & East: 16%

- urban: 10%
- rural: 23%.

Amount & Type of Notice Given of Planned Interruptions

Of those who had experienced a planned cut, 36% had received 7 days notice of the event from the DNO. Only 4% had received 2 days or less notice as shown in Figure 35.

Figure 35: Notice given of planned interruption

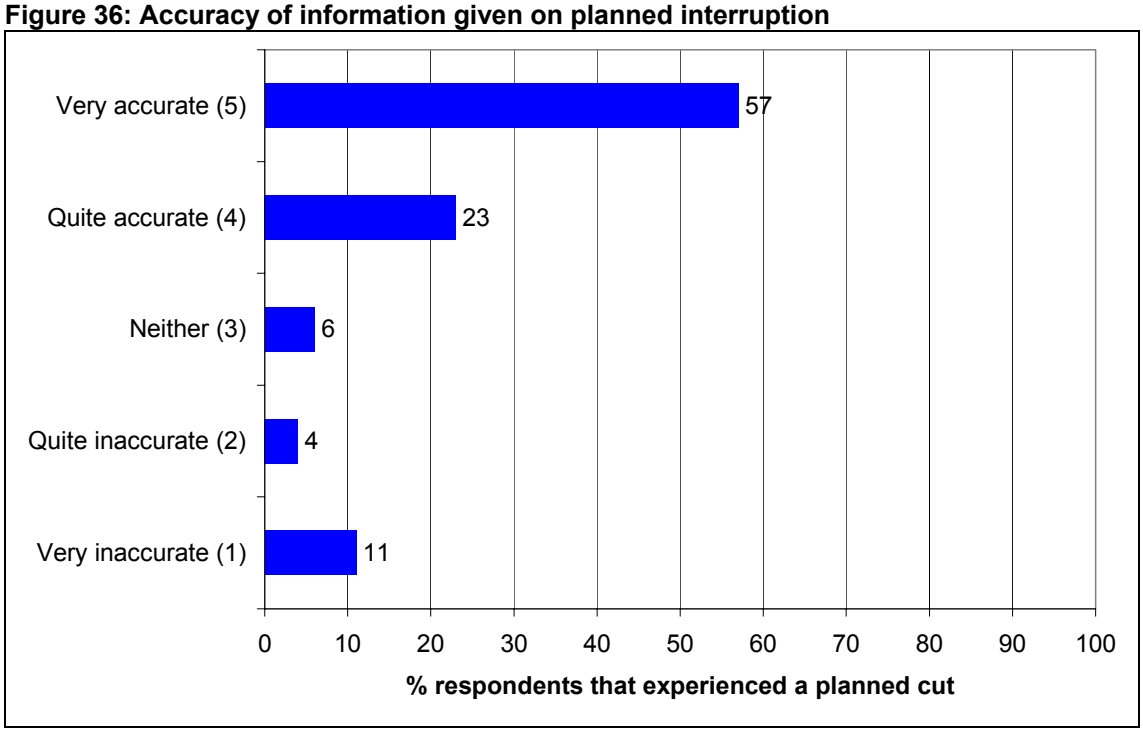


Base: respondents that had experienced a planned cut – 53. Figures above add up to more than 100% due to rounding errors.

Half (49%) of respondents said that they were given in excess of 7 days' notice, some of them stating periods of up to a few months.

Of those who had experienced a planned outage 57% said the information provided in the notice was very accurate and a further 23% that it was quite accurate. The mean score for the accuracy of the information given in the notice was 4.09, broadly similar to the 3.95 mean score for consumers.

Figure 36: Accuracy of information given on planned interruption



Base: those that experienced a planned cut – 53. Figures add up to more than 100% due to rounding errors.

Nine out of ten business respondents (91%) felt that there was no other information that they would have liked to receive. Only four respondents said they would have liked more information, this being who was doing the work and the timescale involved.

Timeliness of Work Completion

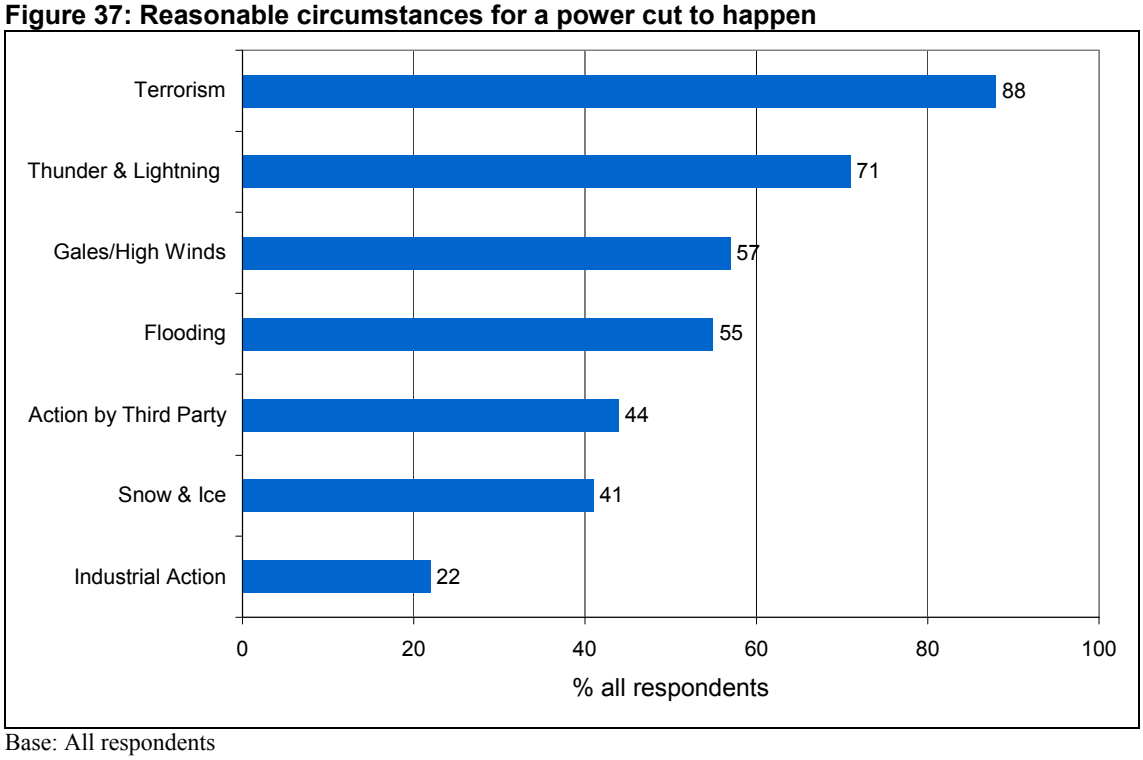
The vast majority of respondents (89%) stated that the work was completed on time. Cell sizes are too small for robust comparisons by segment.

4.7 Expectations of Power Service and Supply

As with the consumer survey, business respondents were asked in what circumstances they would consider it reasonable to expect a power cut. From a list of suggested circumstances which might potentially lead to a power cut, they were asked to comment on the acceptability of each. The responses shown in Figure 37 consequently add up to more than 100% accordingly.

Eighty eight percent of respondents considered it reasonable to expect a power cut to happen as a result of terrorism or a major emergency, as shown in Figure 37. This was similar to the response of consumers where 84% felt this was a reasonable expectation. However, fewer businesses than domestic customers saw thunder & lightning or gales as an acceptable circumstance (71% compared with 84% of domestic customers and 57% compared with 80% of domestic consumers respectively).

Figure 37: Reasonable circumstances for a power cut to happen



Base: All respondents

Key differences by segment included:

- greater tolerance for cuts in thunder & lightning in Scotland (79% compared with 71% overall) and less tolerance in the South & East (64% compared with 71% overall)

- greater tolerance for cuts in thunder & lightening amongst rural businesses than urban businesses (81% compared with 68%)

- less tolerance for cuts in thunder & lightning amongst 1MW+ businesses (64% compared with 71% overall)

- greater tolerance for cuts in gales & high winds in Scotland (73% compared with 57% overall) and less tolerance in the Midlands & North (43% compared with 57% overall)

- greater tolerance for cuts in gales & high winds amongst rural businesses than urban businesses (72% compared with 52%)

- less tolerance for cuts in gales & high winds amongst 1MW+ businesses (41% compared with 57% overall)

- less tolerance for cuts in flooding amongst 1MW+ businesses (44% compared with 55% overall)

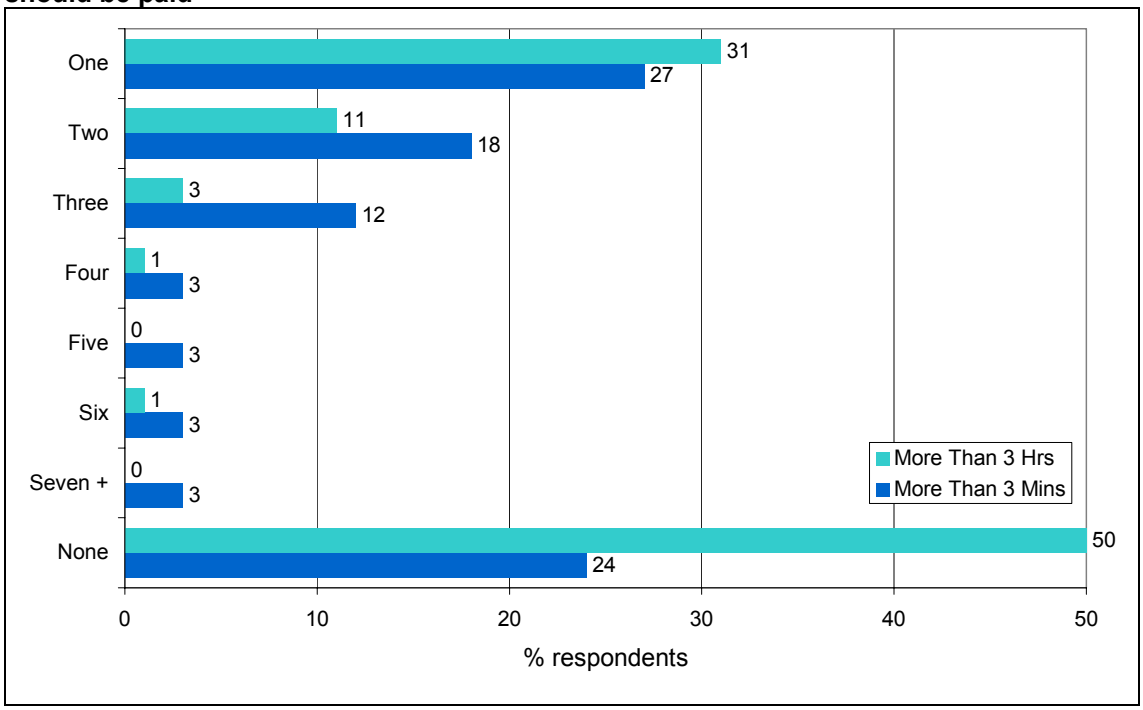
- greater tolerance for cuts as a result of action caused by a third party in Wales (54% compared with 44% overall).

Maximum Number of Unplanned Power Cuts Allowed Before Compensation is Paid

Business respondents were asked how many unplanned power cuts should be allowed before compensation is paid. Again two scenarios were used to explore this issue, that is, power cuts lasting more than 3 minutes and power cuts lasting more than 3 hours.

As shown in Figure 38, 24% felt that there should be no cuts of more than 3 minutes before compensation is paid, while 50% gave this response for cuts of more than 3 hours. Businesses show less tolerance overall than domestic customers, but like domestic customers, they are slightly more tolerant of shorter duration interruptions.

Figure 38: Maximum number of unplanned power cuts allowed before compensation should be paid



Base: All respondents. NOTE: 7% felt unable to say how many of more than 3 minutes should be allowed, whilst 3% felt unable to say how many of more than 3 hours should be allowed

Segments particularly keen to see companies allowed "no" cuts of more than 3 minutes before compensation is paid were:

- those in the South & East (31% compared with 24% overall)
- 1MW+ customers (43% compared with 24% overall)
- all manufacturers, with proportions ranging from 37% to 46% compared with 24% overall).

Segments particularly keen to see companies allowed "no" cuts of more than 3 hours before compensation is paid were:

- 1MW+ customers (73% compared with 50% overall)
- manufacturers of food & drink (71% compared with 50% overall)
- other general manufacturers (63% compared with 50% overall).

More business respondents (50%) would be more concerned with a 4-hour cut every year as opposed to one 24-hour cut every 5 years (38%). However, 12% could not decide.

Those in rural areas were more concerned at the idea of one 24-hour cut every 5 years (49% compared with 38% overall).

Attitudes Towards The Usage Of Generators

The majority of the businesses interviewed, 82%, do not have a standby generator to call on during a power cut. However, almost a third of those in the 1MW+ category have a standby generator (29%) compared to 17% in the 100KW–1MW category and

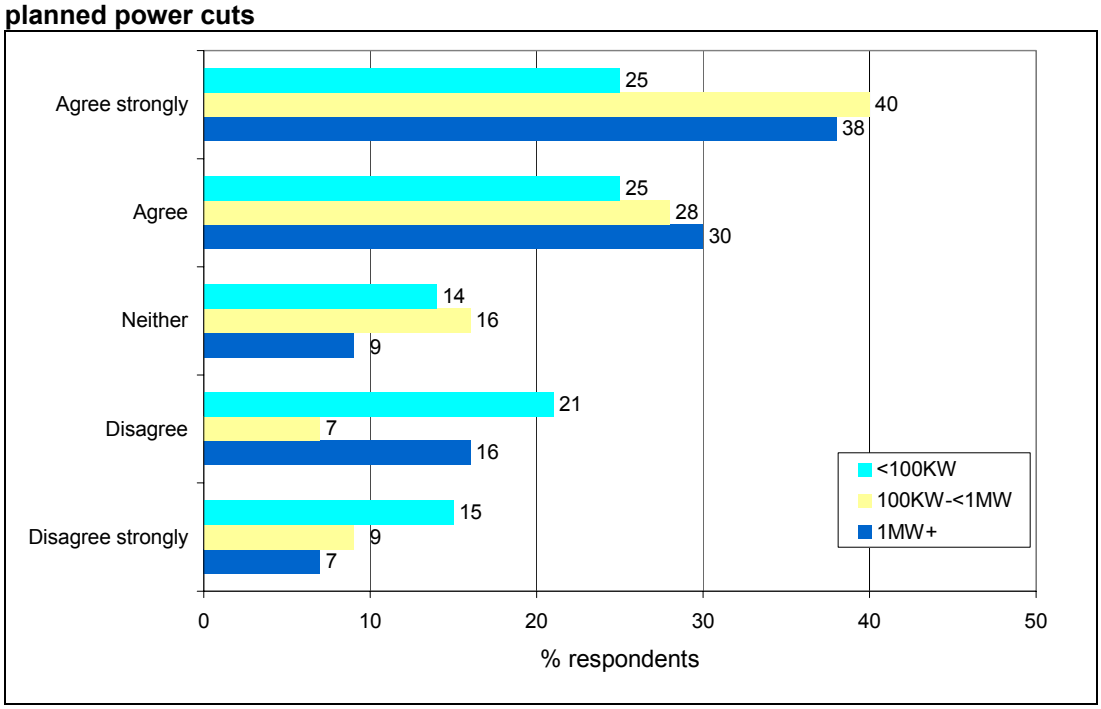
just 8% in the under 100KW group of companies. There is also a higher incidence in Scotland and in the South & East:

- Scotland: 23%
- Midlands & North: 14%
- Wales: 10%
- South & East: 20%.

There was no difference by rural versus urban areas.

Sixty one percent of businesses feel that the distributor should provide a standby generator in the event of a planned power cut – 68% of respondents in the 1MW+ and 100KW-<1MW categories and 50% in the <100KW group.

Figure 39: Level of agreement that distributors should supply standby generators during planned power cuts

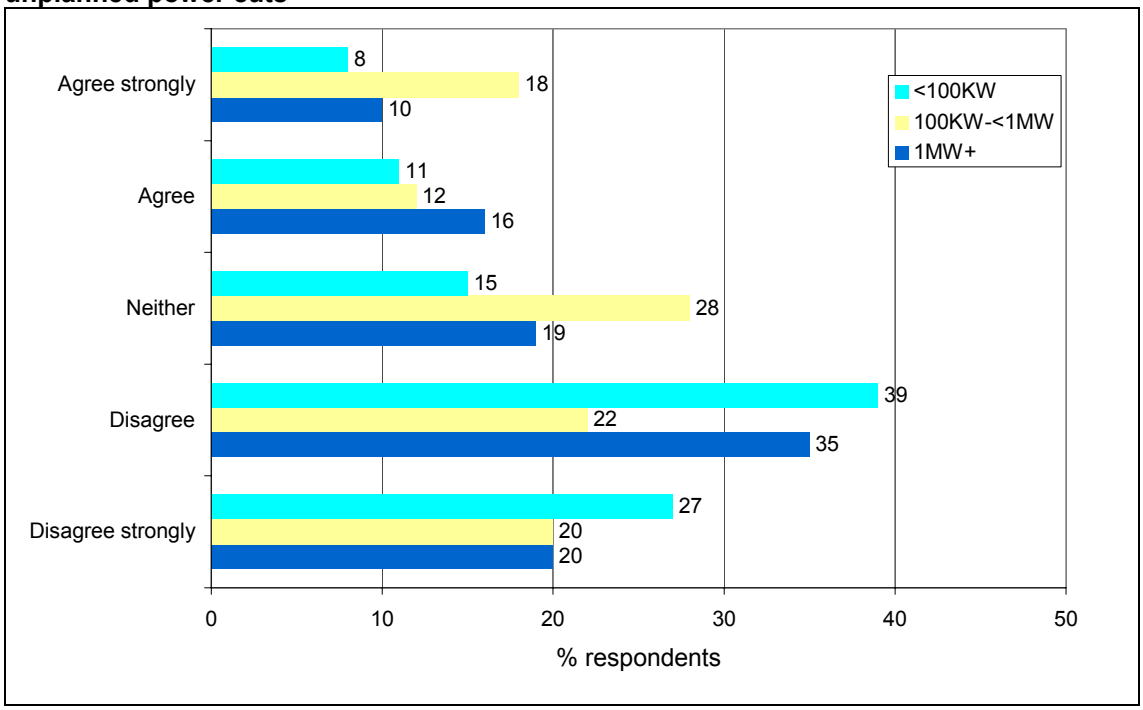


Base: All respondents

The percentage of businesses that feel that the distributor should provide a standby generator in the event of an unplanned cut is much lower than the percentage believing they should do so in the event of a planned cut (24% compared to 61%), again with differences by company size:

- 1MW+: 26%
- 100KW-<1MW: 30%
- <100KW: 19%.

