

Minutes of RIIO-GD1 Customer and Social Issues Working Group (CSIWG)

Minutes of RIIO-ED1 CSIWG meeting held at Ofgem on Tuesday 23 rd October 2012	From Date and time of Meeting Location	Stephen Perry 23 rd October 2012 10:30 to 13:30 Ofgem, 9 Milbank, London, SW1P 3GE	24 October 2012
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1. Present

Ofgem

James Veaney
Olivia Powis
Stephen Perry
Phil Sumner
Claire Tyler

Stakeholder representatives

Duncan Carter (Consumer Focus)
Gretel Jones (Age Concern)
Keith Wilcox (Scottish Government)

DNOs

Alison Sleightholm (WPD)
John Barnett (Northern Powergrid)
Brian Hoy (ENWL)
Gareth Shields (SSE)
Jenny Smith (SSE)
Jeremy Blackford (Scottish Power)
Kendal Adams (Scottish Power)
Hannah Ngoma (UKPN)
Paul Measday (UKPN)

2. Introduction

2.1. James Veaney (JV) welcomed everyone to the latest RIIO-ED1 CSIWG and noted that today's meeting would focus on Ofgem's RIIO-ED1 Strategy Consultation.

2.2. Stephen Perry (SP) presented an overview of our proposals for delivering customer satisfaction and addressing social obligations, as outlined in our RIIO-ED1 Strategy Consultation.

3. Customer Satisfaction Survey (CSS) – major connection customers

3.1. JV set out our proposals to introduce a separate survey for major connection customers.

3.2. JV was concerned that under the current CSS arrangements the low volume of major connection projects may drive the DNOs to focus on improving service to minor connection customers that form the majority of the survey sample.

3.3. Brian Hoy (BH) stated that under the current arrangements major connection customers form approximately 28% of the survey sample for his distribution area. BH noted that this may reduce if all the DNOs pass the competition test.

3.4. John Barnett (JBa) suggested that instead of surveying customers on a job-by-job basis, the current CSS arrangements could be adapted to assess the ongoing quality of service provided to the wider portfolio of connections that major customers hold.

3.5. Gareth Shields (GS) suggested that DNOs may be suitably incentivised via the stakeholder engagement incentive to engage with the major connection customers.

3.6. JV suggested that it may be useful to commission some expert advice into developing a methodology to survey these types of customers.

Action: Ofgem to investigate the current sample size for major connection customers and the sample size needed to produce a statistically robust survey.

4. Complaints Metric

4.1. The working group discussed the Energy Ombudsman (EO) element of the Complaints Metric. Under the current arrangements if one decision is referred to the EO and goes against the licensee, then the licensee could face a penalty of several hundred thousand pounds. The working group discussed various methods of resolving this issue (eg a fixed penalty for each EO decision that goes against the licensee or measuring the EO decisions against the licensee as part of the total number of complaints received).

4.2. Alison Sleightholm (AS) suggested that it would be useful to review the 2011/12 complaints data to ensure consistency of reporting.

4.3. Gretel Jones (GJ) asked whether a complaint made by a supplier during the smart metering rollout would be captured under the Complaints Metric. The working group did not believe that it would be captured under the current definition of a complaint, but that DNOs/suppliers have agreed service levels to help manage this type of conflict.

5. Provision of information incentive

5.1. JV was keen to understand whether stakeholders considered that an additional incentive was needed to drive the DNOs to provide upfront information to connection customers.

5.2. Kendal Adams (KA) believed that the CSS already drives this behaviour, but noted that it may take time for DNOs to implement new initiatives.

5.3. Hannah Ngoma (HN) noted that the drivers of customer satisfaction may change during RIIO-ED1, so it may not be appropriate to attach a financial weighting to provision of information.

5.4. GJ questioned why the DNOs weren't sharing best practice across the industry. The DNOs considered that current CSS format, that rewards/penalises companies depending on their performance relative to the industry average, does not foster the sharing of best practice.

6. Unsuccessful telephony calls

6.1. The working group discussed whether CSS scores should take into account the number of unsuccessful calls received. The working group agreed that being easy to contact is important. AS noted that currently those customers that are unable to contact the DNO are not included in the CSS sample. There was a general consensus that the CSS scores should take these customers into account.

6.2. The DNOs discussed whether unsuccessful calls should be applied to all three components of the CSS (interruption, connection and general enquiries). The DNOs currently only collect unsuccessful call data to their interruption telephone lines.

Action: DNOs to clarify whether existing systems and processes would allow them to collect telephony data for connection and general enquiry telephone lines.

7. Expanding the scope of the CSS

7.1. The working group discussed expanding the scope of the CSS to capture all interruption customers that have been proactively contacted by the DNO. The working group agreed that this type of behaviour should be encouraged.

7.2. The working group considered that alternative questions may apply for this type of customer and that it may be necessary to cap the number of these contacts interviewed, to ensure that these customers do not dominate the survey sample.

7.3. The working group agreed that proactively updating customers can take many different forms (eg website, radio broadcasts and telephone calls) and that it would be easier to survey customer that have been contacted via certain communication channels than others.

7.4. There was a general consensus that the DNO must have a registered MPAN number for a customer to be eligible for the CSS.

Action: All parties to give further consideration to the channels of communication that this expansion could potentially cover and provide an explanation of how customers would be surveyed, in advance of the next meeting.

8. Social Obligations

8.1. GJ questioned whether it was too onerous for both DNOs and the suppliers to hold a Priority Service Register (PSR). The DNOs acknowledged that the suppliers have an important role at the customer interface, but considered that they also play an important role in identifying vulnerable customers. Phil Sumner (PS) publicised the importance of joined up, cross-industry thinking when developing PSRs.

8.2. Claire Tyler (CT) presented an overview of our Consumer Vulnerability Strategy and encouraged all interested stakeholders to respond to our consultation. CT noted that there will be a meeting to discuss the implementation of the Consumer Vulnerability Strategy and develop an associated industry workplan.

8.3. The DNOs hoped that the PSR review would be completed in time to inform the DNOs' business plans. JV noted that the DNOs' well justified business plans may also inform our PSR review.

8.4. Claire Tyler also provided a high-level summary of our Off-Grid Gas Forum that was held on 19th October 2012. Those stakeholders that attended the event provided their own reflections of the issues discussed.