

The background of the slide features a close-up, slightly blurred image of a gas stove. On the left, a blue burner is visible. On the right, a lit burner shows a bright orange flame. A large, white, 3D-style arrow points from the left side of the frame towards the right, partially obscuring the stove. The overall lighting is bright, with a soft glow emanating from the flame area.

Gas Customer Satisfaction Survey

11 June 2012

Customer Satisfaction survey

- During the last meeting, we agreed that the planned, unplanned and connection categories were to be equally weighted.
- As part of the six month trial survey GDNs have interviewed 4621 planned interruption customers, 5902 unplanned interruptions and 3335 connections customers (total 13,858).

There are two factors that still need to be determined:

1. Whether incentive amounts apply to each component or to an overall customer satisfaction score (if we decide to use an overall customer satisfaction score then we also need to determine how should this be calculated).
2. The mechanics of the incentive rate in terms of where the maximum reward and penalty should apply.

GDNs' proposals

- We are relatively comfortable with the GDNs' preference for having an incentive amount applied to performance in each component of the CSS.
- We understand why the GDNs have pursued an asymmetrical incentive rate.
- We are aligned with the GDNs approach to setting the downside of the incentive (ie 1.75 standard deviations).
- We are looking for GDNs to further justify they propose to set the upside of the incentive to 0.2 or 0.5 standard deviations.

Planned	Approach	Max Reward score	Upper Quartile	Max Penalty score
	1.75sd from UQ	8.67	8.09	7.50
	0.5sd up, 1.75sd down	8.25	8.09	7.50
	1.75 from mean	8.52	8.09	7.35
Emergency Response	Approach	Max Reward score	Upper Quartile	Max Penalty score
	1.75sd from UQ	9.16	8.81	8.46
	0.5sd up, 1.75sd down	8.91	8.81	8.46
	1.75 from mean	9.03	8.81	8.33
Connections	Approach	Max Reward score	Upper Quartile	Max Penalty score
	1.75 from UQ	8.59	8.04	7.49
	0.5sd up, 1.75sd down	8.19	8.04	7.49
	1.75 from mean	8.36	8.04	7.26

Ofgem's initial thoughts

- We have carried out our own analysis work, to identify the appropriate incentive rate
- We have considered the range of deviation from the upper quartile (our initial preference was 1.75sd from the upper quartile value) as well as absolute levels of performance.
- A simple approach could be absolute figures:
 - 7.5-8.5 for Planned Interruptions component
 - 8-9 for Emergency response component
 - 7.5-8.5 for Connections component

The background of the slide features a large, semi-transparent white arrow pointing from the left towards the right. Behind the arrow, there is a composite image: on the left, a perspective view of solar panels; on the right, a close-up of a gas burner with a blue flame. The overall color palette is light and airy, with soft blues and whites.

Gas Complaints Metric

11 June 2012

The use of trial data will be used to inform various aspects of the complaints metric design:

1. Weightings of the relative complaints metric components:
 - Percentage unresolved after 1WD
 - Percentage unresolved after 31WD
 - Percentage of repeat complaints
 - Percentage of ombudsman findings against the GDN
2. The fixed target (based on the upper quartile composite complaints metric score).
3. The minimum level of performance (maximum penalty score)
4. The incentive rate term (sliding scale)

GDNs' proposal – complaints metric

- We are broadly aligned with the GDNs' thinking on the development of the Complaints metric.
- We consider that there still is a need to reduce the weighting applied to Ombudsman findings found in favour of the complainant (proposed weightings 10, 30, 50, 10)
- We need to understand GDNs' justification why 1.75sd from the mean is used to calculate the minimum level of performance.
 - (Using our revised weighting this would create a min level of performance of 30.3.)
- It is important that GDNs categorise complaints consistently across the industry (eg goodwill payments from Ombudsman).

Complaints metric

Percentage of complaints unresolved by the end of the first working day after which the complaint was first received (day +1)			95.04%	95.59%	95.52%	95.27%	52.26%	64.75%	64.69%	84.14%
Percentage of complaints unresolved after the end of 31 calendar days from the end of the first working day after which the complaint was first received (day +31)			23.25%	25.23%	27.38%	31.19%	8.85%	15.69%	17.70%	4.41%
Percentage of repeat complaints			2.74%	3.85%	3.61%	2.82%	0.35%	0.79%	0.63%	3.52%
Obudsman findings against the DNO			50.00%	50.00%	66.67%	50.00%	100.00%	0.00%	0.00%	100.00%
	Weighting									
Percentage of complaints unresolved by the end of the first working day after which the complaint was first received (day +1)	10.00	PCUDPot	9.50	9.56	9.55	9.53	5.23	6.48	6.47	8.41
Percentage of complaints unresolved after the end of 31 calendar days from the end of the first working day after which the complaint was first received (day +31)	30.00	PCUDPT	6.97	7.57	8.21	9.36	2.66	4.71	5.31	1.32
Percentage of repeat complaints	50.00	PRCt	1.37	1.93	1.80	1.41	0.18	0.40	0.31	1.76
Obudsman findings against the DNO	10.00	POFt	5.00	5.00	6.67	5.00	10.00	-	-	10.00
Combined complaints metric		CMPT	22.8	24.1	26.2	25.3	18.1	11.6	12.1	21.5

Upper quartile UQCMt 16.6
Average 20.2
SD 5.7

Ofgem's Initial Thoughts

1. Weightings of the relative complaints metric components:
 - Percentage unresolved after 1WD (10%)
 - Percentage unresolved after 31WD (30%)
 - Percentage of repeat complaints (50%)
 - Percentage of ombudsman findings against the GDN (10%)
2. The fixed target (based on the upper quartile composite complaints metric score)
 - Based on current trial data and revised weightings this would be approx 16.6
3. The minimum level of performance (based on 1.75 standard deviations from the mean)
 - Based on current trial data and revised weightings this would be approx 30.3
4. The incentive rate term (sliding scale)
 - Determined by dividing total revenue exposure by the difference between the maximum penalty score and the industry upper quartile