

# National Grid Gas Transmission Stakeholder Engagement Submission Part One 2013/14

**This submission demonstrates that National Grid Gas Transmission meets and exceeds the minimum requirements of the Stakeholder Engagement Incentive Scheme 2013/2014. References to the supporting evidence that underpin this submission are included throughout the document.**

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## Examples of some of the successful outcomes that we have achieved for our Gas Transmission stakeholders in 2013/14 as a result of their feedback include:

- Saving £40 million and two years in time for the Welsh Government by developing an innovative solution to protect the Milford Haven pipeline from a new carriageway being built in South Wales
- Introducing the first ever Gas Customer Seminars
- Developing a major change to the industry commercial regime to make it easier to access the Gas Transmission network
- Introducing bespoke content for each of our landowners in an annual newsletter
- Introducing webinars for the first time to provide easily accessible information for our stakeholders

**nationalgrid**



In 2013/14 we have made stakeholder engagement a fundamental priority for our business. We have:

- **Consulted and delivered on the 21 commitments** that we made to our stakeholders for 2013/14
- **Increased our gas customer satisfaction score from 6.7 to 7.2 and achieved a gas stakeholder satisfaction score of 8.0**
- Included a commitment to improve stakeholder engagement in our **company vision and strategic objectives**
- Made good stakeholder engagement an objective for **every member of the senior leadership team**
- **Updated our stakeholder engagement strategy** in consultation with our stakeholders
- Established our **Independent Transmission Stakeholder Advisory Panel**
- **Trained 134 employees across transmission in the stakeholder engagement curriculum** of the National Grid Academy
- Launched new **digital and social media platforms**
- **Restructured our business** to improve engagement with our stakeholder groups and introduced specific stakeholder facing roles
- Established a new **Stakeholder and Customer Strategy Team** to integrate stakeholder views in decision making
- Attained the government standard **CSE accreditation** for our Gas Customer Service team.

# Meeting our stakeholders' needs is essential to the success of our business

## What we do

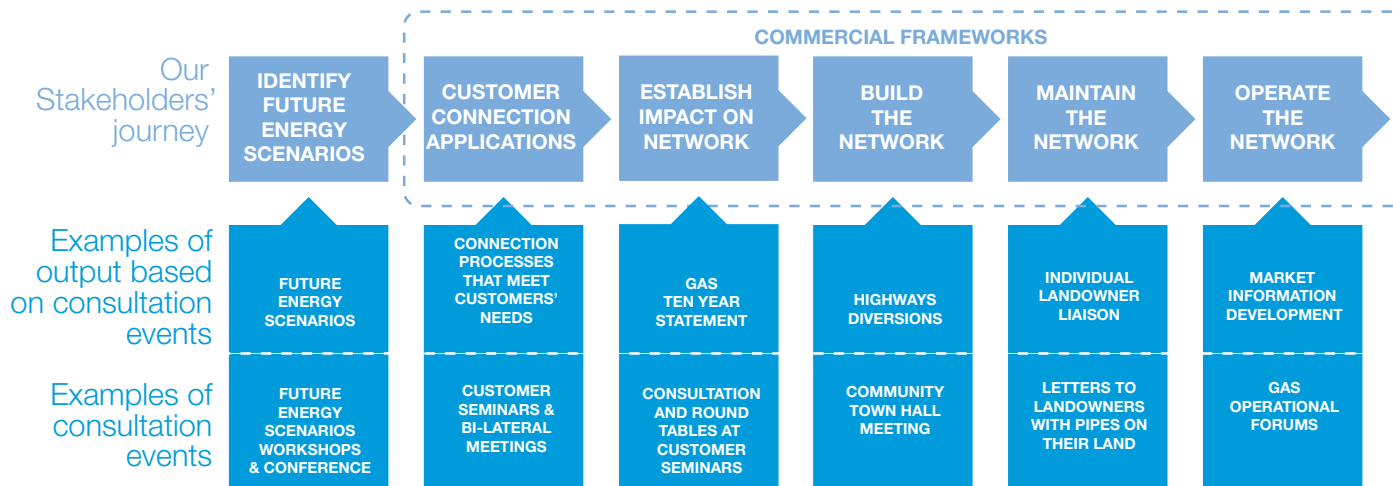
**National Grid Gas Transmission (NGGT) owns and operates Great Britain's gas National Transmission System (NTS); the high pressure, high volume network that connects sources of gas to the distribution networks and many large-scale industrial consumers.**

The energy landscape within which we operate is changing. We continue to invest efficiently to deliver world class reliability for UK stakeholders and to enable our customers to connect to our network. We continue to adapt to new sources of energy, and promote the development and implementation of sustainable, innovative and affordable energy solutions that will ensure security of supply. The use of gas will remain an efficient approach to space heating, particularly during peak winter demand, and gas-fired power stations will remain an important part of the electricity generation mix.