Figure 40: Level of agreement that distributors should supply standby generators during unplanned power cuts



Base: All respondents

However, only 28% would be prepared to pay extra for the provision of a generator. Of those willing to pay extra, the average amount they were willing to pay was 2.8%. This varied by company size, with those large users that were prepared to pay more, being prepared to pay a smaller proportion of their total bills than those smaller users who were prepared to pay more:

	% willing to pay more	% more prepared to pay
• 1MW+:	22%	1.5%
• 100KW-<1MW:	32%	2.4%
• <100KW:	29%	4.0%.

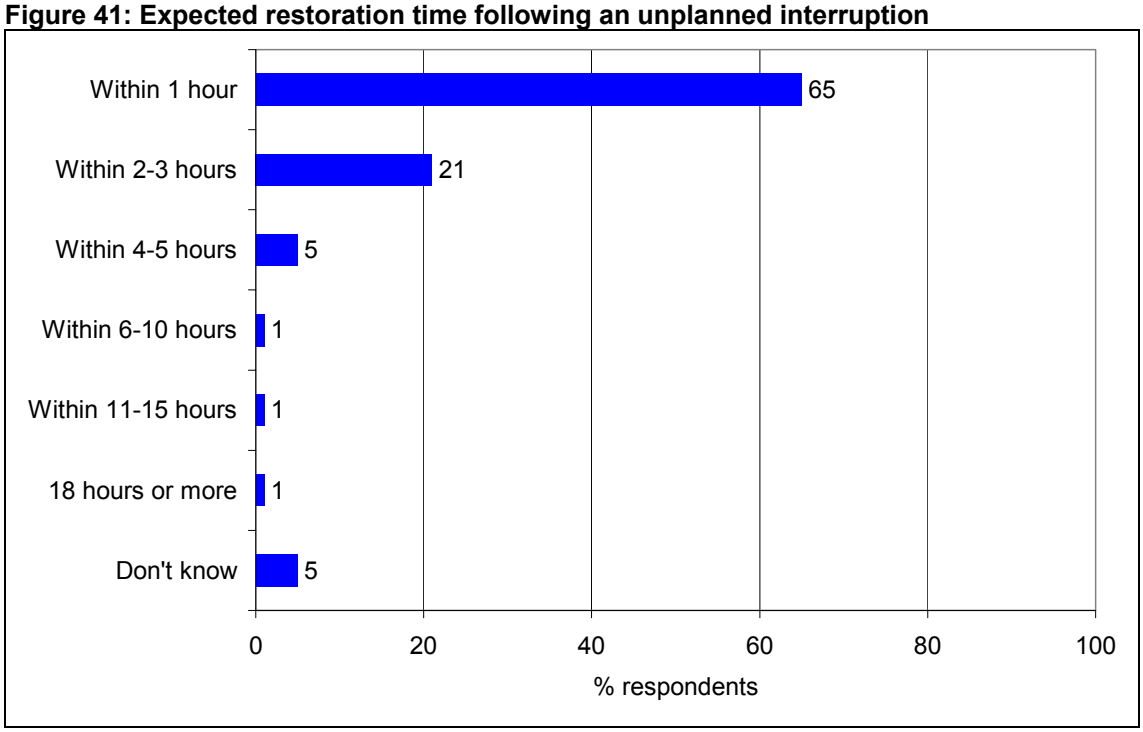
Attitudes Towards Having a Dedicated Contact Line For Businesses in the Event of a Power Cut

Nine out of ten business respondents would expect a dedicated line for business consumers during a power cut. Ninety five percent of 1MW+ customers would expect this compared to 91% of customers in the 100KW-1MW group and 85% of those in the <100KW category.

Expected Restoration Times

Eighty six percent of businesses would expect their supply to be restored within 3 hours of an unplanned power cut.

Figure 41: Expected restoration time following an unplanned interruption



Base: All respondents. Figures add up to less than 100% due to rounding errors.

Larger users had higher expectations than smaller users: 73% of those in the 1MW+ category would expect restoration within 1 hour compared to 69% of those in the 100KW-1MW group and 56% of respondents in the <100KW category.

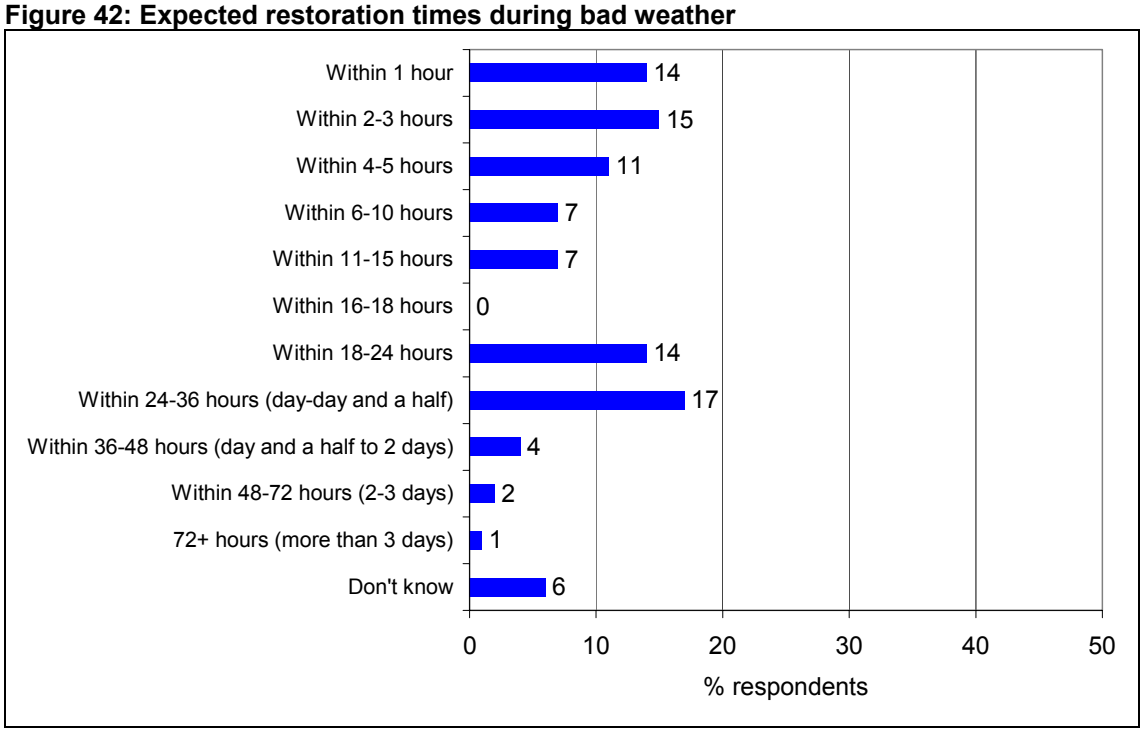
When asked when compensation should be paid, 34% felt this should happen after the first hour or less of an unplanned interruption, with a further 41% saying this should happen between 2-4 hours after the cut. The average length of time after which respondents felt compensation should be paid (excluding outliers) was 3.7 hours. However, this varied by region and size:

- Scotland: 4.7
- Midlands & North: 3.2
- Wales: 3.1
- South & East: 4.0

- 1MW+: 2.6
- 100KW-1MW: 3.3
- <100KW 4.7.

As with domestic customers, there was more tolerance in severe weather. The expected restoration time during bad weather varied considerably, with 29% saying that power should be restored within three hours, compared to 31% who would expect the power to be reconnected in 18-36 hours.

Figure 42: Expected restoration times during bad weather



Base: All respondents. Figures add up to less than 100% due to rounding errors.

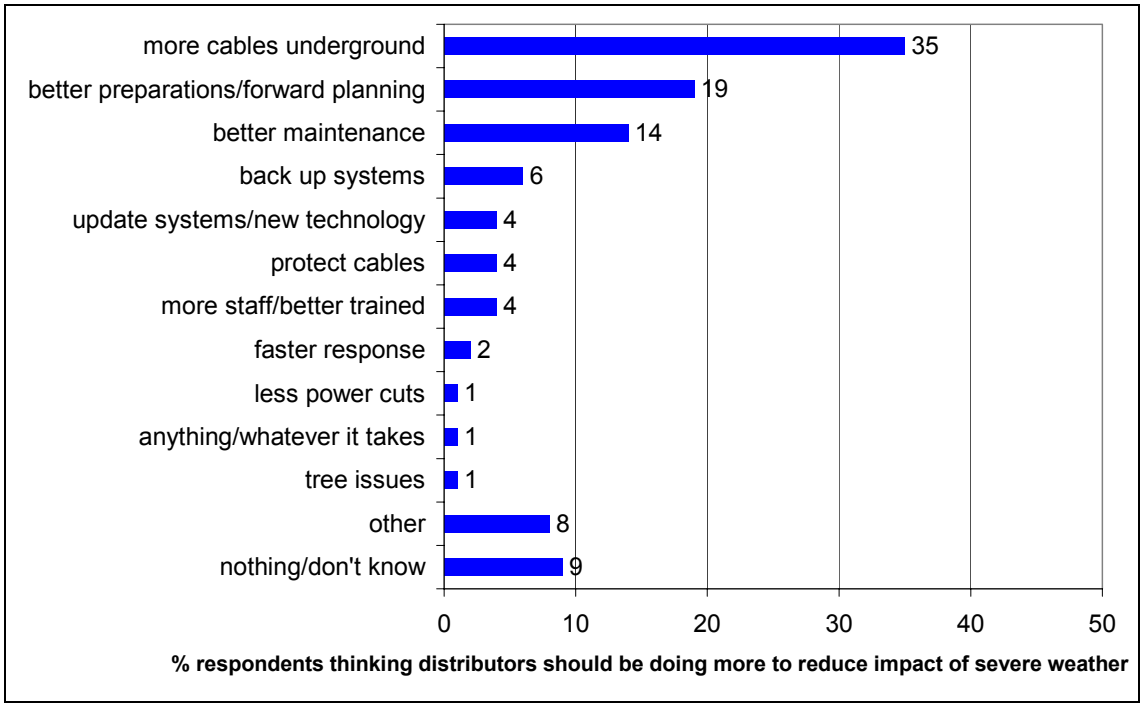
Three quarters of business respondents feel distribution companies should be doing more to reduce the impact of severe weather, with little variation in expectation across size segments, but some variation by location, with Wales and rural areas particularly keen that more is done:

- Scotland: 78%
- Midlands & North: 72%
- Wales: 86%
- South & East: 65%

- urban: 73%
- rural: 83%.

When asked what could be done to reduce the impact of severe weather on power supplies 35% suggested putting more cables underground, 19% better preparations/forward planning and 14% better maintenance. Full results are shown in Figure 43.

Figure 43: What distribution companies should be doing to reduce impact of severe weather



Base: all respondents thinking distributors should do more – 303. More than one response could be given so figures add up to more than 100%.

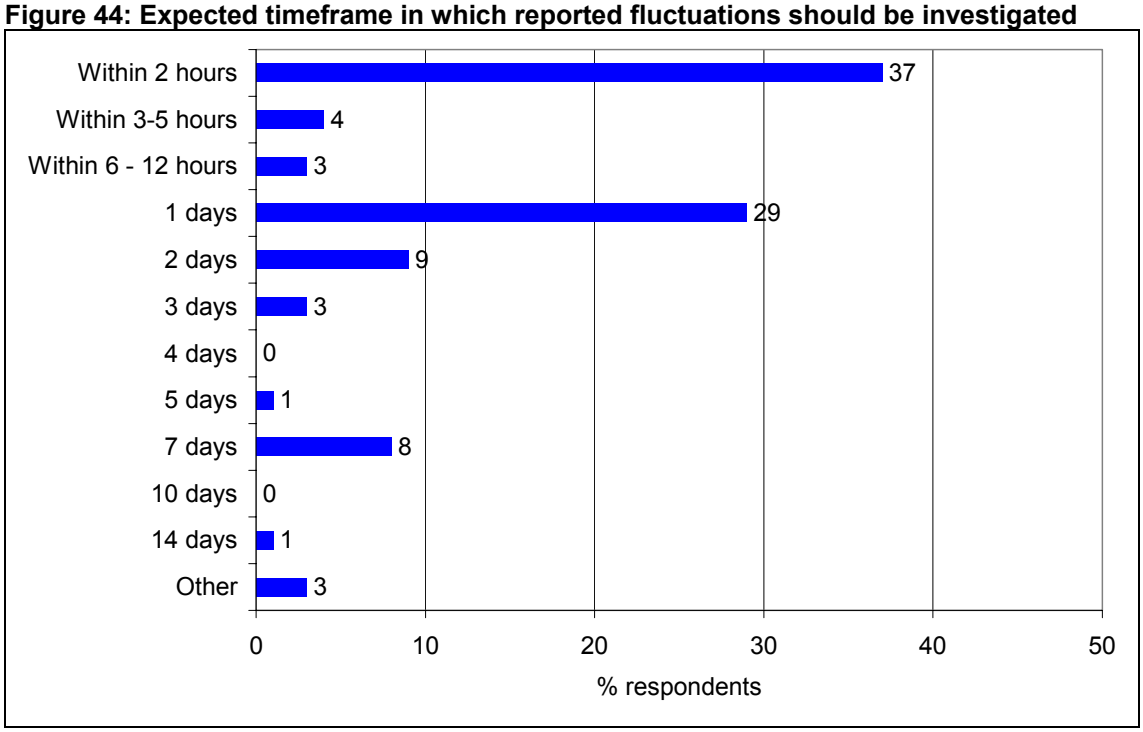
4.8 Experience of Fluctuations in Supply

The final question in this section of the interview explored attitudes towards fluctuations in supply or voltage variations on the network.

Overall 52% of businesses had experienced flickering lights or similar effects caused by power fluctuations or voltage variations on the electricity network, particularly in rural areas (70% compared with 46% in urban areas).

When asked how quickly they would expect a distribution company to investigate a report of this nature, as shown in Figure 44, 73% would expected this to happen within 1 day of the issue being raised, with as many as 37% expecting it to be investigated within 2 hours. The proportion expecting the latter was particularly high amongst the larger users. 49% of 1MW+ respondents expected an investigation within 2 hours compared with 33% for 100KW-1MW and <100KW respondents.

Figure 44: Expected timeframe in which reported fluctuations should be investigated



Base: All respondents. Figures add up to 98% due to rounding errors.

4.9 Relative Importance of Aspects of Service & Supply to Businesses

As in the domestic customer study, businesses were asked to rank a list of distribution services based on their importance during a power cut. Table 10 shows the percentage that ranked the aspect as either quite or very important in column two, whilst column three shows only the percentage that said "very important" (i.e. excluding those that said "quite important"). The responses are ranked according to the percentages that said the aspect was quite or very important (i.e. by column two).

The table shows that rapid restoration of power is most important to businesses. Receiving accurate information on when power will be restored, getting through quickly when calling the company and getting useful information are also high on the list, but are rated "very important" by fewer respondents.

Table 10: Service aspects ranked by importance during a power cut

Aspect Of Service	% Very / quite important	% Very important
Rapid restoration of power	97	89
Receiving accurate info on when power will be restored	95	78
Getting through quickly when calling the company	91	65
Getting useful information	87	59
Dedicated contacts for businesses	74	47
Receiving compensation	51	4

The mean level of importance for each aspect was:

- Rapid restoration of power: 4.84
- Receiving accurate info on when power will be restored: 4.72
- Getting through quickly when calling the company: 4.53
- Getting useful information: 4.44

- Dedicated contacts for businesses: 4.10
- Receiving compensation: 3.59

There were no major differences by segment.

Respondents were also asked to rank the importance of different information that could be supplied during a cut. As before, Table 11 shows the percentage that ranked the aspect as either quite or very important in column two, whilst column three shows only the percentage that said "very important" (i.e. excluding those that said "quite important"). The responses are ranked according to the percentages that said the aspect was quite or very important (i.e. by column two).

The key information requirement was when power would be restored, the same as for domestic customers.

Table 11: Key information desired during a power cut ranked by importance

Information Required	% Very / quite important	% Very important
When power will be restored	98	82
Regular updates	77	40
How to cope without electricity	35	24
Reason for the power cut	31	13
Areas affected	29	17

Mean levels of importance were as follows:

- When power will be restored: 4.79
- Regular updates: 4.06
- Reason for the power cut: 3.06
- How to cope without electricity: 2.92
- Areas affected: 2.90.

There was one notable difference by segment, with manufacturers of miscellaneous foods & drinks particularly keen to get regular updates (4.46 compared with 4.06 overall).

With regards to the provision of information during a power cut, respondents were asked whether an automated messaging service that gave accurate information and then the opportunity to speak to someone to report damage, would be acceptable. Business customers were less inclined to accept such arrangements than domestic customers (55% of businesses compared to 63% of domestic customers).

4.10 Attitudes Towards Standards and Targets

GS2

The guaranteed standards being assessed were the same for both domestic and business customers i.e. GS2, GS2A and GS4. The following description of GS2 was provided to business respondents:

Distributors should restore consumers' supplies within 18 hours following unplanned interruptions. Failure to do so results in a penalty payment of £100 for business customers for the first 18 hours plus £25 for each additional 12 hours.

Similar to the findings in the consumer study, awareness of this standard – and indeed all of the standards being assessed – was very low, with 10% awareness amongst business customers compared to 9% for domestic consumers.

Almost three quarters of all business respondents felt that 18 hours was too long a period before compensation was paid, whilst 4% felt it was too short, leaving 22% who thought this timescale was about right.

When those that felt it was too long were asked what timeframe would be more appropriate, the mean time suggested (excluding outliers) was 6 hours.

When asked about the level of compensation awarded following a power cut of 18 hours, 32% considered that £100 was about right, 1% that it was too much and as many as two thirds (67%) that it was too little.

Of the latter, 12% felt up to £499 was more acceptable, 25% £500-£999, 28% £1,000-£4,999 and 24% £5,000+. The mean payment considered appropriate (excluding outliers) was £6,119.

