

# Ofgem Consumer First Panel

Reporting on the performance of Distribution Network Operators  
April 2016



© 2016 Ipsos MORI – all rights reserved.

The contents of this report constitute the sole and exclusive property of Ipsos MORI. Ipsos MORI retains all right, title and interest, including without limitation copyright, in or to any Ipsos MORI trademarks, technologies, methodologies, products, analyses, software and know-how included or arising out of this report or used in connection with the preparation of this report. No licence under any copyright is hereby granted or implied.

The contents of this report are of a commercially sensitive and confidential nature and intended solely for the review and consideration of the person or entity to which it is addressed. No other use is permitted and the addressee undertakes not to disclose all or part of this report to any third party (including but not limited, where applicable, pursuant to the Freedom of Information Act 2000) without the prior written consent of the Company Secretary of Ipsos MORI.

# Contents

- 1 Summary ..... 3**
  - 1.1 Background and objectives ..... 3**
  - 1.2 Methodology ..... 4**
  - 1.3 Key findings ..... 4**
- 2 Introduction and background ..... 7**
  - 2.1 Background ..... 7**
  - 2.2 Objectives ..... 8**
  - 2.3 Methodology ..... 9**
  - 2.4 Sampling and recruitment ..... 10**
- 3 Perceived role of DNOs ..... 13**
  - 3.1 Awareness of how electricity reaches homes ..... 13**
  - 3.2 Perceived DNO ‘customer’ relationships ..... 14**
  - 3.3 Reaction to price controls and the need for accountability ..... 14**
- 4 Monitoring DNO performance through ‘outputs’ ..... 16**
  - 4.1 Spontaneous views on measures of performance ..... 16**
  - 4.2 Understanding of ‘outputs’ ..... 17**
  - 4.3 Identifying the most relevant ‘outputs’ ..... 18**
- 5 Reporting on DNO performance ..... 22**
  - 5.1 Presentation of data ..... 22**
  - 5.2 Points of reference ..... 29**
  - 5.3 Summary reports ..... 33**
- 6 Customer versus citizen needs when reporting on DNO performance ..... 36**
  - 6.1 A consumer perspective ..... 36**
  - 6.2 A citizen perspective ..... 36**
  - 6.3 Summary of good practice principles ..... 37**

# 1 Summary

The Ofgem Consumer First Panel consists of around 80 consumers who meet three times over a year to discuss their views of key energy issues and their impact on consumers across Great Britain. Since 2007, feedback from the Consumer First Panel has helped ensure the consumer voice is heard in Ofgem's policy making process.

This report summarises the findings from the second wave of the latest annual Consumer First Panel.

## 1.1 Background and objectives

Distribution Network Operators (DNOs) carry electricity via cables and wires from the high voltage transmission grid to industrial, commercial and domestic users. In total there are 14 licensed DNOs in Britain, with each responsible for a regional distribution services area.

In April 2015, Ofgem implemented RIIO-ED1 (revenue = incentives + innovations + outputs), an approach to price controls that sets both the outputs that the 14 electricity DNOs need to meet for their consumers and the associated revenues they are allowed to collect. The price control covers an eight-year period from 1 April 2015 to 31 March 2023.

Success is measured against six outputs:

- **Environmental impact:** Helping to reduce the overall impact that DNOs have on the environment.
- **Customer satisfaction:** Ensuring that consumers receive good customer service from their DNOs.
- **Connections:** DNOs are required to connect customers to their network in a timely and efficient way (new connections).
- **Safety:** Providing a safe network in compliance with health and safety standards.
- **Reliability and availability:** Ensuring that the network remains reliable and that DNOs act quickly in the case of outages/power cuts.
- **Social obligations:** Engaging with and considering the needs of more vulnerable customers.

Beyond the six outputs above, finance and innovation are also key elements of the RIIO framework:

- **Finance:** Ofgem set the revenues the companies are allowed to collect from their customers. Ofgem also looks at how efficiently companies spend their money to deliver their obligations.
- **Innovations:** DNOs receive funding for projects that test out innovative ideas and solutions which can be rolled out in the future.

The aims for this year's second Panel events were to explore the following research questions:

- What is the spontaneous awareness of DNOs? Do consumers actually have an appetite to understand what DNOs do and how their performance affects them?