As System Operator we have a crucial role to play to manage the changing location and unpredictable behaviours of gas inputs

to – and outputs from – the Gas Transmission system. Additional capacity and innovative system management are required to ensure the gas network is flexible enough to meet our stakeholders' needs.

Our success in delivering this is entirely dependent on our ability to consult with our stakeholders and for them to become an integral part of our decision making processes. To help us do this we have established a number of tailored channels through which we can engage with our stakeholders, such as our new gas customer seminars. Our approach and strategy to stakeholder engagement was developed from the feedback we received via our Talking Networks programme, a platform through which we consulted our stakeholders on the development of our Gas Transmission business plan under RIIO. We have continued our engagement with our annual consultation for our Gas Transmission stakeholders. As a result we published Our Commitments, a set of promises that we have made to our stakeholders in response to areas they raised with us, such as the development of new capacity and connection arrangements for gas customers.



Stakeholders are impacted by our business and influence our decisions at every stage of our operation.

The diagram on the left shows some of the stakeholder interactions on the journey through our key activities from identifying the energy mix of the future, through to building new pipes and operating this new infrastructure.

- **Identify future energy scenarios** – providing a forum for exchange of ideas and data that informs our view of how the energy landscape will look in future
- **Customer connection applications** – identify customer specific needs based on direct gas connection applications and requests for pipeline diversions
- **Establish the impact on the networks** – explaining how we plan our gas network development in response to future scenarios and customer requirements
- **Build new infrastructure** – consulting with communities, landowners, politicians and experts on how to deploy new infrastructure to meet gas customers' needs
- **Maintain existing infrastructure** – regular communication with landowners and communities
- **Operate the network** – working closely with industry and government to balance the network and maintain quality of supply
- **Commercial frameworks** – working with stakeholders to develop the commercial frameworks that govern the energy industry

# Our comprehensive and up-to-date Stakeholder and Customer Engagement Strategy

## We have made an enduring commitment to engaging with our stakeholders:

- 1. Because it's the right thing to do** – We are ultimately accountable to our customers and stakeholders for everything we do, and we take that responsibility very seriously
- 2. To make better decisions** – By engaging with stakeholders early we can make better, more informed decisions that ensure better outcomes for both them and us in the long term
- 3. To safeguard our reputation** – Our ambition is to be trusted to meet our stakeholders' energy needs today and tomorrow. As a monopoly, we understand the importance of trust, and the fragility of our reputation that relies upon it.

Stakeholder feedback forms an integral part of our decision making. Our Stakeholder and Customer Engagement Strategy was developed as part of the Talking Networks consultation on our RIIO business plan. We have worked closely with our Independent Stakeholder Advisory Panel to evolve this strategy, which follows the standards and principles of the **AA1000 Stakeholder Engagement Standard (AA1000SES)**.

Our strategy follows a simple cycle of engagement underpinned by the principles: **Listen; Discuss; Act**.



National Grid's Stakeholder Engagement Strategy is followed throughout the business and has been developed in consultation with and approved by our stakeholders through the Transmission Stakeholder Advisory Panel (see page 5). Our strategy is to:

- **Identify** our stakeholders – we have segmented our stakeholders into ten groups, to help us tailor the way we interact with them. Our business has been restructured to reflect these groups to help us plan effective engagement and manage these relationships
- **Understand** them, their needs and their relationship with us – we consult our stakeholders annually to understand what is important to them and update our processes and business plan in response to their feedback
- **Tailor** engagement – we do this according to their specific needs and in response to the way they have told us they want to engage with us to ensure our contact is efficient and effective, yielding the best results for all concerned
- **Act** on what they have told us – we have made major changes to the way we work and our decisions in response to stakeholder feedback
- **Inform** them about how we have taken their views into account – we do this through the channels we know they use, be it our Connecting website, tailored newsletters or annual publications
- **Measure** the effectiveness of those improvements – holding annual customer and stakeholder satisfaction surveys and an annual stakeholder consultation, and using key performance indicators which are reviewed annually by the Board.

*A full version of our Stakeholder and Customer Engagement Strategy has been submitted as supporting evidence.*

**Identify** stakeholders

**DEFINITION OF STAKEHOLDER**  
**IDENTIFY** our stakeholders

**Inform** them of what we have done

**COMMUNICATE** what we are doing/have done

**Act** on what they are telling us

**INFORM:** make feedback transparent  
**RECOGNISE** the diversity of our stakeholders and their views to develop balanced actions  
**DELIVER** on those commitments



**Understand** their needs

**UNDERSTAND** what is important to them – their needs and priorities  
**LISTEN** to how they are impacted by our activities, how they can impact us  
**MAP** the influence they have over our business and their interest in helping shape it

**Tailor** engagement accordingly

**TARGETED:** tailored to suit the specific interests and priorities of each stakeholder  
**INNOVATIVE:** designed and delivered in new and engaging ways  
**COLLABORATIVE:** early and often – co-ordinated across organisations and individuals

# We have engaged a broad and inclusive range of stakeholders

**Identify:** NGGT covers a very broad range of activities. As a result, we interact with a very diverse range of stakeholders with a wide set of interests. We map our stakeholders into broad groups to reflect our existing relationships with them.