Twenty five percent thought that a payment of £25 was about right for each subsequent 12 hours, but 75% felt it was too little. Of those who thought this was too little, 7% felt £25-£99 was more appropriate, 25% £100-£499, 20% £500-£999, 21% £1,000-£4,999 and 17% £5,000+. The mean payment considered appropriate in this instance (excluding outliers) was £2,741.

GS2A

Respondents were then asked to give their views on standard GS2A:

Customers are entitled to a penalty payment of £50 if they have 4 or more power cuts each longer than 3 hours in a single year.

Awareness was again low at just 4%, the same as for domestic customers.

Commenting on the number of cuts after which compensation applied, 43% felt that payments for 4 or more outages in one year was about right whilst 50% felt it was too many.

Of the latter, 42% said compensation should apply after one power cut, 45% after two and 3% following a third power cut. The mean number of power cuts longer than three hours after which compensation should apply (excluding outliers) was 1.57.

In terms of compensation 34% considered that £50 was about right and 66% that it was too little. Of the latter, 28% felt up to £499 was more acceptable, 26% £500-£999, 19% £1,000-£4,999 and 17% £5,000+. Excluding outliers, the mean compensation considered appropriate was £2,678.

GS4

The final standard that respondents were asked to consider was GS4:

Customers must be given at least 2 days notice of a planned power cut. Failure to do so results in a penalty payment of £40 for business customers.

Overall, just 5% of business customers were aware of standard GS4 (compared with 7% of domestic customers).

Fifty two percent felt 2 days notice was about right for a planned interruption, although 46% said it was too short. 1MW+ respondents in particular felt it was too short:

- 1MW+: 62%
- 100KW-1MW: 48%
- <100KW: 32%.

More appropriate timescales suggested by those who felt this was too short were 19% 4-6 days, 54% 7 days, 10% 10-14 days, 3% 21 days, 4% 28 days and 2% 30 days. Excluding outliers, the mean number of days' notice expected was 9 days.

In terms of compensation payments, 38% felt that £40 was about the correct level of payment for this standard but 62% felt it was too little. Of those who thought £40 too little, 34% felt up to £499 was more acceptable, 21% £500-£999, 19% £1,000-£4,999 and 16% £5,000+. The mean expectation (excluding outliers) was £2,436.

Dedicated Service Agreements

The qualitative research that preceded this quantitative survey highlighted that some businesses have negotiated their own service contracts and compensation levels. The extent to which this was the case was explored here.

Overall, only 2% of the sample had negotiated a dedicated service agreement with their distributor. Those most likely to have an agreement were respondents in the larger businesses:

- 5% of those in the 1MW+ group
- 3% in the 100KW-1MW
- 1% in the <100KW group.

However, on examining the nature of these agreements it appeared that some offer no more protection than the guaranteed standards, as shown below:

- if there are 4 cuts a year they get compensation
- if out for 18 hours the company is paid compensation

Roughly half of these respondents did not know the details of the contracts.

Attitudes Towards Automatic Payment of Compensation

Nearly three-quarters of all business respondents felt that penalty payments should be made automatically while 25% considered claiming to be acceptable.

77% of customers in the 1MW+ group expect automatic payment compared to 74% 100KW-1MW group and 69% <100KW customers.

When asked whether they would be prepared to pay a little extra each month to get automatic payments, 26% were prepared to do so (compared to 37% of domestic customers), but 72% were not. Interestingly, there was greater preparedness to pay amongst smaller users:

- 1MW+: 21%
- 100KW-1MW: 26%
- <100KW: 30%.

Attitudes Towards Exemptions

68% think it reasonable that there should be some exemptions where the circumstances are outside the distribution company's control, with no notable differences by segment.

When asked about exemptions under the 18-hour standard 74% felt that it was reasonable for there to be exceptions to paying compensation under the standard during periods of severe weather provided distribution companies took all reasonable steps to prevent power cuts. There were again no notable variations by segment.

Only 20% would be prepared to pay a little extra to get compensation payments even during periods of severe weather, the proportion again being higher amongst smaller users:

- 1MW+: 10%
- 100KW-1MW: 20%
- <100KW: 25%.

The amount they would be prepared to pay was not explored in this instance.

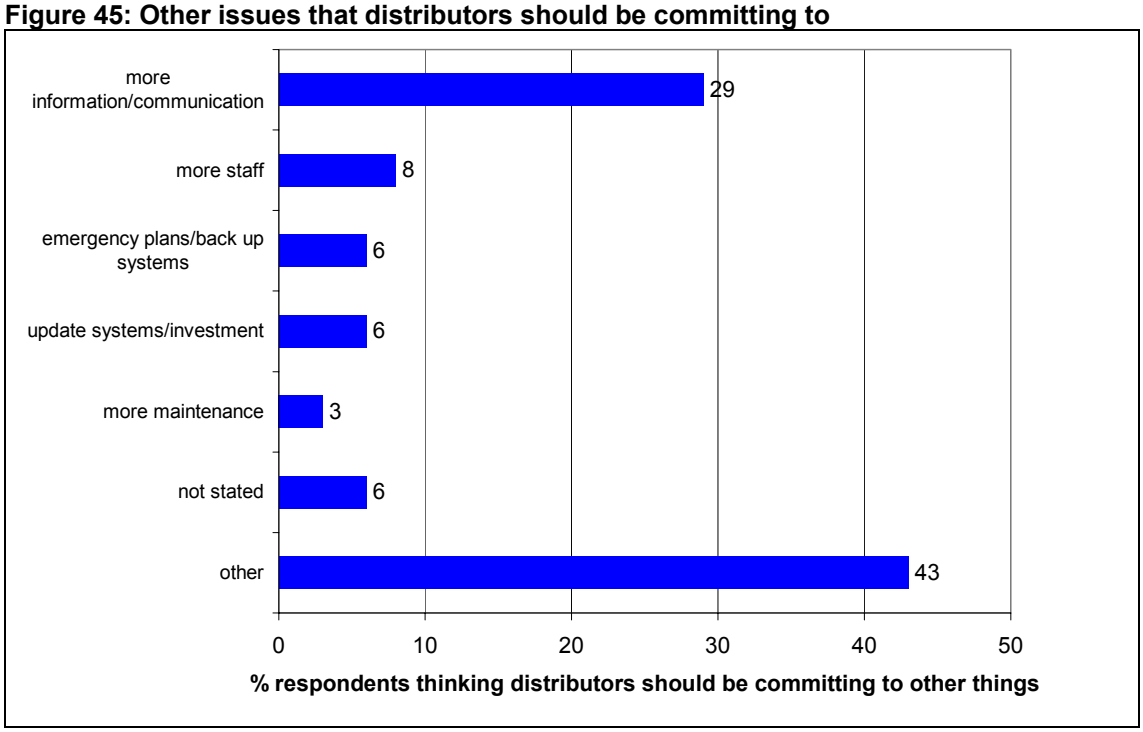
4.11 Improvements Desired by Businesses

Respondents were asked whether there was anything further that had not been discussed that they felt distributors should be committing to. Only 16% said that there was, with top responses including:

- more info/communication 29%
- more staff 8%.

Full responses are shown in Figure 45.

Figure 45: Other issues that distributors should be committing to



Base: respondents thinking distributors should be committing to other things – 65. Respondents were allowed to give more than one response so figures may add up to more than 100%.

"Others" were very varied and included:

- more communication with other utilities to reduce accidents by third parties
- government should take over again too simplify the running of the network; gets rid of nuisance calls as well (ie no competition means no sales calls)
- continual improvement of the service; take ISO9000 companies as an example
- distributors should be proactive in negotiations to get tariffs down for large users
- should make better compensation agreements with major users
- not enough consideration to large users
- should publish a report outlining what they are doing to improve the service, what problems they have and how they are going to overcome them
- increase the power supplies to rural business users
- automatically acknowledge any power cut in writing
- renewable energy (the Severn estuary, for example)
- committing to getting rid of nuclear power stations
- improving the grid in remote areas
- turning up when they say they will
- put the money from all the compensation, which is a red herring, into improving the service so compensation is not needed.

Only 28% would be prepared to pay extra to get the improvements they mentioned, the proportion again being higher amongst smaller users:

- 1MW+: 21%
- 100KW-1MW: 27%
- <100KW: 33%.

Willingness to pay levels varied from 1% to 50% (1 respondent) on top of their bill per month. Among those willing to pay extra (excluding the extreme outliers such as one customer willing to pay 50% extra), the average willingness to pay was 2.3%.

A quarter (24%) stated that they would be **more** willing to pay if the company published their investment plans, particularly:

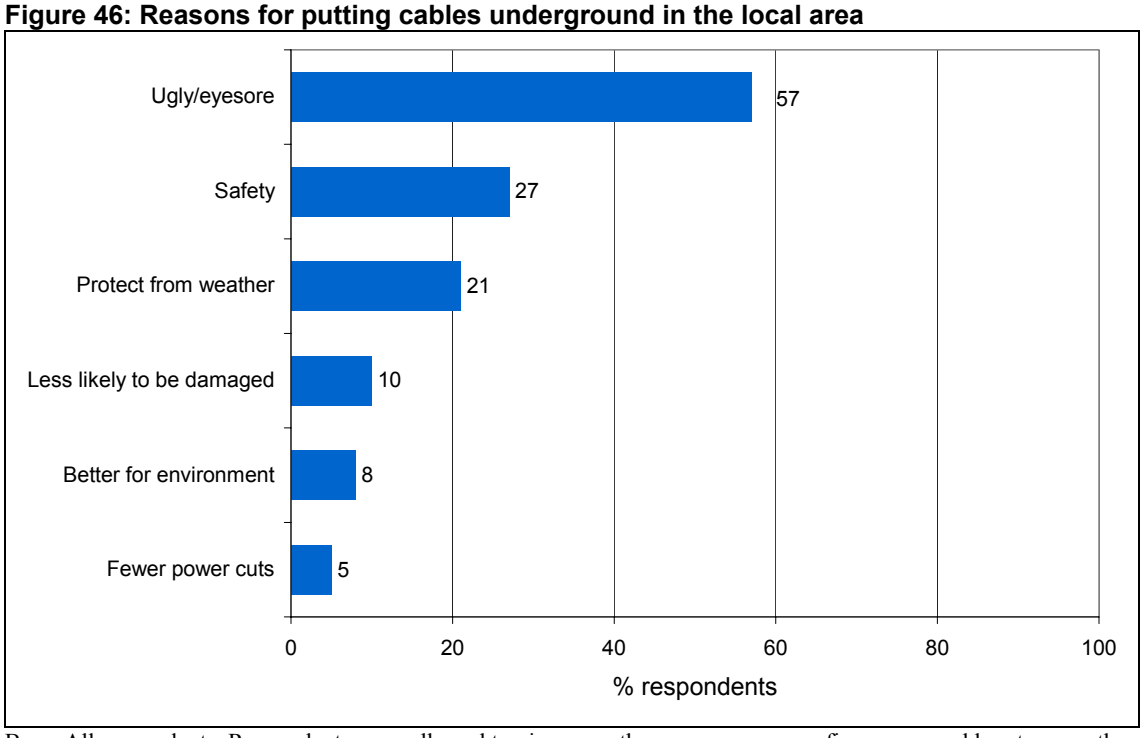
- those in Scotland (32% compared with 24% overall)
- those manufacturing chemicals or refining (33% compared with 24% overall).

4.12 Business Attitudes Towards Undergrounding

On prompting, overall 71% agreed they would like to see cables put underground in their own areas rising to 77% for those based in rural areas.

The main reasons for putting cables underground in the local area are given in Figure 46 and show that for 57% of respondents it was because of the visual impact as they feel that overhead lines are ugly and an eyesore.

Figure 46: Reasons for putting cables underground in the local area



Base: All respondents. Respondents were allowed to give more than one response so figures may add up to more than 100%.

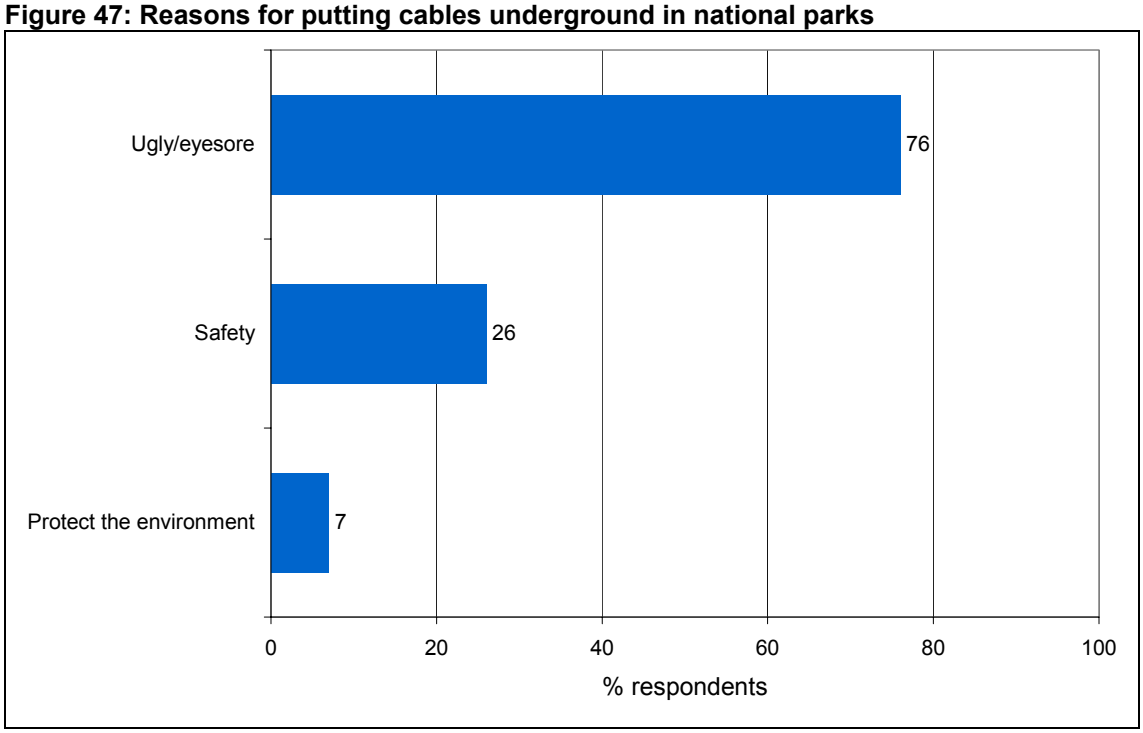
The main reasons given for not putting cables underground included:

- they were not bothered/affected: 42%
- cables were already underground: 38%
- expense/cost: 5%.

The majority, 94%, would like to see more cables laid underground in National Parks and areas of outstanding natural beauty. The main reasons for laying cables underground are given in Figure 47 and again show that for 76% (an even higher

proportion) the reason would be because they consider overhead lines ugly or an eyesore.

Figure 47: Reasons for putting cables underground in national parks



Base: all who want cables put underground in areas of outstanding natural beauty – 376. Respondents were able to give more than one response, so figures may add up to more than 100%.

Reasons given for not putting cables underground included:

- they were not bothered/not affected: 27%
- do not want the ground to be dug up: 19%
- expense: 12%
- harder to get at faults: 8%.

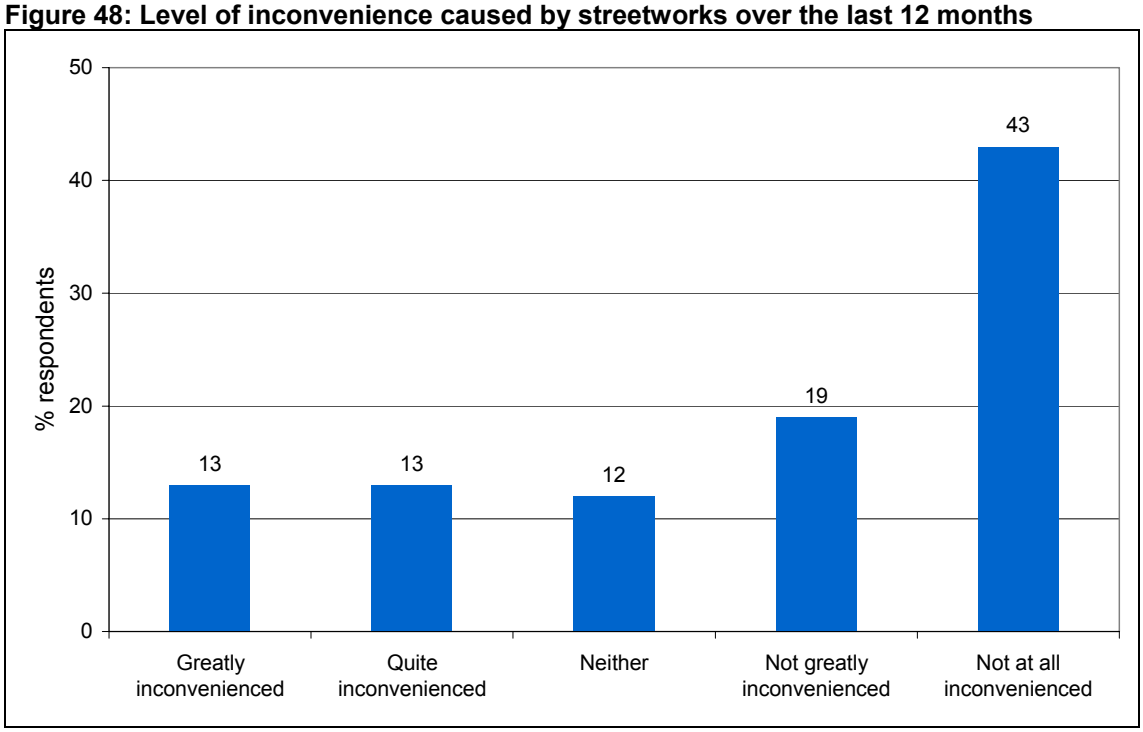
Overall 34% would be prepared to pay a little extra to allow electricity distributors to put 5% of their overhead lines underground, particularly those based in Scotland (41% compared with 34% overall).

Of this group, most would be prepared to pay an extra 1% or 2% (62%) with the overall average being 2.3% on top of their monthly bill (excluding outliers).

4.13 Business Attitudes Towards Streetworks

Overall 26% of business respondents had been inconvenienced by streetworks over the last 12 months, similar proportions to domestic customers (24%). The mean level of inconvenience was 3.66, with no major differences by segment.