- Are consumers interested in reports on DNO performance? What should the level of detail in reporting be? How should this information be presented (infographics, data tables or more thorough reporting)?
- When reporting on DNOs, what would be the most meaningful way to communicate with ordinary consumers? How should the variation in performance across DNOs be communicated?

## 1.2 Methodology

A deliberative approach was used in order to give participants the freedom to express their views within a framework that helps build their knowledge in the area. This provides insight into why participants have certain views. It is important to note that Panel research is intended to be illustrative rather than statistically reliable and, as such, does not permit conclusions to be drawn about the extent to which something is happening in the wider population.

In total, 66 Panellists returned to the second wave of workshops. They were recruited to broadly reflect the full range of energy consumers in Great Britain. Workshops of three hours took place between the 9<sup>th</sup> and the 19<sup>th</sup> of November 2015 across four locations: Cardiff, Peterborough, Exeter and Dumfries. These allowed Panellists enough time to express their views, share and deliberate with others.

Panellists will be invited to attend one further event during this Panel year to discuss other key energy issues.

## 1.3 Key findings

### Perceived role of DNOs

- Most Panellists assumed that a third party (other than their supplier) was responsible for ensuring electricity reached their homes. They thought this would involve the maintenance and upkeep of wires and cables. However, they did not have a clear understanding of how this works in practice.
- For example, none of the Panellists were aware of the term 'Distribution Network Operators' or 'DNOs'. On prompting, some Panellists had heard of the relevant DNO company name for their local area, although they were not aware that the company was a DNO as such.
- Panellists did not see themselves as DNO 'customers'. Instead they felt that the relationship they had with their supplier was more relevant to them, and suggested that their supplier would be their first point of contact for queries relating to any supply issues.
- Panellists did not see their relationship with their DNO changing significantly because of future changes in electricity consumption and generation. No Panellists were currently generating their own electricity and supplying to the grid, and none spontaneously thought that smart meters would make a difference to their interaction with DNOs.
- Panellists were broadly accepting of the price control arrangements (between DNOs and Ofgem) once they had been explained. They welcomed the fact that a public sector organisation was responsible for holding DNO companies to account on behalf of consumers. As such, they agreed in principle that there was a need to monitor and publish data on DNO performance.

## Monitoring DNO performance through ‘outputs’

- Panellists were shown descriptions of what was covered by the different ‘outputs’ that are part of monitoring DNO performance. In some cases, the terms and underlying concepts were familiar, and it was clear to Panellists how these areas might be used to assess performance. These included customer satisfaction, finance, safety, innovation and reliability.
- However, other outputs and terms caused some confusion, either through simple misunderstanding of the terms themselves, or because Panellists could not see why it would be important to measure DNO performance in this area. These included availability, social obligations and connections.
- Overall, Panellists felt that all of the outputs presented were important, at least to some extent. All were also seen as relevant by some. Often, judgements were made based on relative importance or relative interest compared to other outputs. Most Panellists instinctively had a preference or personal interest in a small number of outputs, and found it more challenging to distinguish between other outputs.
- Panellists made decisions on the importance of outputs from a number of different perspectives. These included: how well they understood the terms and concepts used; whether the output was perceived as fundamental to delivery or ‘nice to have’; personal interest in areas such as innovation and the environment; preference over guaranteeing short term or long term supply; whether the output would likely to be monitored as standard as part of DNO contracts; and perceived overlap with other outputs.
- Reliability and availability, customer service, and safety were consistently perceived as among the most important in helping judge DNO performance, as well as the outputs of most interest to consumers. Panellists were in broad agreement that both finance and social obligations are important for measuring DNO performance, and thus should be monitored in some way. Connections was consistently seen as one of the least important and least interesting outputs. In part this was because of how Panellists struggled to understand this output. The environment and innovation outputs were the most debated by Panellists, with differing views evident depending on personal interest.

## Reporting on DNO performance

- Panellists were shown a series of illustrative examples of how DNO performance data could be presented for publication. Panellists evaluated the information presented in the stimulus materials through a series of criteria and questions: Can I navigate the information? Is it easy to work out what the story is? Are there ways to contextualise the data? Can I work out if this is good or bad performance?
- Overall, tables were the least popular way of presenting data to consumers: some struggled to engage with examples where lots of data was presented across multiple cells; others struggled to make judgements on how good performance was across all three tables. However, some felt that

data tables would be useful for others interested in the detail, such as politicians or consumer representatives.