Our business has been restructured to improve engagement with these groups and our new role outlines explicitly set out the

stakeholder relationships individuals are responsible for managing and maintaining. For example, to reflect the needs of our gas customers, the gas customer team is structured with a focus on the type of connection and customers' range of issues.

These groups are kept under review to ensure they remain up to date and accurate.

Stakeholder Group	Stakeholders	How we engage to build long-term relationships
<b>Consumers</b>	General public	We have made significant enhancements to our website, allowing consumers to fully understand the role of National Grid and other gas industry companies. The website offers comprehensive consumer safety advice and contact details for emergencies or service queries. We have also introduced a number of social media channels to reach out and engage in two-way dialogue with the wider public, including Twitter and Facebook, as well as consumer group websites including Which? We have a relationship management function focused on engagement via regular meetings with Consumer groups.
	Consumer Groups	
<b>Customers</b>	Shippers	Dedicated Gas Customer Account Managers are responsible for individual customers. As well as day-to-day engagement we hold customer seminars enabling customers to engage with us on a wider range of topics that they have told us they are interested in. In addition to the Gas Operational Forum, we undertake regular meetings on Connections and update the industry on code modifications. We also chair regular standing groups and governance forums as well as individual bespoke meetings to manage specific issues and to build relations. Our Gas Customer team facilitates a six-monthly Shipper Welcome Forum which is specifically aimed at new users who have recently joined the shipping community.
	Gas connection customers	
	Gas Distribution Networks	
	Directly connected demand	
	Gas Interconnectors	
	Terminal Operators	
<b>Communities and their representatives</b>	Energy Suppliers	We have a published Stakeholder Community and Amenity policy which describes our focus on building longer-term relationships with communities and local stakeholders. Our Community Relations agencies work with local communities through consultation events, public meetings and local information hubs set up to focus on live major projects. We have regular communication with local communities eg through our Gridline magazine aimed at current and future Landowners. We launched Powering Britain's Future to expand the debate around the future of energy in the UK, promote understanding and help find common ground towards solutions for new infrastructure. We have brought together leaders from across the energy industry to discuss how we can engage better with consumers. In 2013 we took the campaign on the road across the UK and, in partnership with DECC through the British Energy Challenge Roadshows, engaged with over 1,100 people.
	Landowners	
	Local authorities/Parish Councils	
	Local communities	
	Local campaign groups	
Media		
<b>Supply Chain</b>	Suppliers	Dedicated teams within our Procurement and Capital Delivery departments work with suppliers and partners through competitive tender events and through ongoing partnerships to deliver our Gas Transmission capital plan.
	Partners	
<b>Political</b>	UK Government	Our Parliamentary Affairs team works regularly with Members of Parliament, providing proactive briefing materials on relevant issues such as the future energy mix, keeping them informed of key development areas in the business that may affect them, ensuring they have up-to-date information with which to make well-informed decisions. We have ongoing relationships with Government departments including DECC, DEFRA and the Treasury. Similarly, we have established a Brussels office which is in regular contact with the EU Institutions – the European Commission, Members of the European Parliament (MEPs) and Member States' representations – and European energy stakeholders.
	Devolved administrations	
	European administration	
	Members of Parliament	
	Members of European Parliament	
<b>Regulators</b>	UK Regulatory bodies	Dedicated points of contact on the senior management team in all regulatory bodies, regular meetings to discuss issues and concerns important to them. We also work together with our regulatory bodies at every level of our organisation, sharing information and decisions to support solutions that are sustainable for us and gas consumers.
	European Regulatory bodies	
<b>Educational interest</b>	Academics	Academics and students are often interested in our business from the perspective of new technology and the future of energy. We have links with research and development projects across 13 universities, focused on the future of energy and work with funding bodies on vital university research on innovation in technology. We are also running or involved with a number of programmes and initiatives aimed at encouraging young people to study STEM subjects including 'School Power' to support the teaching of STEM subjects, work experience residential courses, 'open house' visits to our sites for students, and a partnership with VEX, the largest robotics programme in the world, to provide funding for a robotics competition between schools.
	Students	
	Schools and universities	
<b>Non Government Organisations</b>	Environmental Groups	We focus on stakeholders' specific issues such as visual amenity and energy policy, including the future of gas. We engage through specifically targeted events including engagement with wildlife trusts on local environmental issues around our compressor sites. We also have involvement in Powering Britain's Future and other engagement relating to the development of new major infrastructure.
	Interest groups	
<b>Energy Industry</b>	Offshore Gas Companies	We work closely with our energy industry partners on a daily basis through meetings, briefings and working groups to help shape frameworks and commercial arrangements that deliver sustainable solutions to all. For example, we work closely with offshore gas organisations and Operating Margin (OM) providers through various annualised events to ensure efficient operation of the end-to-end gas system.  As GB energy policy is increasingly influenced by European policy and decisions, our role in Europe is key. In supporting GB stakeholders in understanding the changes and developments in European Policy, we operate the Gas European Co-ordination Group as an information sharing forum to disseminate information to the broader industry.  The Third European Energy Package envisages a set of pan-European Network Codes covering grid connections and system operation. To prepare for changing the GB Code framework, National Grid proactively participates in the activities of ENTSOG to input and coordinate the complex challenge of changing the GB Codes to align with the European requirements.
	Operating Margin Providers	
	Industry bodies	
	European administration	
	European Networks	
	European TSO Associations	
<b>Employees</b>	National Grid Employees	Engagement through one-to-one meetings, monthly team briefings, intranet, weekly e-newsletters. Embedding stakeholder engagement across the business is an important thread through this communication and is part of the objectives of every senior manager at Director level.
	Trade Unions	