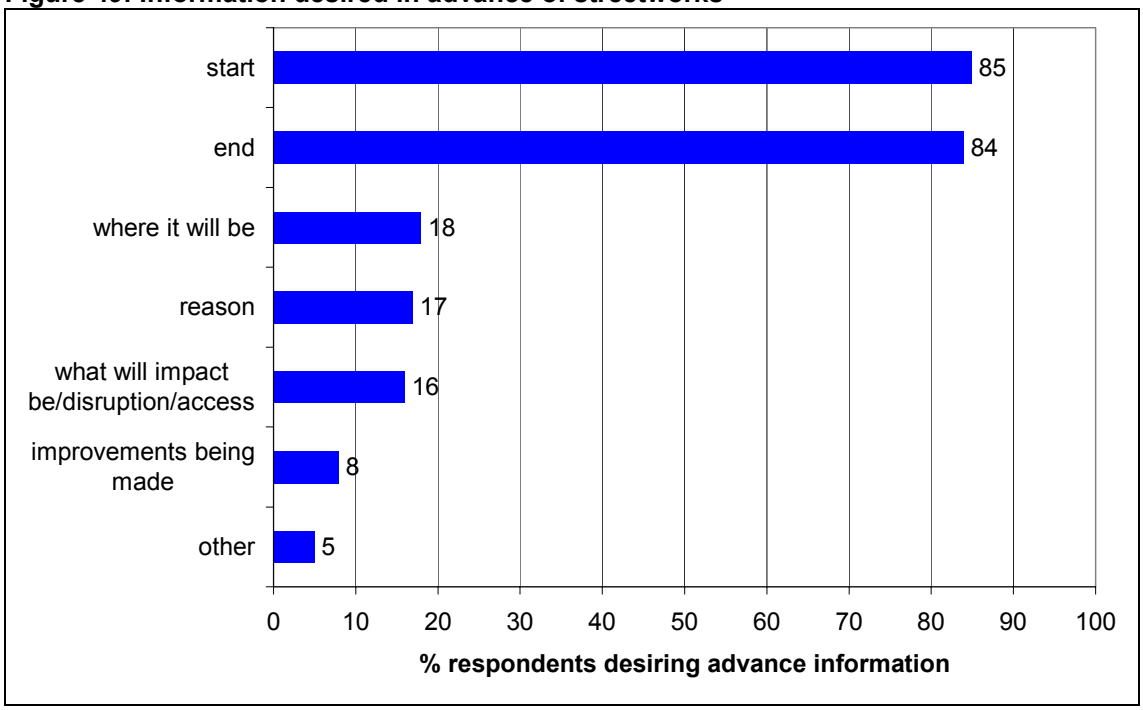
Figure 48: Level of inconvenience caused by streetworks over the last 12 months



Base: All respondents

Eight out of ten respondents (82%) would like to be given advance notice of streetworks with most (85% and 84% respectively) requiring a start and end date for the work. Full results are shown in Figure 49.

Figure 49: Information desired in advance of streetworks



Base: all respondents desiring advance notice – 328. Respondents were able to give more than one response, so figures may add up to more than 100%.

4.14 Business Attitudes Towards Improving Performance in Areas Where The Service Is Poorer

Two-thirds of all businesses (68%) felt it unreasonable that the quality of service that businesses in some areas receive is lower than for businesses in other areas, with similar responses across all segments.

However, only 19% would be prepared to pay extra to improve the quality of the service. Willingness to pay by business size shows respondents in the 100KW-1MW group (25%) and <100KW group (21%) being the most likely to pay a little extra compared to 9% of 1MW+ respondents. There was no notable difference in results between those based in rural versus urban areas.

Overall the amount they were willing to contribute varied. Of those willing to pay extra 55% said an extra 1% on their bill, 31% an extra 2-4%, 12% an extra 5-7% and 3% were willing pay over 10% extra.

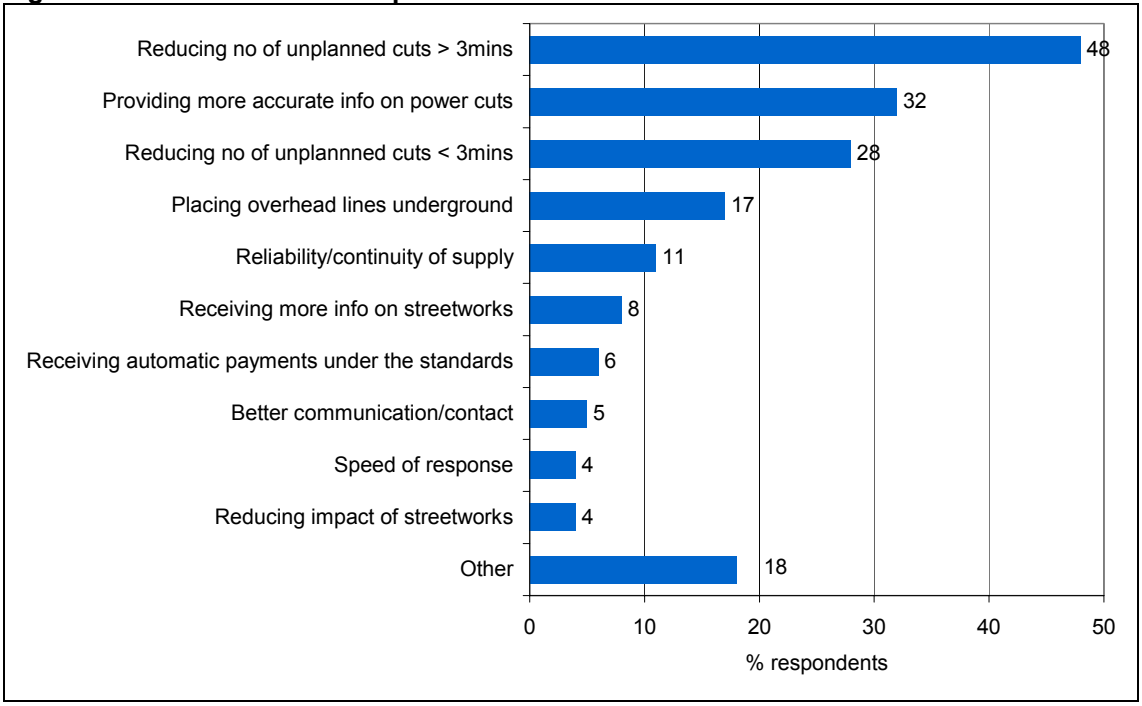
4.15 Business Customer Priorities

In order to identify the service improvements of most importance to business respondents, they were asked to consider all the issues and standards discussed throughout the interview and to specify the two issues most important to them as customers.

The results provided in Figure 50 show that almost half (48%) said the most important issue was to reduce the number of unplanned cuts lasting more than 3 minutes, with the second most important being the provision of accurate information during a power cut. This compares with the results for domestic customers where the most important aspect was putting selected overhead lines underground, followed by reducing the number of unplanned cuts lasting more than 3 minutes.

Reducing the number of cuts lasting more 3 minutes was the most important factor for 62% of 1MW+ customers compared to 53% 100KW-1MW customers and 34% <100KW customers. Businesses in the <100KW category were more inclined to want selected cables placed underground (27% compared with 12% 100KW-1MW and 9% 1MW+) and automatic payment of compensation (11% compared with 5% 100KW-1MW and 2% 1MW+).

Figure 50: Business customer priorities



Base: All respondents. Respondents were allowed to give more than one response so figures add up to more than 100%.

5. CONCLUSIONS AND RECOMMENDATIONS

5.1 Consumer Summary

The key consumer findings can be summarised as follows:

- unprompted, only about a fifth of consumers have any concerns about the service offered by their distributors, with no one concern standing out above another

- overall 45% of the sample had experienced unplanned outages lasting more than 3 minutes with half of these having experienced unplanned outages lasting more than 3 hours (note that the quotas meant that at least half of the sample had to have experienced some sort of power cut lasting more than just a few minutes)

- some 42% of respondents had experienced an outage of less than 3 minutes with only 15% of this group of respondents considering these short interruptions to be inconvenient. Unplanned cuts greater than three minutes are considered to be inconvenient by half the consumers, the greatest inconveniences being an inability to cook and lack of light

- the majority of respondents that contacted the distributor following an unplanned cut were able to get through, roughly half reaching a recorded message and the other half a call operator; most (78%) received the information they wanted with 73% satisfied with the information given

- overall 11% of all respondents had experienced a planned outage. 39% of this group were given 7 days' notice of the event by the DNO, with the information given being accurate in most cases. Almost all (89%) stated that the work was completed on time

- circumstances in which it is considered most acceptable to have a power cut are thunder & lightening, terrorism and gales & high winds

- most consumers believe that up to 3 unplanned interruptions lasting more than 3 minutes should be allowed before compensation is paid. For power cuts lasting more than 3 hours most consumers believe that just 2 unplanned interruptions should be allowed before compensation is paid. There was little difference in the number preferring one 24-hour cut every 5 years or a 4-hour cut every year

- the majority expect power to be restored 1-3 hours after an unplanned outage, although longer is acceptable (for many 24 hours or more) in severe weather

- the most important aspects of a distributor's service are a dedicated help-line for those with special needs, getting accurate information on when power will be restored, rapid restoration of power, being able to get through to someone quickly, and getting useful information. The most important information respondents' want is when power will be restored

- generally awareness of the standards amongst consumers was very low at less than 10%

- GS2: paying compensation after 18 hours was widely considered too long; however, most felt that the levels of compensation were about right

- GS2A & GS4: the details of these standards were broadly accepted by consumers

- most felt penalty payments should be automatic. There was some willingness to pay: 37% per cent were willing to pay extra. The average amount they were prepared to pay was £2.63 or 3.3% of the bill per month

- most felt it was reasonable that there should be some exemptions under the 18 hour standard. Again there was some willingness to pay a small amount to get compensation even in severe weather with 22% prepared to pay for this, although the actual amount they would be prepared to pay was not sought in this instance

- there was a strong desire for putting cables underground in local areas and national parks with some willingness to pay: 40% per cent were willing to pay extra. The average amount they were prepared to pay was £2.70 per month or 3% on top of their monthly bill

- streetworks have been the cause of inconvenience for almost a quarter of respondents. The majority want advance notice of streetworks with the most important information being a start and end date

- most felt it was unreasonable that the quality of the power supply could be poorer in rural areas. There was some willingness to pay to improve performance in rural areas. 33% per cent were willing to pay extra. The average amount they were prepared to pay was 1-4% of their monthly bill

- key improvements desired included tackling environmental issues & providing more information; there was some willingness to pay for these and other improvements: 36% per cent were willing to pay extra. The average amount they were prepared to pay was £3.05 per month or 2.9% of the monthly bill

- key consumer priorities are placing overhead lines underground, reducing the number of unplanned cuts of greater than 3 minutes and providing more accurate information during power cuts.

5.2 Business Summary

The key business findings can be summarised as follows:

- unprompted, only a quarter of business respondents had any concerns about the service supplied by distributors

- overall 41% of businesses had experienced unplanned outages lasting more than 3 minutes with 57% of these having experienced unplanned outages lasting more than 3 hours

- 30% of businesses had experienced an outage of less than 3 minutes. Short interruptions of less than 3 minutes are considered inconvenient by half the businesses interviewed (more than domestic customers). Unplanned cuts greater

than three minutes are considered inconvenient by three-quarters of businesses, key inconveniences including lost money and disruption to business and equipment

- the vast majority of those that contacted the distributor following an unplanned cut were able to get through, most to a call operator (or both call operator and recorded message) with two-thirds receiving the information they wanted; in most cases (91%) the information was correct, with half satisfied with the overall response

- half said it would be "very important" to them to have a named contact to call in the event of a power cut

- 13% of all respondents had experienced a planned outage, with most having been given 7 days notice or more; most found the information given either very or quite accurate, with most having no further requirements for information other than those given; the vast majority stated that the work was completed on time

- 52% had experienced fluctuations in supply and expected a response from distributors within 1 day (many within 2 hours) when contacted about such an occurrence

- similar to domestic customers, businesses are much more concerned about long power cuts than short power cuts

- circumstances in which it is considered most acceptable for a power cut to occur are terrorism and thunder & lightening

- most businesses believe that 3 or fewer unplanned interruptions lasting more than 3 minutes should be allowed before compensation is paid (27% said 1 only and 24% none). Similarly most believe that 1 or fewer unplanned interruptions lasting more than 3 hours should be allowed before compensation is paid (31% said 1 only and 50% none). More businesses would be more concerned about a 4-hour cut every year than one 24-hour cut every 5 years

- only a few of the businesses interviewed have a generator, but almost two-thirds believe distributors should supply generators in the event of a planned cut with some willingness to pay for this: 28% would be prepared to pay extra, with the average amount they were willing to pay being 2.8%

- the majority expect a dedicated contact line for business customers in the event of a power cut

- the majority of businesses expect power to be restored within 1 hour of an unplanned outage although longer is acceptable in severe weather (for many 18 hours or longer)

- for business customers the most important aspects of a distributor's service are rapid restoration of power, receiving accurate information on when power will be restored, getting through to someone quickly and getting useful information

- the most important information required is when power will be restored and providing regular updates

- awareness of all standards was low, 10% or less

- GS2: paying compensation after 18 hours was widely considered by business respondents to be too long, most seeing 6 hours as more acceptable. Most felt that the levels of compensation were too small, several looking for £000s, the average being £6,119 after the first 18 hours and £2,741 after each subsequent 12 hour period

- GS2A: half felt compensation should apply for fewer than 4 outages, an average of 1.57 considered more acceptable. As above compensation levels were again widely considered too low, with an average of £2,678 considered more appropriate

- GS4: half felt that this timeframe was acceptable and half not; many wanted (and, as shown, were getting) 7 days or more. Most again felt that the level of compensation offered was too low, with an average of £2,436 considered more appropriate

- most felt penalty payments should be automatic with some willingness to pay for this: 26% were willing to pay extra (the actual amount extra was not explored)

- again, most felt it was reasonable for there to be some exemptions under the 18 hour standard with some willingness to pay a little extra to get compensation even in severe weather: 20% were willing to pay extra (the average amount extra was not explored)

- there was a strong desire amongst business customers for undergrounding in local areas and national parks, with some willingness to pay: 34% were willing to pay extra. The average amount they were prepared to pay was 2.3% on top of their monthly bill

- as with consumers advance notice of streetworks is desired with most requiring a start and end date

- there is some small willingness to pay to subsidise less well served areas: 19% were willing to pay extra. Most of these were prepared to pay an extra 1-4% of their monthly bills

- key improvements desired included, primarily, providing more information and communication. There was some willingness to pay for this and other improvements: 28% were willing to pay extra. The average amount they were prepared to pay was 2.3% on top of their monthly bills

- key business priorities are reducing the number of unplanned cuts of more than 3 minutes, providing more accurate information on power cuts and reducing the number of unplanned cuts of less than 3 minutes.

5.3 Summary of Key Findings by Segment

Consumer Data

There were some segments that frequently stood out from others, namely:

- Wales:
  - respondents in this region experienced more power cuts and cuts of longer duration
- Rural areas:
  - respondents in rural areas also experienced more power cuts, typically of longer duration
- ABs[4]:
  - they were more environmentally conscious than other segments and they were typically more willing to pay for improvements or service changes
- DEs[5]:
  - they were least environmentally conscious and least willing to pay for improvements or change
- 16-29 year olds:
  - they were typically more willing to pay for improvements and changes than other age groups.

Business Data

There were again some business segments that stood out from others, namely:

- Wales:
  - typically experiencing more cuts (in line with the consumer results)
- Rural areas:

[4] ABs include professional people, very senior managers in business or commerce, top level civil servants, retired people who were previously one of the latter and their widows, middle management executives in large organisations, principal officers in local government or the civil service, top management or owners of small business concerns, educational and service establishments and retired people who were previously in one of the latter "B" categories and their widows.

[5] DEs include all semi-skilled and unskilled manual workers, apprentices and trainees to skilled workers, retired people who were previously grade D, with pensions from their job, widows, if receiving a pension from their late husband's job, those entirely dependent on the state long-term through sickness, unemployment, old age or other reasons, those unemployed for a period exceeding six months, casual workers and those without a regular income.

- typically experiencing more cuts and of longer duration (again in line with the consumer results)

- 1MW+:

  - more likely to be concerned about power cuts, feeling greater financial loss as a result of a cut, more likely to make contact during a cut, less tolerant of cuts in extreme weather and expecting faster restoration of supply times than other companies

- <100KW:

  - less concerned about cuts and more tolerant of them

  - more willing to pay for improvements or changes in service.

5.4 Recommendations

Consumer

Consideration should be given to robustly exploring priorities and willingness to pay for the following in the final stage:

- Reductions in the number of long power cuts
- Faster restoration of power
- Tightening the compensation timescale for GS2
- Having a dedicated help-line for those with special needs
- Accuracy & usefulness of information on the cut and when power will be restored
- Being able to get through to someone quickly in the event of a power cut
- Automatic penalty payments
- Compensation in severe weather
- Undergrounding in local areas and national parks.

Business

Consideration should be given to robustly exploring priorities and willingness to pay for the following in the final stage:

- Reduction of the number of unplanned cuts
- Reductions in the number of short interruptions of less than 3 minutes
- Faster restoration of power
- Supply of generators in the event of a planned power cut
- A dedicated, named contact line for business customers in the event of a power cut
- Prompt response to telephone calls
- Provision of accurate & useful information on the cut and when power will be restored
- Reviewing application of the standards of performance for larger businesses
- Reviewing timeframes for investigating voltage complaints
- Automatic penalty payments
- Compensation in severe weather

- Undergrounding in local areas and national parks.