- Panellists generally preferred graphs to tables, finding them easier to understand and identify the story from the data. Lines on graphs were particularly helpful in identifying trends over time; however, Panellists often requested more contextual information to help them judge how well the DNO was performing.
- Simple text straplines were generally considered to be a good addition to any presentation of data. However, again, in light of the more detailed examples they had seen, Panellists often requested further information to help place statements in context. The treemap visualisation on finance was the most popular example presented to Panellists; which was seen to be immediately engaging and accessible.
- Panellists were broadly positive towards having comparative information, and often requested trend and comparative data where this was not already provided – this was most accessible in graph form. However, Panellists were split as to whether it would be beneficial to present comparisons across all 14 licenced DNO areas, or the six DNO companies. Where Panellists were given a choice of only one type of comparison, many opted for comparisons across years within their own DNO, referencing that they cannot choose between DNOs in their local areas.
- Panellists thought that summarising overall performance could be helpful. They favoured formats that were familiar to them (such as red-amber-green ratings shown on home efficiency ratings), and were less positive about formats that used unfamiliar labels as symbols such as exclamation marks and terminology such as ‘reward’ or ‘penalty’.

## Customer versus citizen needs when reporting on DNO performance

- Panellists spontaneously considering the needs of reporting on DNO performance from two perspectives, and made a distinction between what information they think should be presented directly to electricity consumers, compared to what other information should be published to hold DNOs to account from a ‘citizen’ perspective.
- Consumer data needed to be simple and easily digestible, but with clear clarifications enabling consumers to judge good and bad performance on the outputs that are most relevant and have a direct impact on them. These included finance, customer satisfaction, and reliability and availability. ‘Citizen’ data should be published in detail, perhaps online for those interested. Panellists believed this would promote transparency and improve DNO performance.

*The data and information used in the graphs and tables is for illustrative purposes only. It has been included to provide the reader with examples of the materials provided to Panellists during the sessions. This data and information does not reflect actual DNO performance whether at an individual or aggregate level. Information on DNO performance can be found in Ofgem’s latest report “Electricity Distribution Company Performance 2010-2015”, which is available on Ofgem’s [website](#).<sup>1</sup>*

*This report was prepared by Ipsos MORI and does not represent the views or opinions of Ofgem. The recommendations in this report are to inform Ofgem’s early thinking on this subject.*

<sup>1</sup> <https://www.ofgem.gov.uk/publications-and-updates/electricity-distribution-company-performance-2010-2015>

## 2 Introduction and background

In April 2015, Ofgem commissioned Ipsos MORI to conduct research with a refreshed Consumer First Panel. The Ofgem Consumer First Panel consists of around 80 consumers who meet three times over a year to discuss their views of key energy issues and their impact on consumers across Great Britain. Since 2007, feedback from the Consumer First Panel has helped ensure the consumer voice is heard in Ofgem's policy making process.

This report summarises the findings from the second wave of the Panel which took place between the 9<sup>th</sup> and the 19<sup>th</sup> of November 2015 across four locations: Cardiff, Peterborough, Exeter and Dumfries.

### 2.1 Background

Distribution Network Operators (DNOs) carry electricity via cables and wires from the high voltage transmission grid to industrial, commercial and domestic users. In total there are 14 licensed DNOs in Britain, with each responsible for a regional distribution services area. The 14 DNOs are owned by six different companies. Since the DNOs are natural monopolies, they are regulated by Ofgem through price controls. This protects consumers from potential abuse of monopoly power.

In April 2015, Ofgem implemented RII0-ED1 (revenue = incentives + innovations + outputs), an approach to price controls that sets both the outputs that the 14 electricity DNOs need to meet for their consumers and the associated revenues they are allowed to collect. The price control covers an eight-year period from 1 April 2015 to 31 March 2023. This model for network regulation is designed to deliver benefits for consumers and also to provide companies with strong incentives to meet the challenges of delivering a low carbon, sustainable energy sector at value for money for existing and future consumers.

Success is measured against six outputs:

- **Environmental impact:** Helping to reduce the overall impact that DNOs have on the environment. This could be reducing the carbon footprint of the company overall (offices, transport etc.), minimising visual impact (undergrounding of cables), ensuring that networks don't emit pollution.
- **Customer satisfaction:** Ensuring that consumers receive good customer service from their DNOs – for example how they deal with complaints about the DNO, or how well they keep consumers updated during electricity outages.
- **Connections:** DNOs are required to connect customers to their network in a timely and efficient way (new connections). This is about people needing a new connection to the distribution network (building a new house for example). The DNO has timescales in which it has to reply to the request and has to complete the work in a timely and efficient way. It's also about DNOs managing their networks to enable new distributed generation to connect to the network.
- **Safety:** Providing a safe network in compliance with health and safety standards. DNOs have to comply with Health and Safety Executive regulations.