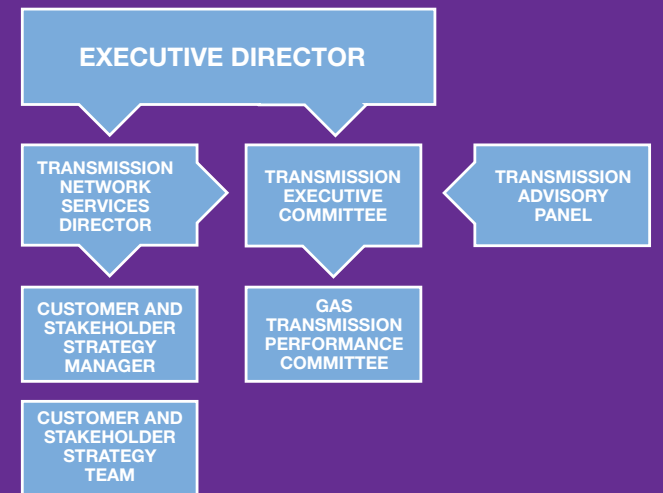


## Governance

**The Transmission Executive Committee (TEC)** is the governing and approval body for our Stakeholder Engagement strategy. TEC reviews our strategy annually, in consultation with our stakeholders, and monitors performance against improvement actions they identify. TEC is attended by a Director from each Transmission Directorate and is chaired by our Executive Director for Transmission.

**Senior leadership** – delivering excellent stakeholder engagement is an objective for every member of our senior leadership team. Our annual Chairman's Award identifies and rewards excellent examples of stakeholder engagement.

**Customer and stakeholder strategy teams** work with stakeholder engagement champions across the business to ensure engagement activities are consistent with our strategy.



# We have engaged a broad and inclusive range of stakeholders

**Understand:** In 2013 we established an independent Advisory Panel (the Transmission Stakeholder Advisory Panel) to ensure our business and practices properly take into account the interests, priorities and concerns of our stakeholders.

## The panel, which meets four times a year, operates under the following remit:

- To promote a better understanding of the needs of all stakeholders and customers
- To develop a common understanding of the challenges involved in meeting stakeholder and customer aspirations and to work together to overcome these
- To monitor our performance and encourage continuing improvement and innovation
- To monitor progress on embedding stakeholder engagement across the business
- To provide scrutiny and in-depth feedback on our stakeholder performance (including our stakeholder strategy, how we identify and engage with our stakeholders, and how we are acting on feedback)
- To offer insights on stakeholder engagement and act as a sounding board for new ideas.

In March 2014 the Transmission Stakeholder Advisory Panel published its first annual report. This commended us for the work we were already doing, and identified five priority areas to focus on for 2014/15 to continue to improve our stakeholder engagement:

- Making stakeholder engagement an integral part of every project and all decision making
- Tailored and practical engagement that recognises the limited resources of many stakeholders
- The need for a clear definition of our role and responsibilities within the energy system
- Extending our digital media strategy across the business and across projects to involve stakeholders in the direction of the Transmission business

Member	Stakeholder Group
<b>Lord Martin O'Neill</b> , Chairman	Political
<b>Professor Jonathan Stern</b> , Oxford Institute of Energy Studies	Academic
<b>Basil Towers</b> , Hesleden Partners	Stakeholder engagement expert
<b>Paul Miner</b> , Campaign to Protect Rural England	NGO/environmental group
<b>Maf Smith</b> , RenewableUK	Customer / energy industry
<b>Barbara Vest</b> , Energy UK	Customer / energy industry
<b>Trisha McAuley</b> , Consumer Futures	Communities & Consumers
<b>Dax Lovegrove</b> , World Wildlife Fund	NGO/environmental group
<b>Jeremy Nicholson</b> , Energy Intensive Users Group	Customer / energy industry
<b>Mike Calviou</b> , National Grid	National Grid Transmission stakeholder business lead
<b>George Mayhew</b> , National Grid	National Grid senior management team

- Continue to increase investment in skills and capability for all employees.

We agree that these must be priority areas for us to continue to improve and innovate in order to put our stakeholders at the heart of our business decisions and development, and we will work closely with the panel to achieve them. The panel will monitor and review our performance in these priority areas and will present its observations and recommendations to TEC annually.

Over the next year, we will be developing key performance indicators with the panel to ensure they receive adequate feedback on how the improvement actions they identified are progressing.



Extracts from the Transmission Stakeholder Advisory Panel Report 2013/14



*National Grid has recognised the importance of engaging with all stakeholders in a consistent and inclusive manner, providing clarity and transparency in their decision making. The business understands the need to listen to what their stakeholders are telling them, engage with them on the issues that matter and discuss their concerns and ideas and then act on the feedback they are given."*



*We commend the company's serious commitment to genuinely improve their involvement with stakeholders and its openness in sharing existing practices."*



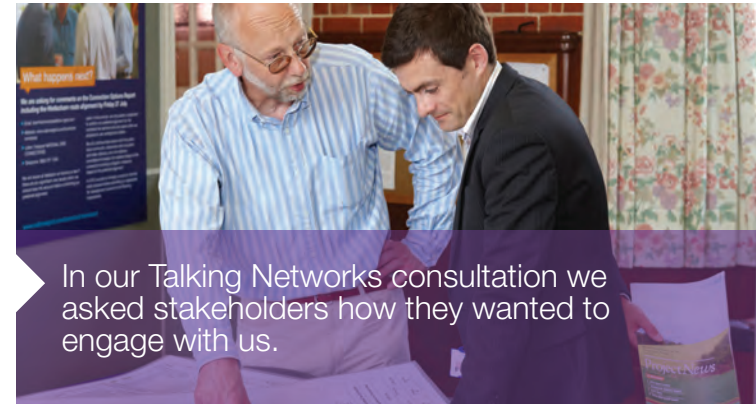
*Delivering stakeholder engagement is clearly important to National Grid and the leadership commitment behind this is apparent."*

The terms of reference for the stakeholder advisory panel and the full 2013/14 annual report have been submitted as supporting evidence

# Using appropriate mechanisms to inform and engage our stakeholders

**Tailor:** We often hear our stakeholders complain of consultation fatigue. We therefore recognise the importance of tailored and targeted engagement. Wherever possible we use existing forums, use a variety of methods and deliver information in a way that suits them best (see diagram to the right).

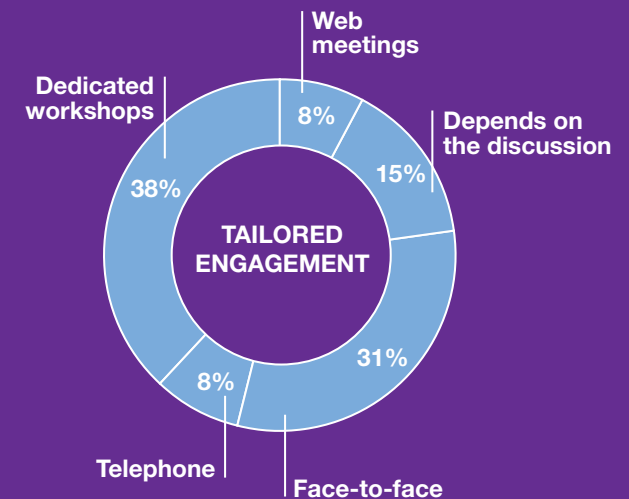
This targeted engagement is developed with our stakeholders through our annual consultation, as well as collecting feedback throughout the year to check that existing activities are still fit for purpose. We consult annually to ensure that the way we're engaging continues to reflect what stakeholders want.



In our Talking Networks consultation we asked stakeholders how they wanted to engage with us.

## Different methods of engagement

Type of engagement	Stakeholder Groups	How we did this in 2013/14
<b>Face to face</b>	All	300 delegates at Future Energy Scenarios conference & workshops
	Customers	Gas customer seminar attended by 30 delegates
	Customers	30 gas industry workgroups and forums with around 20 delegates at each event
	Customers	Regular bi-lateral meetings with Highways Agencies and local authorities
	All	3 Transmission Stakeholder Advisory Panel meetings
	Consumers	Conversation on the UK energy challenge for hard to reach groups
	Customers and Stakeholders	8 EU Stakeholder Engagement meetings for European code changes
<b>Written</b>	All	Annual stakeholder engagement consultation
	Customers	Leaflets on new capacity and connection arrangements distributed to 30 attendees at customer seminars
	All	Future Energy Scenarios consultation
	Customers, NGOs	Gas Ten Year Statement consultation on developing the network
	All	Gas Transmission commitments document
	Communities and members of the public, NGOs	90 key stakeholders contacted as part of River Humber project
	Communities and members of the public	Quarterly 'Gridline' magazine sent to around 13,000 landowners
<b>Digital and social media</b>	All	New Connecting website to promote discussion on energy industry issues and topics with an average of 140 hits per day, and an average dwell time of 2:38 minutes
	All	Talking Networks stakeholder engagement portal to keep stakeholders informed of our engagement activities
	All	We communicate online with our 9,500+ Twitter followers, which has nearly doubled in the last year, and our 900+ Facebook followers.
	All	Stakeholder videos on 'their engagement experience' shared with our leadership team
<b>Surveys</b>	All	44 customers and stakeholders surveyed
	Communities and members of the public	10,000 landowners surveyed
<b>Wider outreach</b>	Educational Interest	Activities with 7,000 students to promote STEM careers in the energy sector
		Work experience for 100 students at Eakring training centre



*Supporting evidence confirms you ensure customers both receive and understand the information you provide and you make every effort to facilitate understanding of complex information."*

CSE Accreditation 2013 Assessment Summary  
– Gas Customer Team

# Improving our business in response to stakeholder feedback

**Act:** Incorporating the views of our stakeholders into our business practice means that we can provide a service that better reflects their needs, priorities and expectations. The decisions we make as a business will be stronger if taken with the input of the people they impact. Where the views of a stakeholder cannot be incorporated, then we have a responsibility to explain why.

Every year we consult with our Gas Transmission stakeholders through Talking Networks to understand how they think we are performing, how they want to engage with us and what areas are important to them.

The results of our consultation in March 2013 told us that:

- 100% considered our engagement to be a good use of their time

- 90% felt they had been listened to and had their chance to have their say
- 80% felt we had either acted on their feedback while 20% said that it was too early to tell.

**Inform:** In October 2013 we updated stakeholders on the progress we had made on our 2013/14 commitments. By doing so we are keeping them informed about how their views are shaping our business. This is an essential part of keeping our stakeholders engaged and we keep them up to date on our progress at every opportunity. In September 2014 we will publish a Stakeholder Statement that consolidates this information and gives our stakeholders greater clarity on how their views are taken into account when we develop our Gas Transmission business plans.

**Last year we made 21 commitments to our Gas Transmission stakeholders for 2013/14. The first 10 are the specific actions we committed to delivering across our business in 2013/14 based on the feedback stakeholders gave us in 2013.**

What our stakeholders told us	What we did
1. Engage with stakeholders on the development of our Gas Ten Year Statement (G-TYS)	We published the updated G-TYS in December 2013, including a new chapter on system capability requirements and more detail on network flexibility. The document received positive feedback from industry press and Ofgem. We also presented at Future Energy Scenarios (FES) events in London and Glasgow in October 2013 to explain the links between FES and our planning, which was well received.
2. Consult annually on the development of our energy scenarios through our Future Energy Scenarios process	Over 180 organisations and 300 individuals were consulted through events that included a one day conference, questionnaires and tailored seminars and meetings on specific issues. Following feedback we retired the Accelerated Growth scenario in 2013 and have added new scenarios in 2014 in response to stakeholder recommendations.
3. Continue to engage on the initiatives that were identified at our Sustainability Summit	We have continued to work with stakeholders on the initiatives identified at our Sustainability Summit in 2012: 1. Sanctioning sustainable growth; 2. Build and embed a culture of sustainability; and 3. Sustainable circular sourcing.
4. Ensure our people are accessible and respond to queries in a timely manner	We have put agreements in place as part of our consultation processes and operational commitments. We have also committed to responding to stakeholders within two working days following receipt of a query, with details of when they can expect a fuller response.
5. Work with stakeholders to enhance the tariff information we publish via the National Transmission System Charging Methodology Forum (NTSCMF) meeting	We provided an explanation of the impact of RIIO on charges through the NTSCMF and are continuing with proactive engagement and consistent business messages.
6. Refresh and upgrade our website by October 2013	We delivered changes to our website and introduced the new Connecting blog in October 2013 and continue to seek feedback in order that we can deliver a website that is both intuitive and informative.
7. Improve gas outage information for stakeholders	We introduced forums to discuss maintenance plans with stakeholders.
8. Introduce gas customer seminars from July 2013	We had our first customer seminar last July and received feedback from customers that this was beneficial. The next customer seminar is planned for June 2014 and we are contacting customers to establish what they want us to focus on.
9. Keep stakeholders informed about the development of EU network codes	We have continued to engage via our Transmission Workstream and additionally developed a specific European working group and introduced a website dedicated to European issues.
10. Engage with stakeholders to develop new capacity and connections arrangements that can be put in place by April 2014	We continue to engage on new arrangements and anticipate that this will be implemented during 2014. This will co-ordinate the Planning Act 2008 with capacity delivery to make it more aligned to stakeholder needs.



## Our Commitments Cycle

Our annual cycle of engagement is robust, inclusive and puts stakeholders front and centre of our business plan.

**Consult:** We combine feedback from our annual consultation with stakeholder input from our other engagement channels such as customer and stakeholder surveys, specific consultations and customer seminars.

**Publish:** In response to this feedback we publish our annual stakeholder commitments for the year ahead. This year we published 21 commitments.

**Update:** through customer seminars and engagement activities we keep our stakeholders up to date with our progress against the commitments.

**Report:** At the end of the year we report on our overall performance against the year's commitments. At the same time as consulting on our commitments for the following year, we also invite stakeholders to rate us on how we performed the previous year.



The 2013/14 Commitments consultation and report have been submitted as supporting evidence

# Improving our business in response to stakeholder feedback

In our Talking Networks consultation, our stakeholders agreed on the five priority areas they wanted us to focus on over the duration of the Gas Transmission RIIO price control. These are the issues we know are important to our stakeholders and our commitments in 2013/14 build on these areas.

## In 2013/14 we have continued to deliver on these 11 commitments:

Priority area	Our commitments	Completed
<b>Safety</b>	11. Deliver our commitments to protect our staff, contractors and general public.	✓
	12. Comply with all safety legislation applicable to the operation of the Gas Transmission network	✓
	13. Ensure our network is designed and constructed to be safe.	✓
	14. Structure our investment programme to ensure the safety and integrity of the network.	✓
<b>Reliability</b>	15. Meet our obligations to provide sufficient network capacity.	✓
	16. Minimise the risk of equipment failure by ensuring our equipment is maintained and/or replaced to maximise its operation.	✓
<b>Environment</b>	17. Deliver our statutory environmental obligations.	✓
	18. Continue to engage with stakeholders on their evolving future network service requirements.	✓
<b>Customer Satisfaction</b>	19. Implement an action plan to address areas of concern that are raised through our customer and stakeholder surveys.	✓
	20. Benchmark our customer strategy against other organisations to make sure we are delivering what our customers need.	✓
<b>Connections</b>	21. Continue to work with customers to improve engagement throughout the lifetime of their project.	✓



*It [National Grid] is a reputable body that undertakes its functions with great skill and fairness."*

Alan Whitehead – MP

**Measure:** It is important to review the effectiveness of the improvements we make to our business plans and processes by monitoring and measuring them regularly. Two stages of our Commitments Cycle are dedicated to maintaining the highest standards and provide opportunities to gauge how well we are doing. We:

- carry out annual **Customer and Stakeholder Satisfaction Surveys** to check that we are engaging with our stakeholders in a way that works for them and they feel that they are being listened to
- **consult with our stakeholders annually** to obtain their specific feedback on how well we are engaging on the issues that affect them most.



*I have seen a big improvement year after year with the relationship with National Grid. They are much more focused on our needs and what the market needs, rather than what they want. They have reorganised themselves, which means we now have a more proactive relationship."*

Customer



*Even when we haven't got what we need, they give us good reasons on why that is."*

Customer



# Embedding stakeholder engagement in our business

**Our stakeholder strategy is aligned to the National Grid Group vision, strategy and priorities, embedding stakeholder engagement right across the business.**

**Stakeholder engagement is an objective for every single member of our senior leadership team.** Members of our senior management team each have individual stakeholder engagement plans to target activities based on stakeholder needs and our own requirements.

Our **customer and stakeholder strategy team** works with stakeholder engagement champions across the business to ensure that activities are consistent with our strategy and that feedback is gathered into one central area.

By aligning and improving our **Processes** and focusing on **Performance Excellence** we will ensure we deliver what customers and stakeholders truly value. Senior leaders across Gas Transmission attend monthly Process Performance Meetings (PPMs) to discuss solutions to improvement actions that the process reviews have identified and monitor delivery progress.

In order to effectively engage with our stakeholders, we work hard to understand their different knowledge levels, views and interests.

The relationships with our Gas Transmission stakeholders are numerous and wide ranging, so coordinating feedback and sharing stakeholder views is critical in order that we can make better decisions based on their input and understanding what they want from us.

Our **stakeholder protocol** identifies who within our business has lead responsibility for each key stakeholder group (identified on page 4) to ensure feedback and concerns are collated and shared across the relevant parts of the organisation. In this way we can ensure that our engagement is tailored to suit the specific interests and priorities of each stakeholder. It also helps us develop our strategic priorities and allows us to join up within stakeholder groups to give us deeper and more productive relationships.

*The Stakeholder Protocol has been submitted as supporting evidence.*

## OurAcademy

To ensure we have the right business, technical and behavioural skills to improve the way we engage with customers and stakeholders, a new customer focus and stakeholder engagement module was added to our Academy curriculum in 2013.