Segmentation

We would recommend segmenting the findings of the second stage quantitative research by the following:

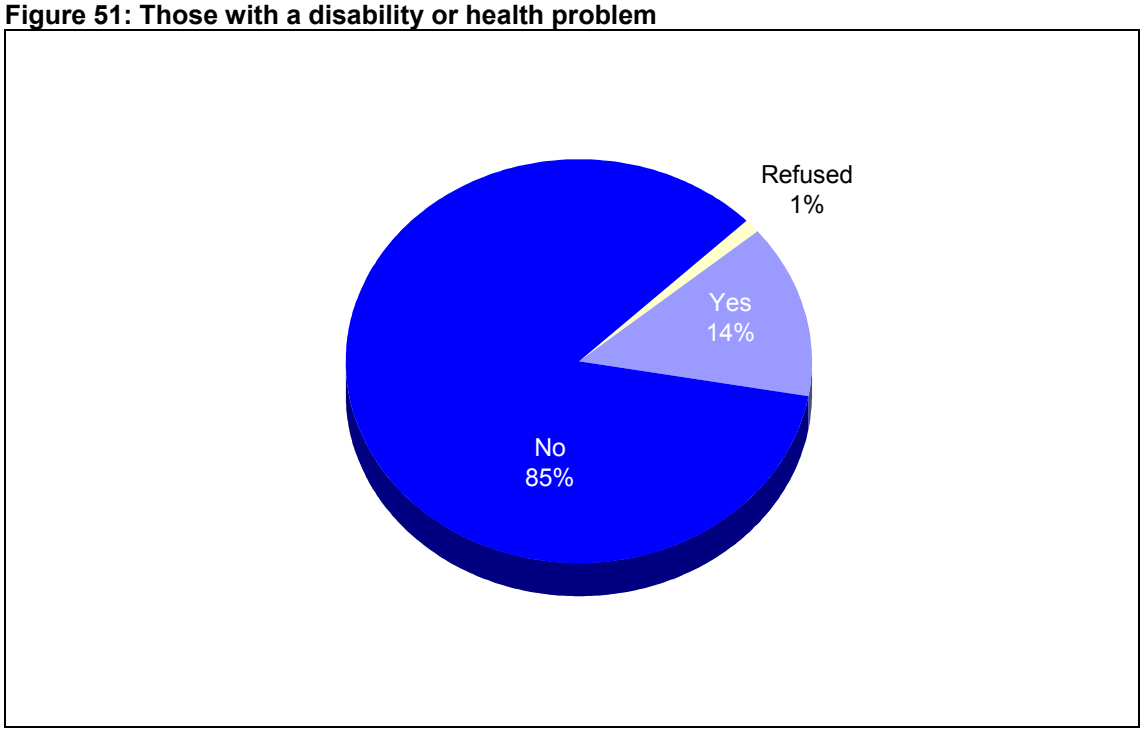
Consumer:
- region (or distribution company specifically)
- location (rural versus urban)
- socio economic group (AB, C1C2 & DE)
- age group.

Business:
- region (or distribution company specifically)
- location (rural versus urban)
- size (1MW+, 100KW-1MW and <100KW).

6. RESPONDENT CLASSIFICATION

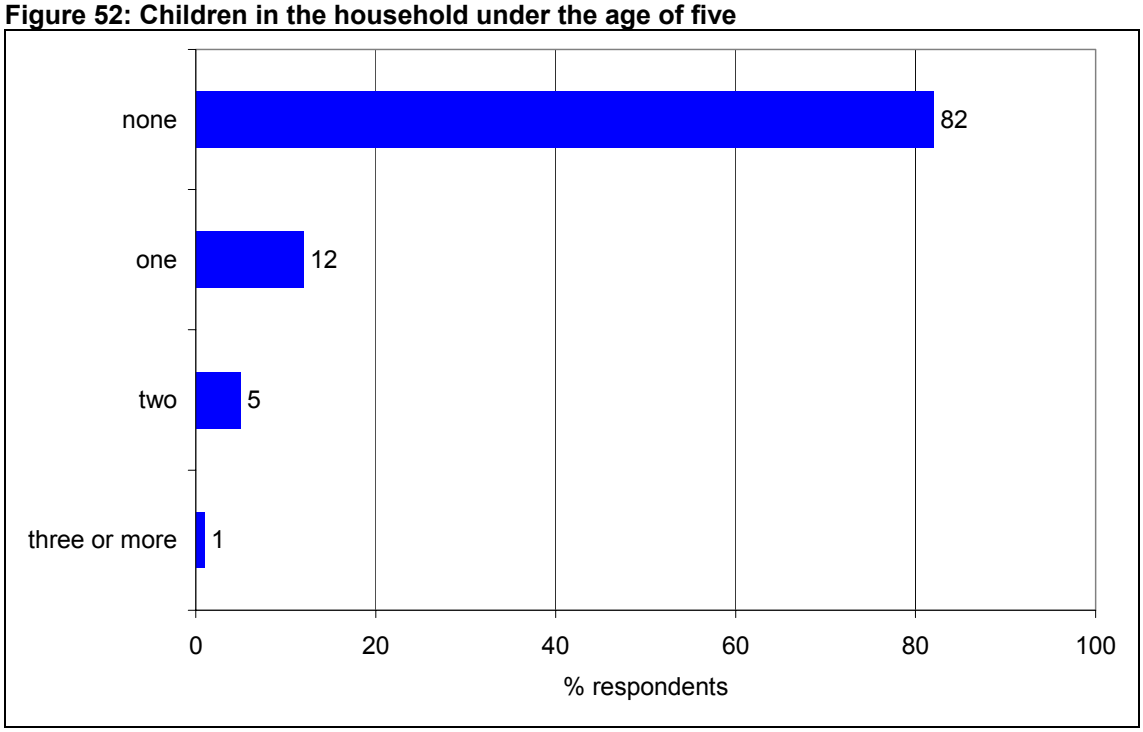
6.1 Domestic Customer Demographics

Figure 51: Those with a disability or health problem



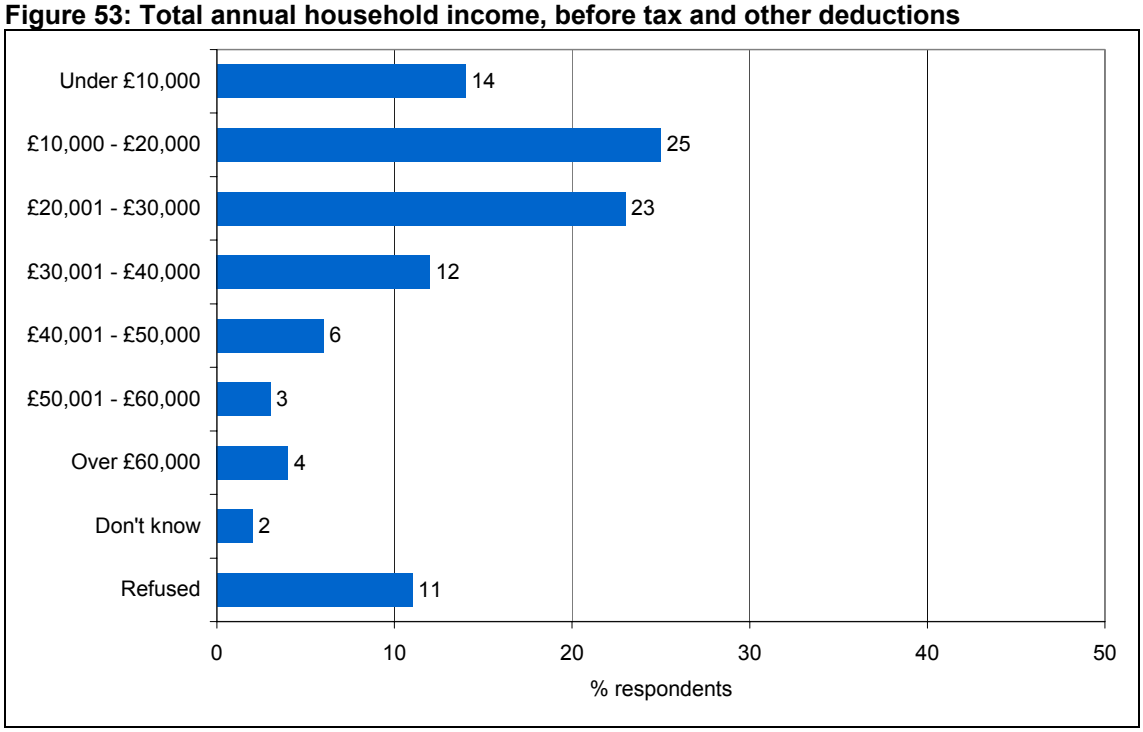
Base: 1,263

Figure 52: Children in the household under the age of five



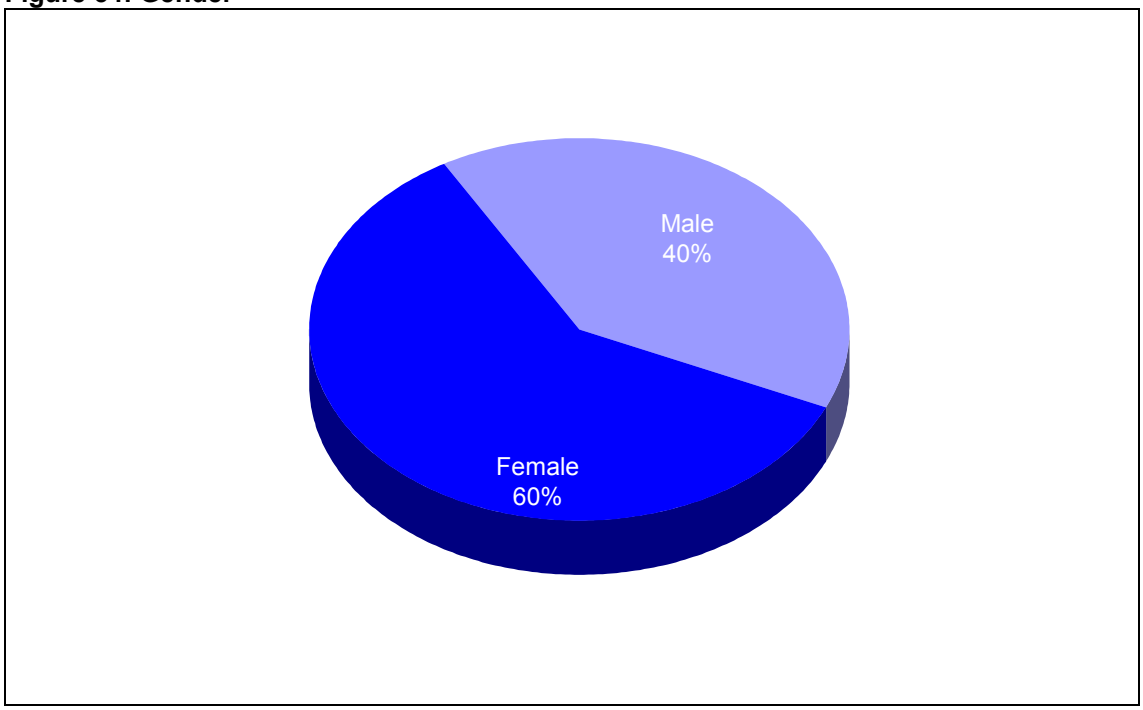
Base: 1,263

Figure 53: Total annual household income, before tax and other deductions



Base: 1,263

Figure 54: Gender



Base: 1,263

6.2 Business Demographics

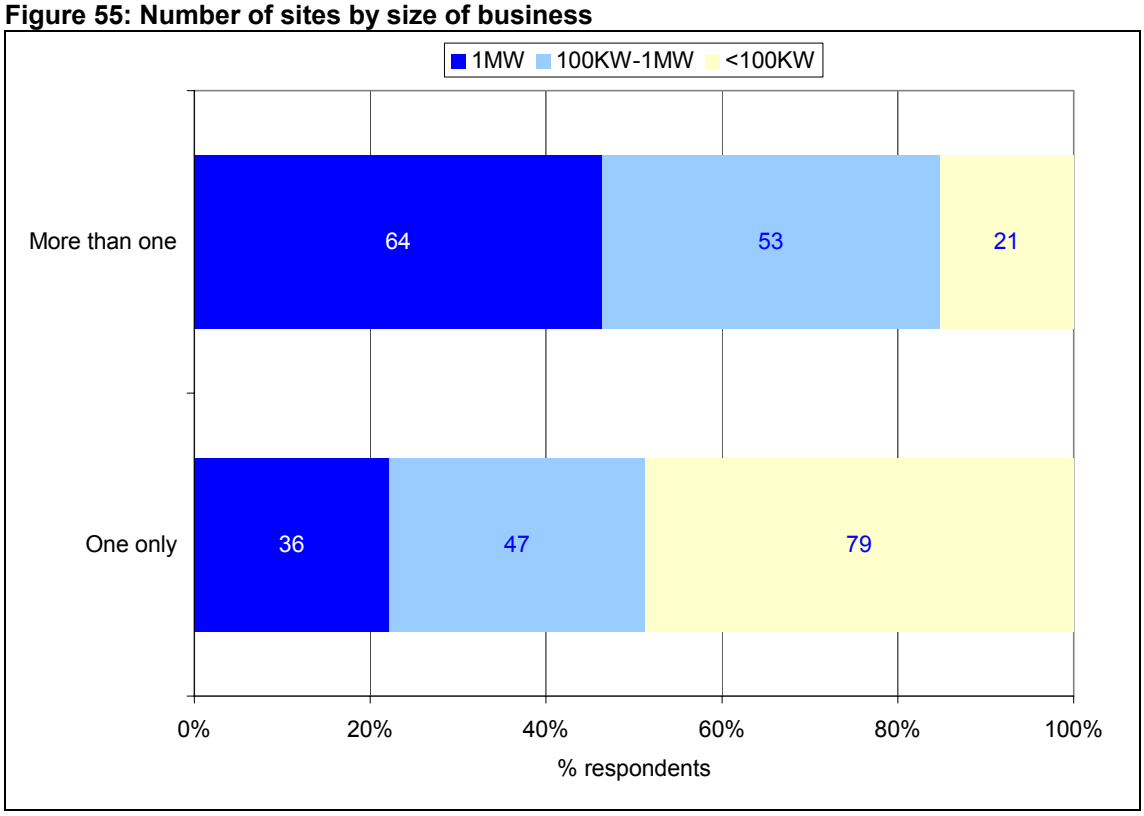
402 business interviews were conducted in total, the regional breakdown being:

Scotland	102
Midlands & North	100
Wales	99
South & East	101

243 (60%) respondents were from urban locations, 59 (15%) were based in the city centre and the remaining 100 (25%) based in rural areas.

The breakdown by size of business and number of sites is shown in Figure 55.

Figure 55: Number of sites by size of business



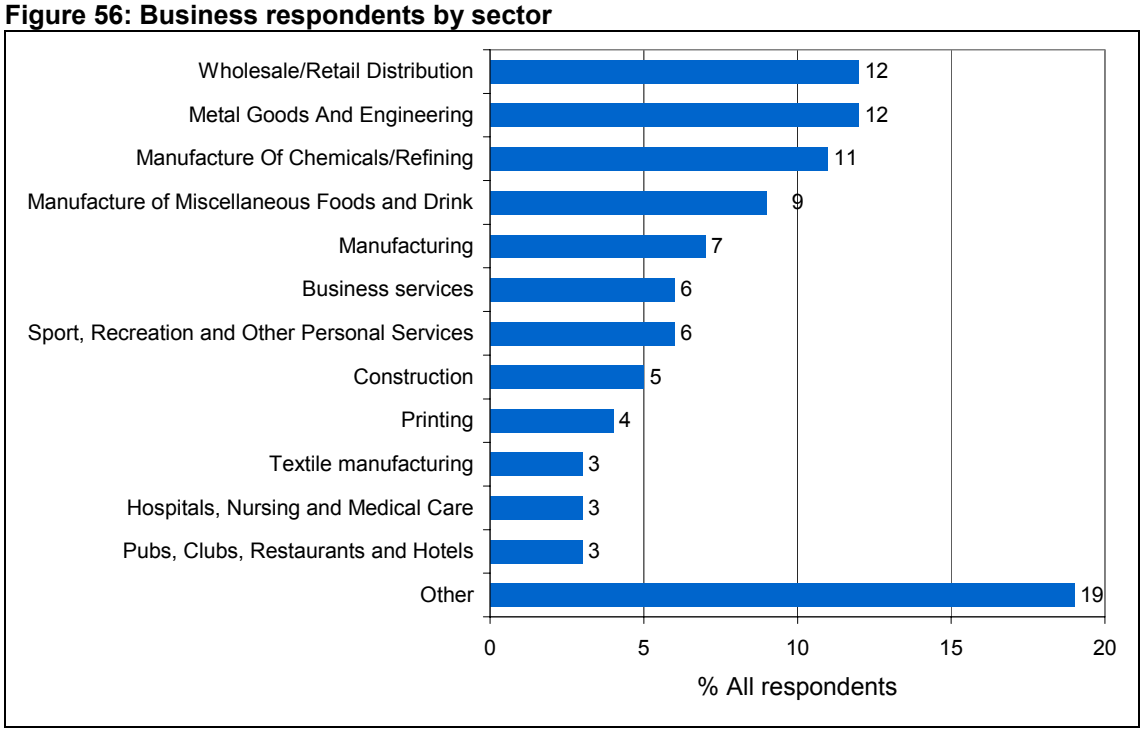
Base: 402

Figure 56 shows the key groups who participated in the business study. In total twenty-one business sectors were involved with the key groups being wholesale/retail distribution, metal goods and engineering and chemical manufacture and refining. The chart also shows the 'others' category to be 19%. This is made up of the following business sectors which each contribute no more than 2% of the respondents to the survey:

- Transport 2%
- Retail 2%
- Education 2%
- Animal & Dairy Products & Vegetable Processing 2%
- Agriculture Forestry & Fishing 2%
- Pharmaceuticals 1%

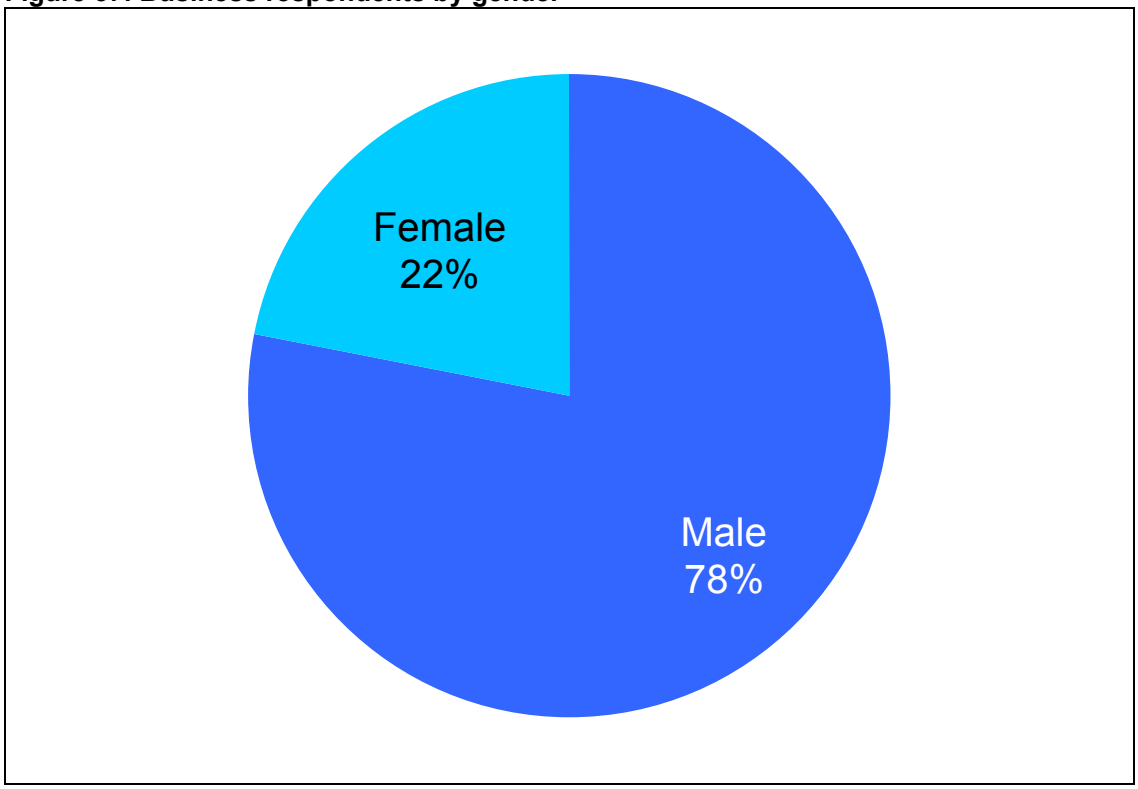
- Central/local government 1%
- Financial services 1%
- Mining <1%
- Other 6%.