- **Reliability and availability:** Ensuring that the network remains reliable and that DNOs act quickly in the case of outages/power cuts. Ensuring that consumers get an uninterrupted supply of the energy they need, as much as possible, and that outages are dealt with quickly.
- **Social obligations:** Engaging with and considering the needs of more vulnerable customers.

Beyond the six outputs above, finance and innovation are also key elements of the RIIO framework:

- **Finance:** Ofgem set the revenues the companies are allowed to collect from their customers. Ofgem also looks at how efficiently companies spend their money to deliver their obligations. This is predominately about ensuring that the DNOs spend the money in the right way on the right things.
- **Innovations:** DNOs receive funding for projects that test out innovative ideas and solutions which can be rolled out in the future.

On 28 August 2015, Ofgem published an open letter consultation on how to report DNO performance to a wider group of stakeholders.<sup>2</sup> In December 2015, it published the findings of this consultation.<sup>3</sup> It found that, overall, stakeholders were supportive of Ofgem's proposals to make more information on DNO performance available. It agreed that there was a need to ensure that the way performance is reported should be appropriately targeted in terms of content and level of detail. Consultation respondents showed a particular interest in:

- Information on trends, including historical data and forecasts where appropriate.
- Mid-level comparative information on price control performance across all companies in a customer friendly format.
- Detailed data being made publicly available.
- Bill impact and rewards and penalties.

Additionally, through the Panel discussions Ofgem sought feedback from everyday energy consumers on how to best present key information..

## 2.2 Objectives

The aims for this year's second Panel events were to explore the following research questions:

- What is the spontaneous awareness of DNOs? Do consumers actually have an appetite to understand what DNOs do and how their performance affects them?
- Are consumers interested in reports on DNO performance? What should the level of detail in reporting be? How should this information be presented (infographics, data tables or more thorough reporting)?

---

<sup>2</sup> Ofgem [Open letter consultation: how we report on electricity distribution company performance](#), August 2015.

<sup>3</sup> Ofgem [How we report on electricity distribution company performance – next steps](#), December 2015.

- When reporting on DNOs, what would be the most meaningful way to communicate with ordinary consumers? How should the variation in performance across DNOs be communicated?

## 2.3 Methodology

A deliberative approach was used in order to give participants the freedom to express their views within a framework that helps build their knowledge in the area. Qualitative research, including deliberative approaches such as the Consumer First Panel, provide a thorough understanding of the current consumer perspective on complex issues that consumers may have never thought about before, like DNO performance and reporting. It also allows for a more in-depth exploration of consumers' experiences and understanding of some of topics. This provides insight into why participants have certain views. It is important to note that Panel research is intended to be illustrative rather than statistically reliable and, as such, does not permit conclusions to be drawn about the extent to which something is happening in the wider population.

Throughout the report, verbatim comments have been included to illustrate particular viewpoints. It is important to remember that the views expressed do not always represent the views of all participants. In general, verbatim comments have been included to illustrate where there was a particular strength of feeling during discussions.

Discussions of two hours were conducted to allow Panellists enough time to express their opinions and then to share and discuss these with others. A range of techniques were used in the workshop discussions:

- Individual / paired / group discussions.
- A presentation that covered the basic principles of DNOs and price controls.
- Using an axis to discover their relative importance of importance of outputs and how interesting they were to Panellists.
- Use of illustrative, anonymised DNO data in different formats to prompt discussion.

After the workshops, participants with access to the internet were invited to join the Consumer First Panel online community. The platform allows Panellists from all of the locations to interact and to carry on the conversation after the events. Participants without access to the internet were also invited to take part in post-panel discussions. They were sent the same questions as those with online access, and returned their responses by post. In total, 15 Panellists submitted responses to the post-task.

## 2.4 Sampling and recruitment

Panellists were recruited to broadly reflect the full range of energy consumers in Great Britain. All participants recruited were solely or jointly responsible for their household's energy bills.

In addition, the following was controlled for at the recruitment stage:

- Age
- Gender
- Ethnicity
- Disability
- Tenure
- