

RIO-ED1 Strategy Consultation

Proposals for customer satisfaction and
social obligations

James Veaney

RIIO-ED1 Broad Measure of Customer Satisfaction

- We aim to retain the BMCS
 - Customer Satisfaction Survey
 - Complaints Metric
 - Stakeholder Engagement
- Increase the size of the financial incentive under RIIO-ED1.
- Strengthen incentive on connection customers/stakeholder engagement.

Proposed RII0-ED1 revenue exposure

Incentive			RIIO-ED1 proposals maximum reward/penalty (per cent of allowed revenue)	DPCR5 maximum reward/penalty (per cent of allowed revenue)
Customer satisfaction survey	Connections	Minor connections	+0.5/-0.5	+0.32/-0.2
		Major connections	0/-0.5	
	Interruptions		+0.3/-0.3	+0.32/-0.2
	General enquiry		+0.2/-0.2	+0.16/-0.1
Complaints metric			0/-0.5	0/-0.5
Stakeholder engagement			+0.5/0	+0.2/0
Maximum aggregate penalty/reward exposure			+1.5/ -2.0	+1.0/-1.0

[†]The DPCR5 customer satisfaction survey exposure was +0.8/-0.5 per cent of allowed revenue with overall performance weighted 40 per cent interruptions, 40 per cent connections and 20 per cent general enquiries.

Customer Satisfaction Survey

- Propose to retain three customer categories (connections, interruptions, general enquiries).
- Review methodology/questionnaire/approach to setting targets.
- Propose to split customer satisfaction survey into minor/major connections
 - May require a more qualitative approach to major customers
 - Impact of CT on scope of incentive. Therefore penalty only.
- Seek views on whether to interruption customers that have been proactively contacted by DNO via new media should be in scope of CSS.
- Seek views whether number of unsuccessful calls/provision of information should influence CSS scores.

Complaints Metric

- Retain four key measures and review associated weighting (specifically the EO indicator).
 - % of complaints outstanding after 1 day,
 - % of complaints outstanding after 31 days,
 - % of repeat complaints, and
 - % of EO decisions against DNO. REVIEW CALCULATION.
- Review approach to target/maximum penalty levels.

Stakeholder Engagement incentive

- Retain DPCR5 incentive structure.
- Increase overall exposure to 0.5% of allowed revenue.
- Potentially use incentive to encourage DNOs to address social issues.

Connection Customers

- Improve timeliness of connections
 - New Average Time to Connect Incentive.
- Retain Connection GSOPs.
- Retain LTDS and DG Connection Guide. Remove licence condition for Information Strategy – if properly incentivised is this necessary?
- Additional incentive/focus on provision of information?
- Review impact of CT on the scope of ED1 incentives.

Main issues

- Fuel Poverty
- Consumer Vulnerability
- Safety

ED1 proposals

- Priority Service Register (PSR) info in business plans
 - How they will improve PSR info.
 - How DNOs will maximise utilisation.
 - How DNOs will work with other orgs to address consumer vulnerability
- Automatic GSOP payments to PSR customers.
- Social outputs and funding/incentivising of activities
 - Info on activities/measurable outputs that DNOs best placed to deliver.
 - Fund specific outputs?
 - “Pot” of funding?
 - Discretionary Reward Scheme?
 - BMCS Stakeholder Engagement?



Promoting choice and value
for all gas and electricity customers