Figure 56: Business respondents by sector



Base: 402

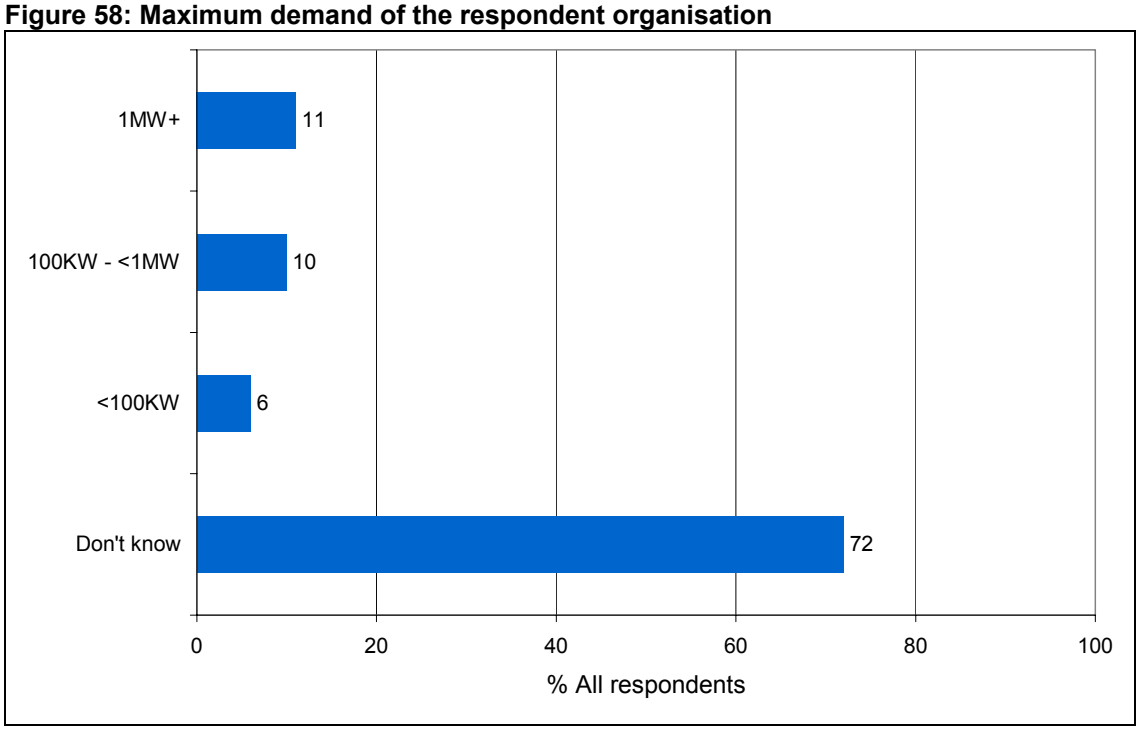
Figure 57: Business respondents by gender



Base: 402

72% of respondents did not know the maximum demand for their business. The break down of demand for those organisations that provided information is given below.

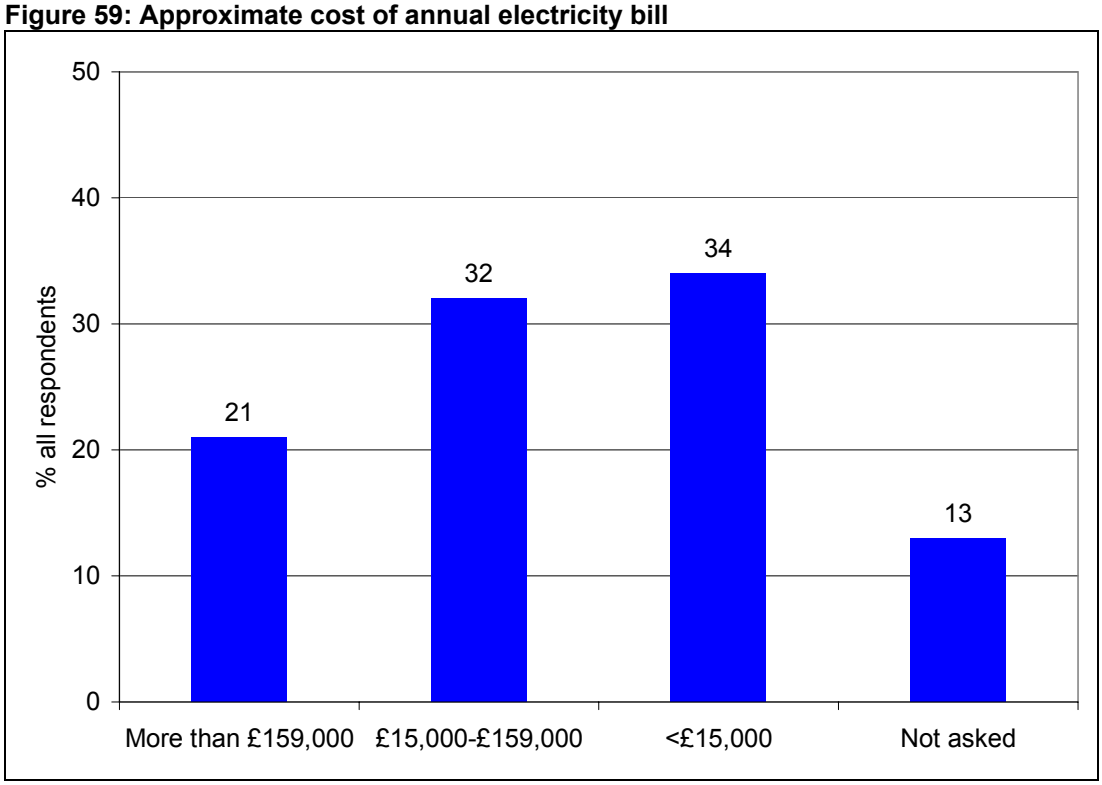
Figure 58: Maximum demand of the respondent organisation



Base: all respondents – 402

Respondents who were unable to state the maximum demand of their organisation were asked to state their annual bill size instead. The break down for the approximate costs given by these respondents is shown below.

Figure 59: Approximate cost of annual electricity bill



Base: all respondents – 402. "Not asked" includes those who had already given their maximum demand and were unwilling to state annual bill size as well.

APPENDIX A

Consumer Questionnaire

Accent
Marketing & Research

1204

Final Main Consumer Questionnaire

Recruiter name: ***Recruiter number:*** ***Date Recruited:***

Interviewer name: ***Interviewer number:*** ***Date Int'vd:*** ***Questionnaire number:***

URN number:

Time started: Time completed: Interview Code number

Introduction

Good morning/afternoon/evening. My name is …… and I am calling from Accent Marketing & Research. We are an independent market research company carrying out research on behalf of Ofgem, the gas and electricity industry regulator. Please could I speak to the person responsible – either jointly or solely – for paying the electricity bill?

WHEN SPEAKING TO APPROPRIATE CONTACT, CONTINUE WITH EXPLANATION

EXPLANATION

Good morning/afternoon/evening. My name is …… and I am calling from Accent Marketing & Research. We are an independent market research company and I am carrying out research on behalf of Ofgem, the gas and electricity industry regulator. The research is looking at various issues concerning the levels of service customers receive from their electricity distribution companies. This is a bona fide market research exercise, which is being conducted under the Market Research Society Code of Conduct. As we are looking for a range of different people to take part in our research could you please spare 2 or 3 minutes to run through a couple of questions to see if you are in scope for the study?

Screening Questions

Q1. Do you or any members of your family work in market research, journalism, PR or the electricity industry?
"

1. yes **THANK AND CLOSE**
2. no

Q2. **PLEASE ENTER FIRST LETTERS OF THE POSTCODE FROM THE SAMPLE (IE IF "SW14 5PG" ENTER SW; IF "W1 5RD" ENTER W)**

Q3. **ASK:** Could you please tell me the first two letters of your postcode? **AS ABOVE, IF A LONDON ADDRESS WITH JUST ONE LETTER (IE E, N OR W, ENTER JUST THIS ONE LETTER)**.

Q4. Have you experienced any power cuts lasting more than just a few minutes over the last 12 months that you were not warned about?

1. yes
2. no
3. can't remember

CHECK QUOTAS AND PROCEED IF POSSIBLE

Q5. Would you describe the area in which you live as rural, urban or city centre?

1. rural
2. urban
3. city centre

CHECK QUOTAS AND PROCEED IF POSSIBLE

Q6. And into which of the following age bands do you fall?

1. 16-19
2. 20-29
3. 30-39
4. 40-49
5. 50-59
6. 60+
7. refused/not stated

CHECK QUOTAS AND PROCEED IF POSSIBLE

Q7. What is the occupation of the head of your household?

.....

CODE SEG ACCORDINGLY

1. AB
2. C1C2
3. DE

CHECK QUOTAS AND PROCEED IF POSSIBLE

Main Invitation

As I mentioned, we are carrying out a research study for Ofgem, the gas and electricity industry regulator, into various issues concerning the levels of service customers receive from their electricity distribution companies. You are in scope for this research and we would greatly appreciate it if you were able to spare the time to give your views in a 20-minute interview which would be conducted by telephone, either now, or at a time to suit you later this week. None of your comments will be attributed to you personally and will only be used in grouped format. Would you be willing to take part?

IF RESPONDENT AGREES ASK THEM FOR THEIR PREFERRED DATE & TIME AND PROCEED TO MAIN INTERVIEW IF NOW OR RECORD DETAILS BELOW.

Date of interview: ..... Time of interview: .....

Respondent name: .....

Address: .....

.....

Tel No. .....

I confirm that this interview was conducted under the terms of the MRS code of conduct and is completely confidential

Interviewer's signature: .....

Main Interview: Background

Thank you for agreeing to take part in this survey. As I have said, any answer you give will be treated in confidence in accordance with the Code of Conduct of the Market Research Society. You do not have to answer questions you do not wish to and you can terminate the interview at any point.

This interview is about electricity distribution rather than supply. In other words, it is about the company that runs the local network of wires or cables that transmit electricity to your home, rather than the company that you pay your bills to. Because they are the ones who are responsible for the wires, they are also responsible for:

- restoring your power supply if there is a power cut
- operating a safety & security enquiry service for any problems with live cables
- connecting customers to their local network
- and investigating and complaints or problems that customers have regarding their electricity distribution service.

About 24% of your current electricity bill currently goes towards electricity distribution.

Consumer Experiences

Q8. Thinking about the running of the network of local cables and wires that bring electricity to your home, what aspects most concern you, or are there any changes that you would like to see? **DO NOT PROMPT**

1. constancy / reliability of supply
2. frequency of cuts
3. length of power cuts/outages
4. provision of advance information about power cuts
5. provision of updates on power cuts
6. impact of electricity network on the environment **SPECIFY**
7. quality of supply in rural areas
8. quality of supply in worst served / other areas: **SPECIFY**
9. environmental concerns**: SPECIFY**
10. streetworks
11. other **SPECIFY**

.....

12. none

Q9. **IF QUALITY/RELIABILITY NOT MENTIONED ABOVE ASK:** What, if any, concerns do you have about the quality/reliability of your electricity service? **DO NOT PROMPT**

1. **SPECIFY**
2. none

Q10. **IF IMPACT OF ELECTRICITY NETWORK ON THE ENVIRONMENT NOT MENTIONED ABOVE ASK:** What, if any, concerns do you have about the impact of the electricity network on the environment (a) in your local area? ...(b)and more generally? **DO NOT PROMPT**

1. **SPECIFY**
2. none

Q11. The questionnaire is split into a number of sections. In the first section I would like to look at your experiences with respect to electricity distribution issues. Firstly, can you tell me if you have experienced any of the following in the past 12 months:

	yes	no	can't remember/don't know
1. Power cuts lasting more than 3 minutes that you were not warned about	1	2	9
2. Short power cuts lasting less than 3 minutes (eg affecting clocks)	1	2	9
3. Planned power cuts (ie ones that you were given advance notice of)	1	2	9

Power Cuts Lasting For More Than 3 Minutes

Q12. **IF Q11.1 = 1 ASK, ELSE GO TO Q26**: You said that you had a power cut lasting more than three minutes, that you were not warned about, in the past 12 months. How many of these have you had in the past 12 months?

1.	1	5.	5
2.	2	6.	6+
3.	3	7.	7+
4.	4	8.	can't remember

Q13. Of these, how many were longer than three hours?

5.	1	5.	5
6.	2	6.	6
7.	3	7.	7+
8.	4	8.	can't remember

Q14. On the last occasion you had a power cut in excess of 3 minutes, how long did it last? **RECORD IN MINUTES (EG 1 HOUR = 60, 2 HOURS 120 ETC)**

Q15. Thinking about the last occasion you had a power cut, in what month did it happen?

1. January
2. February
3. March
4. April
5. May
6. June
7. July
8. August
9. September
10. October
11. November
12. December
13. can't remember

Q16. **IF Q15 = 13 ASK ELSE GO TO Q17:** Can you remember what season it occured in: winter, autumn, spring or summer?

1. Winter
2. Autumn
3. Spring
4. Summer
5. can't remember

Q17. On a scale of 1 to 5, where 1= very inconvenient and 5= not at all inconvenient, how inconvenient was it?

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO NOT VERY INCONVENIENT?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1 = very inconvenient,
2 = quite inconvenient
3 = neither convenient nor inconvenient
4 = not very inconvenient
5 = not at all inconvenient

Q18. What types of inconvenience did it cause? **DO NOT PROMPT**

1. Lack of lights
2. Inability to cook
3. Inability to watch TV
4. No heating
5. Fridge/freezer went off
6. Appliances had to be reset
7. Inability to use computer
8. Other **SPECIFY**

Q19. On that occasion did you try and contact your electricty distributor?

1. yes
2. no
3. don't know

Q20. **IF Q19 = 2 OR 3 GO TO Q26 ELSE ASK:** Did you manage to get through?

1. yes
2. no
3. don't know/can't remember

Q21. **IF Q20 = 2 OR 3 GO TO Q26, ELSE ASK:** How long did you take to get through? **DO NOT PROMPT**

1. immediately
2. within about 1 minute
3. within about 2-3 minutes
4. within about 4-5 minutes
5. within about 6-10 minutes
6. within about 11-15 minutes
7. more than 15 minutes
8. don't know
9. can't remember

Q22. Did you get an automated message or speak to someone?

1. automated message
2. spoke to someone
3. both (ie automate then direct)
4. don't know/can't remember

Q23. Did you get the information you wanted?

1. yes
2. no
3. don't know/can't remember

Q24. **IF Q23 = 2 OR 3 GO TO Q25 ELSE ASK:** Was the information about the power cut correct?

1. yes
2. no
3. don't know

Q25. Using a scale of 1 to 5 where 1= very dissatisfied and 5 = very satisfied, how satisfied were you with the response?

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO QUITE SATISFIED?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1= very dissatisfied
2=quite dissatisfied
3=neither satisfied nor dissatisfied
4= quite satisfied
5 = very satisfied

Short Interruptions (Lasting Less Than 3 Minutes)

Q26. **IF Q11.2 =1 ASK, ELSE GO TO Q30:** Thinking about short interruptions, lasting less than 3 minutes, how many of these have you had in the past year?

1. 1
2. 2
3. 3
4. 4
5. 5
6. 6
7. 7 +
8. don't know

Q27. And thinking about the most recent, on a scale of 1 to 5, where 1= very inconvenient and 5= not at all inconvenient, how inconvenient was it?

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO NOT VERY INCONVENIENT?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1= very inconvenient
2=quite inconvenient
3= neither convenient nor inconvenient
4=not very inconvenient
5= not at all inconvenient

Q28. What types of inconvenience did it cause? **DO NOT PROMPT**

1. had to reset appliances (eg clocks)
2. had to reboot computers
3. missed TV programme set up to record
4. alarm clock didn't go off
5. other **SPECIFY**

Q29. Which causes you more concern, short or longer duration power cuts?

1. shorter power cuts
2. longer power cuts
3. both equally
4. don't know

Planned Interruptions

Q30. **IF Q11.3 = 1 ASK ELSE GO TO Q35:** You indicated earlier that you had experienced a planned interruption to supply in the last 12 months. When you experienced this, how much notice were you given? **DO NOT PROMPT**

1. 1 day
2. 2 days
3. 3 days
4. 4 days
5. 5 days
6. 6 days
7. 7 days
8. other **SPECIFY**
9. don't know

Q31. Using a scale of 1 to 5, where where 1= very inaccurate and 5 = very accurate, how accurate was the information given in the notice?