This dedicated module provides learning across four skill levels – from Foundation through to Expert. It adopts techniques suited to adult learning – bringing people together to build their skills, share experiences and knowledge through a range of different learning experiences tailored to individuals' needs. These include role play exercises and insights from other organisations that are considered leaders in this field.

The module covers the key elements of our customer and stakeholder strategy:

- Stakeholder identification and mapping
- Understand stakeholder perspectives
- Developing customer insights
- Customer Journey Mapping
- Improving communication and learning to use appropriate channels
- Building and maintaining strong customer and stakeholder relationships

The Academy's innovative, interactive and energetic approach to learning has benefitted 134 people in 2013/14, with a further 109 people already scheduled to attend the next course in June 2014, and more courses planned for later this year.

### Chairman's Awards

Recognising our people for going above and beyond is important to us. The Chairman's Awards give us the opportunity to say thank you and celebrate their contributions in the seven award categories.

- Safety
- Environment
- Innovation
- Health and wellbeing
- Community contribution
- Customer delivery
- Inclusion and diversity.

Within each category we look for nominations that demonstrate key values and behaviours, including excellence in stakeholder engagement, where we have gone the extra mile with a clear benefit to our customers, stakeholders and the organisation.



National Grid's Line of Sight creates a link between the objectives of every single UK employee and the overarching vision and mid-term strategy of the business. By identifying stakeholder engagement as a business priority in the Line of Sight, we can ensure that it is embedded in the objectives of our employees right across the business.

### Vision

Connecting you to your energy today, trusted to help you meet your energy needs tomorrow.

### Strategy

To be a recognised leader in the development and operation of safe, reliable and sustainable energy infrastructure to meet the needs of our customers and communities and to generate value for our investors.

### 2014/15 UK & EU Annual Priorities

- Achieve our safest year ever
- Invest in our people to grow skills and capability
- Embed performance excellence as our way of working
- Outperform regulatory and commercial contracts
- Improve the customer experience and stakeholder engagement
- Shape developments in the UK and EU energy industry
- Develop opportunities for future growth

*The full Line of Sight has been submitted as supporting evidence*

# Evaluation and accreditation

## Evaluating our performance

Since 2010 we have employed an independent research company to survey our gas customers on their overall satisfaction with the Gas Transmission business. In 2012 we extended these surveys to include gas stakeholders.

This year our gas customer satisfaction score increased from 6.7 to 7.2 and our gas stakeholder satisfaction score was 8.0.

The scores and customer comments drive improvement actions which we monitor at our performance committees (see page 4) and feed into the annual commitments we make to our customers and stakeholders on the improvements they can expect us to make.

The results of these surveys have been introduced as Board level key performance indicators to drive and improve stakeholder engagement throughout our business.

## CSE Accreditation 2013 Assessment Summary – Gas Customer Team



### Overall Outcome: Successful

“Staff are on track to further develop customer and stakeholder insight, to raise customer satisfaction levels and to use any best practice positively. The assessor has no hesitation in confirming that the Gas Customer Team is accredited to the Customer Service Excellence Standard.”

### Customer Insight: Successful Understand

“You continue to develop insight into different customer and stakeholder group needs, including harder to reach and disadvantaged groups. Consultation and engagement with these groups has provided you with good indicators for improvements to service delivery, some of which you have already put in place, including for the primary point of contact.”

## Meeting the Government standard

Customers are a key stakeholder group for our business. We attained the Customer Service Excellence (CSE) Standard for our Gas Customer team in August 2013. CSE provides us with a practical tool with which we keep our Stakeholder Engagement Strategy up to date in response to feedback.

*An extract from the Assessor's report is below and the full report has been submitted as supporting evidence.*

### Information and Access: Successful Tailor

“Supporting evidence confirms you ensure customers both receive and understand the information you provide and you make every effort to facilitate understanding of complex information.”

### Delivery: Successful Act

“Comprehensive information was provided to show how you monitor and meet your main business standards and targets. You agree with customers what they can expect from the service you provide, and you know that no business likes ‘nasty surprises’.”

### Timeliness and Quality of Service: Successful Inform

“Customer Commitments are published on the website and specific targets are agreed, in addition to the generic statements about timeliness of response, for different stages of the customer journey. The team manages customer expectations well and you are beginning to work in innovative ways, whilst adhering to strict professional guidelines.”

“

*Staff are on track to further develop customer and stakeholder insight, to raise customer satisfaction levels and to use any best practice positively. The assessor has no hesitation in confirming that the Gas Customer Team is accredited to the Customer Service Excellence Standard.”*

CSE Accreditation 2013 Assessment Summary – Gas Customer Team

“

*When you promise a client something you actually deliver on it.”*

Martin Bates  
– Welsh Government