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO QUITE ACCURATE?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1= very inaccurate
2 = quite inaccurate
3 = neither accurate nor inaccurate
4 = quite accurate
5 = very accurate

Q32. Were there any other types of information you would have liked to receive?

1. yes
1. no
3. don't know

Q33. **IF Q32 = 2 OR 3 GO TO Q34, ELSE ASK:** What?

Q34. Was the work completed on time?

1. yes
2. no
3. don't know/can't remember

Expectations about Power Supply: ASK ALL

Q35. Under which of the following conditions would it be reasonable for a power cut to happen? **READ OUT**

		Yes	No
1.	Thunder & Lightning	1	2
2.	Gales/High Winds	1	2
3.	Flooding	1	2
4.	Snow and ice	1	2
5.	Industrial action	1	2
6.	Terrorism or major emergencies	1	2
7.	Action caused by third party (e.g. another utility cut line)	1	2
8.	any other? **IF YES, SPECIFY**		

Q36. What is the maximum number of **unplanned** power cuts lasting **more than** three **minutes** that a company should be allowed in any one year before compensation is paid? **DO NOT PROMPT**

1. 1
2. 2
3. 3
4. 4
5. 5
6. 6
7. 7+
8. none
9. don't know

Q37. What is the maximum number of **unplanned** power cuts lasting **more than** three **hours** that a company should be allowed in any one year before compensation is paid? **DO NOT PROMPT**

1. 1
2. 2
3. 3
4. 4
5. 5
6. 6
7. 7+
8. none
9. don't know

Q38. Would you be more concerned with one 24-hour cut every 5 years or a 4-hour cut every year?

1. one 24-hour cut every 5 years
2. a 4-hour cut every year
3. can't decide

Q39. How quickly would you expect power to be restored following an unplanned interruption? **DO NOT PROMPT**

1. within 1 hour
2. within 2-3 hours
3. within 4-5 hours
4. within 6-10 hours
5. within 11-15 hours
6. within 16-18 hours
7. 18 hours or more
8. don't know

Q40. After how long, ie after how many hours of a power cut, should the distributor be required to pay compensation to a consumer?

Q41. If there had been a major storm affecting 100,000 customers in the companys' area. How quickly would you expect your power to be restored in such a case? **DO NOT PROMPT**

1. within 1 hour
2. within 2-3 hours
3. within 4-5 hours
4. within 6-10 hours
5. within 11-15 hours
6. within 16-18 hours
7. within 18 – 24 hours
8. within 24 – 36 hours (day – day and a half)
9. within 36 – 48 hours (day and a half – 2 days)
10. within 48 – 72 hours (2 – 3 days)
11. 72+ hours (more than 3 days)
12. don't know

Q42. Should distribution companies be doing more to reduce the impact of severe weather and storms on their networks?

1 yes
2. no
3. don't know

Q43. What would you like them to be doing?

Preference Rankings for Power Supply

Q44. I would now like to look at what aspect of a distribution company's service are most important to you when there is a power cut. Using a scale of 1 to 5, where 1 = very unimportant and 5 = very important, can you please tell me how important each of the following are to you:

1. rapid restoration of power
2. being able to get through quickly when calling the company
3. getting useful information
4. getting accurate information on when power will be restored
5. receiving compensation
6. dedicated helpline for those with special needs (eg. pensioners, or those who are chronically sick or disabled.)

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO QUITE IMPORTANT?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1 = very unimportant
2 = quite unimportant
3 = neither important nor unimportant
4 = quite important
5 = very important

Q45. What information is it most important to get during a power cut? Using a scale of 1 to 5, where 1 = very unimportant and 5 = very important, can you please tell me how important each of the following bits of information are:

1. when the power will be restored
2. the reason for the power cut
3. what areas are affected
4. regular updates
5. how to cope without electricity

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO QUITE IMPORTANT?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1 = very unimportant
2 = quite unimportant
3 = neither important nor unimportant
4 = quite important
5 = very important

Q46. If you were to get accurate information from an automated message and then have the opportunity to speak to a person to report damage/get further information, would an automated message in this instance be acceptable?

1 yes
2. no
3. don't know

Attitudes Towards Standards & Targets

Ofgem, the regulator for the gas and electricity market, has put in place a number of standards which distributors are required to meet. If they fail to meet them then customers are entitled to compensation. I am going to run through some of the standardsand ask a few questions about each.

Q47. Distributors should restore domestic consumers' supplies within 18 hours following unplanned interruptions. Failure to do so results in a penalty payment of £50 for domestic consumers for the first 18 hrs plus £25 for each additional 12 hours. Were you aware of this standard?

Q48. Do you think the timeframe at which compensation applies – ie if power is not restored within 18 hours – is about right, too long or too short?

Q49. **IF TOO SHORT OR TOO LONG:** What would be appropriate?

Q50. Is the level of compensation – ie £50 after the first 18 hours – too much, too little or about right?

Q51. **IF TOO MUCH OR TOO LITTLE:** What would be appropriate?

Q52. Is the level of compensation for each subsequent 12 hours – ie £25 – too much, too little or about right?

Q53. **IF TOO MUCH OR TOO LITTLE:** What would be appropriate?

Q54. Consumers are entitled to a penalty payment of £50 if they have 4 or more power cuts each longer than 3 hours in a single year. Were you aware of this standard?

Q55. Do you think the number of cuts after which compensation applies – ie 4 or more – is about right, too many or too few?

Q56. **IF TOO SHORT OR TOO LONG:** What would be appropriate?

Q57. Is the level of compensation – ie £50 – too much, too little or about right?

Q58. **IF TOO MUCH OR TOO LITTLE:** What would be appropriate?

Q59. Consumers must be given at least 2 days notice of a planned power cut. Failure to do so results in a penalty payment of £20 for domestic consumers. Were you aware of this standard?

Q60. Do you think the timeframe at which compensation applies – ie if less than 2 days notice is given – is about right, too long or too short?

Q61. **IF TOO SHORT OR TOO LONG:** What would be appropriate?

Q62. Is the level of compensation – ie £20 – too much, too little or about right?

Q63. **IF TOO MUCH OR TOO LITTLE:** What would be appropriate?

Q64. Some penalty payments are automatic and some have to be claimed by customers.

Is this acceptable?

1. Yes, acceptable
2. no, should be automatic
3. don't know

Q65. In order that all penalty payments could become automatic, more investment in computer systems may be necessary. Would you be prepared to pay a little more on your monthly bill for this?

1. yes
2. no
3. don't know

Q66. **IF YES:** how much more in £/p or percentage terms per month?

Exemptions

Q67. Do you believe it is reasonable for there to be exemptions from paying compensation under the standards for circumstances outside the companies' control?

1. Yes
2. no
3. don't know

Q68. Companies are allowed to claim an exemption from paying out compensation under the 18 hour restoration standard because of severe weather provided that they can show they took all reasonable steps to prevent the power cut and get supplies back on in time. Is that reasonable?

1. yes
2. no
3. don't know

Q69. Would you be prepared to pay a small amount extra on your monthly electricity bill in order to get compensation even when there are severe weather events?

1. yes
2. no
3. don't know

Improvements Desired

Q70. Bearing in mind everything that we have already covered

(IF Q8, Q9 & Q10 = NONE) are there any other things that we have not discussed that you think distributors should be committing to?

(ELSE) and the concerns you mentioned at the beginning of the survey about **INSERT ANSWERS TO Q8, Q9, Q10**, are there any other things that we have not discussed that you think distributors should be committing to?

1. yes
2. no

Q71. **IF YES:** what?

.....

.....

.....

Q72. Would you be prepared to pay a small amount extra on your monthly bill to get the improvements you have said are important to you, both here and earlier in the interview?

1. yes
2. no
3. don't know/depends

Q73. **IF YES:** how much more, in £/p or percentage terms per month?

Q74. Would you be more prepared to pay if the distribution company published their investment plans so that you knew where the money was going?

Attitudes Towards Undergrounding

Q75. I would like to move on to ask you some questions about the cables themselves. First, would you like to see more overhead electricity cables put underground in your own area?

1. yes
2, no

Q76. Why? Why not?

.....

.....

.....

Q77. And would you like to see more overhead electricity cables put underground in national parks and areas of outstanding natural beauty?

1. yes
2, no

Q78. Why? Why not?

.....

Q79. Electricity companies may be asked to put 5% of their overhead lines underground. This is likely to reduce the number of power cuts and the visual impact of overhead lines, but increase time taken to repair a fault. Would you be prepared to pay extra for this?

1. yes
2. no
3. don't know

Q80. **IF YES:** how much more, in £/p or percentage terms per month?

Streetworks

Q81. Using a scale of 1 to 5, where 1 = greatly inconvenienced and 5 = not at all inconvenienced, in the past 12 months, how inconvenienced have you been by streetworks that have had to be undertaken by electricity, gas and water companies to repair underground lines or pipes?

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO NOT GREATLY INCONVENIENCED?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1 = greatly inconvenienced
2 = quite inconvenienced
3 = neither
4 = not greatly inconvenienced
5 = not at all inconvenienced

Q82. Would you like to receive information in advance of streetworks that distributors intend undertaking?

1. yes
2. no
3. don't know

Q83. What information would you like to know? **MULTICODE; DO NOT PROMPT**

3. when it will start
4. when it will end
5. the reason for the work
6. improvements that will result from the work
7. other **SPECIFY**

Attitudes Towards Subsidising Rural Areas

Q84. The quality of service that customers in some areas receive is lower than for customers in other areas. Is this reasonable?

1. yes
2. no
3. don't know

Q85. Although you may personally not have had many power cuts, there are people in some areas who have and Ofgem is keen to improve the quality of service for all customers. Would you be prepared to pay extra for this?

1. yes
2. no
3. don't know

Q86. If yes: how much? **DO NOT PROMPT**

1% extra on bill
2-4% extra on bill
5-7% extra on bill
over 10% extra on bill

Customer Priorities

Q87. Thinking about all of the standards and potential improvements that we have discussed in this survey, which two are the most important to you? **DO NOT PROMPT**

1. Reduction in the number of unplanned power cuts greater than three minutes
2. Reduction in the number of unplannned power cuts less than three minutes
3. Reduction in the number of planned power cuts (ie where given advanced warning)
4. Provision of more accurate information when their is a power cut
5. Placing selected overhead lines underground
6. Reducing impact of streetworks
7. Getting more information on streetworks
8. Making payments under the standards whatever the weather conditions
9. Receiving automatic payments under the standards rather than having to claim
10. Improving the service received by consumers in rural areas
11. Other **SPECIFY**

DEMOGRAPHICS & CONTEXTUAL QUESTIONS

Q88. Do you have any health problems, a disability or a long term illness that restricts your daily activities or the work that you do?

1 yes
2 no

Q89. How many, if any, children do you have in your household under the age of 5?

Q90. Finally, to help us analyse your responses can you tell me which of the following best describes your total annual household income, before tax and other deductions?

1 under £10,000
2 £10,000 - £20,000
3 £20,001 - £30,000
4 £30,001 - £40,000
5 £40,001 - £50,000
6 £50,001 - £60,000
7 over £60,000
8 don't know
9 refused

Q91. **DO NOT ASK,** enter gender

1. male
2. female

that was the last question. Thank you very much for your help in this research

Please can I take a note of your name and telephone number for quality control purposes?

Respondent name: .....

Telephone: home:..... work:.....

Thank you

I confirm that this interview was conducted under the terms of the MRS code of conduct and is completely confidential

Interviewer's signature: .....

APPENDIX B

Business Questionnaire

Accent
Marketing & Research

1204

Final Main Business Questionnaire

Recruiter name: ***Recruiter number:*** ***Date Recruited:***

Interviewer name: ***Interviewer number:*** ***Date Int'vd:*** ***Questionnaire number:***

URN number:

Time started: Time completed: Interview Code number

Introduction

Good morning/afternoon/evening. My name is …… and I am calling from Accent Marketing & Research. We are an independent market research company carrying out research on behalf of Ofgem, the gas and electricity industry regulator. Please could I speak to the person responsible paying the company's electricity bill? (**PROMPT IF NECESSARY**: this could be the company's Energy Manager, Facility Manager, Finance Director or Owner/Manager)

WHEN SPEAKING TO APPROPRIATE CONTACT, CONTINUE WITH EXPLANATION

EXPLANATION

Good morning/afternoon/evening. My name is …… and I am calling from Accent Marketing & Research. We are an independent market research company and I am carrying out research on behalf of Ofgem, the gas and electricity industry regulator. The research is looking at various issues concerning the levels of service customers receive from their electricity distribution companies. This is a bona fide market research exercise, which is being conducted under the Market Research Society Code of Conduct. As we are looking for a range of different people to take part in our research could you please spare 2 or 3 minutes to run through a couple of questions to see if you are in scope for the study?

Screening Questions

Q1. Please enter whether you have been referred to a head office site or whether you are interviewing someone at the site on the sample

1. head office
2. sample site

Q2. **PLEASE ENTER FIRST LETTERS OF THE POSTCODE FROM THE SAMPLE (IE IF "SW14 5PG" ENTER SW; IF "W1 5RD" ENTER W)**

Q3. **ASK:** Could you please tell me the first two letters of (if Q1 = 2 "your postcode"; if Q1 = 1 "the postcode of your ... site **(READ OUT THE TOWN WHERE SITE ON SAMPLE IS LOCATED)"**? **AS ABOVE, IF A LONDON ADDRESS WITH JUST ONE LETTER (IE E, N OR W, ENTER JUST THIS ONE LETTER)**.

Q4. Have you experienced any power cuts at (if Q1 = 2 "the company"; if Q1 = 1 "that site") lasting more than just a few minutes over the last 12 months that you were not warned about?

1. yes
2. no
3. can't remember

CHECK QUOTAS AND PROCEED IF POSSIBLE

Q5. Would you describe the area in which (if Q1 = 2 "your company"; if Q1 = 1 "that site") is located as rural, urban or city centre?

1. rural
2. urban
3. city centre

CHECK QUOTAS AND PROCEED IF POSSIBLE

Q6. Is the maximum electricity demand for **(IF Q1 = 2 "YOUR ORGANISATION"; IF Q1 = 1 "THE SITE")**…

1 1MW+
2 100KW - <1MW
3 <100KW
4 don't know

CHECK QUOTAS AND PROCEED IF POSSIBLE

Q7. **ONLY ASK IF Q6 NOT ANSWERED:** What is the approximate cost of **(IF Q1 = 2 "YOUR ANNUAL ELECTRICITY BILL"; IF Q1 = 1 "THE ANNUAL ELECTRICITY BILL AT THAT SITE")**?

1 More than £159,000
2 £15,000-£159,000
3 <£15,000
4. don't know

IF Q6 NOT ANSWERED, CHECK QUOTAS AND PROCEED IF POSSIBLE

Main Invitation

As I mentioned, we are carrying out a research study for Ofgem, the gas and electricity industry regulator, into various issues concerning the levels of service business customers receive from their electricity distribution companies. You are in scope for this research and we would greatly appreciate it if you were able to spare the time to give your views in a 20-minute interview which would be conducted by telephone, either now, or at a time to suit you later this week. None of your comments will be attributed to you or your company personally and will only be used in grouped format. Would you be willing to take part?

IF RESPONDENT AGREES ASK THEM FOR THEIR PREFERRED DATE & TIME AND PROCEED TO MAIN INTERVIEW IF NOW OR RECORD DETAILS BELOW.

Date of interview: ..... Time of interview: .....

Respondent name: .....

Job Title: .....

Address: .....

.....

Tel No. .....

I confirm that this interview was conducted under the terms of the MRS code of conduct and is completely confidential

Interviewer's signature: .....

Main Interview: Background

Thank you for agreeing to take part in this survey. As I have said, any answer you give will be treated in confidence in accordance with the Code of Conduct of the Market Research Society. You do not have to answer questions you do not wish to and you can terminate the interview at any point.

This interview is about electricity distribution rather than supply. In other words, it is about the company that runs the local network of wires or cables that transmit electricity, rather than the company that you pay the bills to. As you are probably aware, distributors are responsible for:

- restoring the power supply if there is a power cut
- operating a safety & security enquiry service for any problems with live cables
- connecting customers to their local network
- and investigating and complaints or problems that customers have regarding their electricity distribution service.

20%-30% of your current electricity bill currently goes towards electricity distribution.

IF Q1 = 1 READ OUT: for the remainder of this interview I would like you to relate all of your responses to experiences at the …. site **(READ OUT TOWN WHERE SITE ON SAMPLE IS LOCATED)**.

Q8. Do you know who the distributor **(IF Q1 = 2 "IN YOUR AREA IS"; IF Q1 = 1 "IN THE AREA WHERE YOUR SITE IS LOCATED IS")**?

1. yes
2. no

Q9. **IF YES IN Q8 ASK, ELSE GO TO Q10:** Who is it?

1. Aquila
2. East Midlands Electricity
3. EPN (24 Seven)
4. LPN (24 Seven)
5. Manweb
6. NEDL
7. Scottish Hydro Electric
8. ScottishPower
9. Southern Electric
10. SPN (Seeboard Power Networks)
11. United Utilities
12. WPD (South Wales)
13. WPD (South West)
14. Yorkshire Electricity/YEDL

Consumer Experiences

Q10. Thinking about the running of the network of local cables and wires that bring electricity to your business, what aspects most concern you, or are there any changes that you would like to see? **DO NOT PROMPT**

1. constancy / reliability of supply
2. frequency of cuts
3. length of power cuts/outages
4. provision of advance information about power cuts
5. provision of updates on power cuts
6. impact of electricity network on the environment **SPECIFY**
7. quality of supply in rural areas
8. quality of supply in worst served / other areas: **SPECIFY**
9. environmental concerns**: SPECIFY**
10. streetworks
11. other **SPECIFY**

12. none

Q11. **IF QUALITY/RELIABILITY NOT MENTIONED ABOVE ASK:** What, if any, concerns do you have about the quality/reliability of the electricity service to your company?

1. **SPECIFY**
2. none

Q12. **IF IMPACT OF ELECTRICITY NETWORK ON THE ENVIRONMENT NOT MENTIONED ABOVE ASK:** What, if any, concerns do you have about the impact of the electricity network on the environment (a) in your local area? ...(b)and more generally?

1. **SPECIFY**
2. none

Q13. The questionnaire is split into a number of sections. In the first section I would like to look at your experiences with respect to electricity distribution issues. Firstly, can you tell me if you have experienced any of the following at your company in the past 12 months:

	yes	no	can't remember/don't know
1. Power cuts lasting more than 3 minutes that you were not warned about	1	2	9
2. Short power cuts lasting less than 3 minutes (eg affecting clocks)	1	2	9
3. Planned power cuts (ie ones that you were given advance notice of)	1	2	9
4. flickering lights or similar effects caused by power fluctuations/voltage variations on the electricity network	1	2	9

Power Cuts Lasting For More Than 3 Minutes

Q14. **IF Q13.1 = 1 ASK, ELSE GO TO Q29**: You said that you had a power cut lasting more than three minutes, that you were not warned about, in the past 12 months. How many of these have you had in the past twelve months?

1. 1
2. 2
3. 3
4. 4
5. 5
6. 6+
7. 7+
8. can't remember

Q15. Of these, how many of these were longer than three hours?

1. 1
2. 2
3. 3
4. 4
5. 5
6. 6
7. 7+
8. can't remember

Q16. On the last occasion you had a power cut in excess of 3 minutes at the company, how long did it last? **RECORD IN MINUTES (EG 1 HOUR = 60, 2 HOURS 120 ETC)**

Q17. Thinking about the last occasion you had a power cut, in what month did it happen?

1. January
2. February
3. March
4. April
5. May
6. June
7. July
8. August
9. September
10. October
11. November
12. December
13. can't remember

Q18. **IF Q17=13 ASK ELSE GO TO Q19:** Can you remember what season it occured in: winter, autumn, spring or summer?

1. Winter
2. Autumn
3. Spring
4. Summer
5. can't remember

Q19. On a scale of 1 to 5, where 1= very inconvenient and 5 = not at all inconvenient, how inconvenient was it?

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO NOT VERY INCONVENIENT?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1 = very inconvenient
2 = quite inconvenient
3 = neither convenient nor inconvenient
4 = not very inconvenient
5 = not at all inconvenient

Q20. What types of inconvenience did it cause to the company?

1. Disruptions to equipment/activity
2. Lost money/production time
3. Damage to equipment
4. other **SPECIFY**

Q21. On that occasion did you try and contact your electricty distributor?

1. yes
2. no
3. don't know

Q22. **IF Q19 = 2 OR 3 GO TO Q28 ELSE ASK:** Did you manage to get through?

1. yes
2. no
3. don't know/can't remember

Q23. **IF Q20 = 2 OR 3 GO TO Q28, ELSE ASK:** How long did you take to get through?

1. immediately
2. within about 1 minute
3. within about 2-3 minutes
4. within about 4-5 minutes
5. within about 6-10 minutes
6. within about 11-15 minutes
7. more than 15 minutes
8. don't know
9. can't remember

Q24. Did you get an automated message or speak to someone?

1. automated message
2. spoke to someone
3. both (ie automate then direct)
4. don't know/can't remember

Q25. Did you get the information you wanted?

1. yes
2. no
3. don't know/can't remember

Q26. **IF Q23 = 2 OR 3 GO TO Q27 ELSE ASK:** Was the information about the power cut correct?

1. yes
2. no
3. don't know

Q27. Using a scale of 1 to 5 where 1= very dissatisfied and 5 = very satisfied, how satisfied were you with the response?

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO QUITE SATISFIED?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1 = very dissatisfied
2 =quite dissatisfied
3 =neither satisfied nor dissatisfied
4 = quite satisfied
5 = very satisfied

Q28. Using a scale of 1 to 5 where 1 = very unimportant and 5 = very important, how important would it be to you to have a named contact at the distribution company to contact in the event of occurences such as power cuts?

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO QUITE IMPORTANT?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1 = very unimportant
2 = quite unimportant
3 = neither important nor unimportant
4 = quite important
5 = very important

Short Interruptions (Lasting Less Than 3 Minutes)

Q29. **IF Q13.2=1 ASK, ELSE GO TO Q33:** Thinking about short interruptions, lasting less than 3 minutes, how many of these have you had in the past year?

1. 1
2. 2
3. 3
4. 4
5. 5
6. 6
7. 7 +
8. don't know

Q30. And thinking about the most recent, on a scale of 1 to 5, where 1 = very inconvenient and 5 = not at all inconvenient, how inconvenient was it?

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO NOT VERY INCONVENIENT?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1 = very inconvenient
2 = quite inconvenient
3 = neither convenient nor inconvenient
4 = not very inconvenient
5 = not at all inconvenient

Q31. What types of inconvenience did it cause to the company?

1. had to reset appliances
2. had to reboot computers
3. other **SPECIFY**

Q32. Which causes you more concern at the company, short or longer duration power cuts?

1. shorter power cuts
2. longer power cuts
3. both equally
4. don't know

Planned Interruptions

Q33. **IF Q13.3=1 ASK ELSE GO TO Q38:** You indicated earlier that you had experienced a planned interruption to supply in the last 12 months at the company. When you experienced this, how much notice were you given?

1. 1 day
2. 2 days
3. 3 days
4. 4 days
5. 5 days
6. 6 days
7. 7 days
8. other **SPECIFY**
9. don't know

Q34. Using a scale of 1 to 5, where where 1 = very inaccurate and 5 = very accurate, how accurate was the information given in the notice?

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO QUITE ACCURATE?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1= very inaccurate
2 = quite inaccurate
3 = neither accurate nor inaccurate
4 = quite accurate
5 = very accurate

Q35. Were there any other types of information you would have liked to receive?

1. yes
2. no
3. don't know

Q36. **IF Q32 = 2 OR 3 GO TO Q37, ELSE ASK:** What?

Q37. Was the work completed on time?

1. yes
2. no
3. don't know/can't remember

Expectations about Power Supply

Q38. Under which of the following conditions would it be reasonable for a power cut to happen? **READ OUT**

	Yes	No
1. Thunder & Lightning	1	2
2. Gales/High Winds	1	2
3. Flooding	1	2
4. Snow and ice	1	2
5. Industrial action	1	2
6. Terrorism or major emergencies	1	2
7. Action caused by third party (e.g. another utility cut line)	1	2
8. any other? **IF YES, SPECIFY**		

Q39. What is the maximum number of **unplanned** power cuts lasting **more than** three **minutes** that a company should be allowed in any one year before compensation is paid?

1. 1
2. 2
3. 3
4. 4
5. 5
6. 6
7. 7+
8. none
9. don't know

Q40. What is the maximum number of **unplanned** power cuts lasting **more than** three **hours** that a company should be allowed in any one year before compensation is paid?

1. 1
2. 2
3. 3
4. 4
5. 5
6. 6
7. 7+
8. none
9. don't know

Q41. Would you be more concerned with one 24-hour cut every 5 years or a 4-hour cut every year?

1. one 24-hour cut every 5 years
2. a 4-hour cut every year
3. can't decide

Q42. Do you have a standby generator at your company to use in the event of a power cut?

1. yes
2. no

Q43. Using a scale of 1 to 5 where 1 is disagree strongly, 2 is disagree, 3 is neither agree nor disagree, 4 is agree and 5 is agree strongly, to what exent do you agree with the following:

1. the distributor should supply companies with standby generators in the event of a planned power cut
2. the distributor should supply companies with standby generators in the event of an unplanned power cut

Q44. Would you be prepared to pay a small amount extra on your monthly bill to enable distributors to provide generators in the event of a planned or unplanned power cut?

1. yes
2. no
3. don't know

Q45. **IF YES:** How much in percentage terms per annum?

Q46. Would you expect a dedicated contact line for business consumers in the event of a power cut?

1. yes
2. no
3. don't know

Q47. How quickly would you expect power to be restored following an unplanned interruption?

1. within 1 hour
2. within 2-3 hours
3. within 4-5 hours
4. within 6-10 hours
5. within 11-15 hours
6. within 16-18 hours
7. 18 hours or more
8. don't know

Q48. After how long, ie after how many hours of a power cut, should the distributor be required to pay compensation to a business?

Q49. If there had been a major storm affecting 100,000 customers in the companys' area. How quickly would you expect your power to be restored in such a case?

1. within 1 hour
2. within 2-3 hours
3. within 4-5 hours
4. within 6-10 hours
5. within 11-15 hours
6. within 16-18 hours
7. within 18 – 24 hours
8. within 24 – 36 hours (day – day and a half)
9. within 36 – 48 hours (day and a half – 2 days)
10. within 48 – 72 hours (2 – 3 days)
11. 72+ hours (more than 3 days)
12. don't know

Q50. Should distribution companies be doing more to reduce the impact of severe weather and storms on their networks?

1 yes
2. no
3. don't know

Q51. What would you like them to be doing?

Q52. And if your company was to experience fluctuations in supply – that is, flickering lights or similar effects to other electrical equipment caused by power fluctuations or voltage variations on the electricity network – and you were to report this to the distribution company, how quickly would you expect them to investigate your complaint? **DO NOT PROMPT**

1. within 2 hours
2. within 3-5 hours
3. within 6-12 hours
4. 1 day
5. 2 days
6. 3 days
7. 4 days
8. 5 days
9. 6 days
10. 7 days
11. 10 days
12. 14 days
13. other **SPECIFY**

Preference Rankings for Power Supply

Q53. I would now like to look at what aspect of a distribution company's service are most important to you when there is a power cut. Using a scale of 1 to 5, where 1 = very unimportant and 5 = very important, can you please tell me how important each of the following are to you:

1. rapid restoration of power
2. being able to get through quickly when calling the company
3. getting useful information
4. getting accurate information on when power will be restored
5. receiving compensation
6. dedicated contacts for businesses

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO QUITE IMPORTANT?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1 = very unimportant
2 = quite unimportant
3 = neither important nor unimportant
4 = quite important
5 = very important

Q54. What information is it most important to get during a power cut? Using a scale of 1 to 5, where 1 = very unimportant and 5 = very important, can you please tell me how important each of the following bits of information are:

1. when the power will be restored
2. the reason for the power cut
3. what areas are affected
4. regular updates
5. how to cope without electricity

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO QUITE IMPORTANT?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1 = very unimportant
2 = quite unimportant
3 = neither important nor unimportant
4 = quite important
5 = very important

Q55. If you were to get accurate information from an automated message and then have the opportunity to speak to a person to report damage/get further information, would an automated message in this instance be acceptable?

1 yes
2. no
3. don't know

Attitudes Towards Standards & Targets

Q56. Ofgem, the regulator for the gas and electricity market, has put in place a number of standards which distributors are required to meet. If they fail to meet them then customers are entitled to compensation. I am going to run through some of the standards and ask a few questions about each.

Q57. Distributors should restore consumers' supplies within 18 hours following unplanned interruptions. Failure to do so results in a penalty payment of £100 for business customers for the first 18 hrs plus £25 for each additional 12 hours. Were you aware of this standard?

Q58. Do you think the timeframe at which compensation applies – ie if power is not restored within 18 hours – is about right, too long or too short?

Q59. **IF TOO SHORT OR TOO LONG:** What would be appropriate?

Q60. Is the level of compensation – ie £100 after the first 18 hours – too much, too little or about right?

Q61. **IF TOO MUCH OR TOO LITTLE:** What would be appropriate?

Q62. Is the level of compensation for each subsequent 12 hours – ie £25 – too much, too little or about right?

Q63. **IF TOO MUCH OR TOO LITTLE:** What would be appropriate?

Q64. Customers are entitled to a penalty payment of £50 if they have 4 or more power cuts each longer than 3 hours in a single year. Were you aware of this standard?

Q65. Do you think the number of cuts after which compensation applies – ie 4 or more – is about right, too many or too few?

Q66. **IF TOO SHORT OR TOO LONG:** What would be appropriate?

Q67. Is the level of compensation – ie £50 – too much, too little or about right?

Q68. **IF TOO MUCH OR TOO LITTLE:** What would be appropriate?

Q69. Customers must be given at least 2 days notice of a planned power cut. Failure to do so results in a penalty payment of £40 for business customers. Were you aware of this standard?

Q70. Do you think the timeframe at which compensation applies – ie if less than 2 days notice is given – is about right, too long or too short?

Q71. **IF TOO SHORT OR TOO LONG:** What would be appropriate?

Q72. Is the level of compensation – ie £40 – too much, too little or about right?

Q73. **IF TOO MUCH OR TOO LITTLE:** What would be appropriate?

Q74. Have you negotiated a dedicated service agreement to provide compensation to your company in the event of any of the above occuring?

1. yes
2. no

Q75. Under this contract, in the event of what occurences do you receive compensation?

Q76. Some penalty payments are automatic and some have to be claimed by customers.

Is this acceptable?

1. Yes, acceptable
2. no, should be automatic
3. don't know

Q77. In order that all penalty payments could become automatic, more investment in computer systems may be necessary. Would you be prepared to pay a little more on your monthly bill for this?

1. yes
2. no
3. don't know

Exemptions

Q78. Do you believe it is reasonable for there to be exemptions from paying compensation under the standards for circumstances outside the companies' control?

1. Yes
2. no
3. don't know

Q79. Distribution companies are allowed to claim an exemption from paying out compensation under the 18 hour restoration standard because of severe weather provided that they can show they took all reasonable steps to prevent the power cut and get supplies back on in time. Is that reasonable?

1. yes
2. no
3. don't know

Q80. Would you be prepared to pay a small amount extra on your monthly electricity bill in order to get compensation even when there are severe weather events?

1. yes
2. no
3. don't know

Improvements Desired

Q81. Bearing in mind everything that we have already covered

(IF Q10, Q11 & Q12 = NONE) are there any other things that we have not discussed that you think distributors should be committing to?

(ELSE) and the concerns you mentioned at the beginning of the survey about **(INSERT ANSWER TO Q10, Q11, Q12)**, are there any other things that we have not discussed that you think distributors should be committing to?

1. yes
2. no

Q82. **IF YES:** what?

.....

.....

.....

Q83. Would you be prepared to pay a small amount extra on your monthly bill to get the improvements you have said are important to your company, both here and earlier in the interview?

1. yes
2. no
3. don't know/depends

Q84. **IF YES:** how much more, in £/p or percentage terms per month?

Attitudes Towards Undergrounding

Q85. I would like to move on to ask you some questions about the cables themselves. First, would you like to see more overhead electricity cables put underground in your own area?

1. yes
2, no

Q86. Why? Why not?

.....

.....

.....

Q87. And would you like to see more overhead electricity cables put underground in national parks and areas of outstanding natural beauty?

1. yes
2, no

Q88. Why? Why not?

.....

.....

.....

Q89. Electricity companies may be asked to put 5% of their overhead lines underground. This is likely to reduce the number of power cuts and the visual impact of overhead lines, but increase time taken to repair a fault. Would you be prepared to pay extra for this?

1. yes
2. no
3. don't know

Q90. **IF YES:** how much more, in £/p or percentage terms per month?

Streetworks

Q91. Using a scale of 1 to 5, where 1 = greatly inconvenienced and 5 = not at all inconvenienced, in the past 12 months, how inconvenienced have you been bystreetworks that have had to be undertaken by electricity, gas and water companies to repair underground lines or pipes?

INTERVIEWER: WHEN RATING IS GIVEN, DOUBLE CHECK THAT THE RESPONDENT HAS UNDERSTOOD THE SCALE BY CHECKING OFF THEIR RATING WITH THE EQUIVALENT WORDING BELOW. SO, IF THEY SAY "4" ASK:

"**SO NOT GREATLY INCONVENIENCED?"**

IF THEY DISAGREE, RE-STATE THE SCALE AND GET THEM TO REVISE THEIR RATING ACCORDINGLY.

1 = greatly inconvenienced
2 = quite inconvenienced
3 = neither
4 = not greatly inconvenienced
5 = not at all inconvenienced

Q92. Would you like to receive information in advance of streetworks that distributors intend undertaking?

1. yes
2. no
3. don't know

Q93. What information would you like to know? **MULTICODE; DO NOT PROMPT**

1. when it will start
2. when it will end
3. the reason for the work
4. improvements that will result from the work
5. other **SPECIFY**

Attitudes Towards Subsidising Rural Areas

Q94. The quality of service that businesses in some areas receive is lower than for businesses in other areas. Is this reasonable?

3. yes
4. no
3. don't know

Q95. Although you may personally not have had many power cuts, there are businesses in some areas who have and Ofgem is keen to improve the quality of service for all customers. Would you be prepared to pay extra for this?

1. yes
2. no
3. don't know

Q96. **IF YES:** how much?

1% extra on bill
2-4% extra on bill
5-7% extra on bill
over 10% extra on bill

Customer Priorities

Q97. Thinking about all of the standards and potential improvements that we have discussed in this survey, which two are the most important to your business? **DO NOT PROMPT**

3. Reduction in the number of unplanned power cuts greater than three minutes
4. Reduction in the number of unplannned power cuts less than three minutes
3. Reduction in the number of planned power cuts (ie where given advanced warning)
4. Provision of more accurate information when their is a power cut
5. Placing selected overhead lines underground
6. Reducing impact of streetworks
7. Getting more information on streetworks
8. Making payments under the standards whatever the weather conditions
9. Receiving automatic payments under the standards rather than having to claim
9. Improving the service received by consumers in rural areas
10. Distributors providing back-up generation
11. Having a dedicated contact lines for businesses
12. Having individual compensation contracts
13. Other **SPECIFY**

DEMOGRAPHICS & CONTEXTUAL QUESTIONS

Q98. How many sites (in the UK) does your company have?

1 one only
2 more than one

Q99. Under which of the following sectors would the activity of your company be classified? **READ OUT**

1. Agriculture Forestry & Fishing
3. Mining
4. Construction
5. Manufacture Of Chemicals/Refining
6. Metal Goods And Engineering
7. Animal & Dairy Products & Vegetable processing
8. Manufacture of Miscellaneous Foods and Drink
9. Wholesale/Retail Distribution
10. Financial services
11. Pubs, Clubs, Restaurants and Hotels
12. Hospitals, Nursing and Medical Care
13. Education
14. Sport, Recreation and Other Personal Services
15. Central/local government

Q100. **DO NOT ASK:** note gender

1. male 2. female

that was the last question. Thank you very much for your help in this research

Please can I take a note of your name and telephone number for quality control purposes?

Respondent name: .....

Telephone: home:..... work:.....

Thank you

I confirm that this interview was conducted under the terms of the MRS code of conduct and is completely confidential

Interviewer's signature: .....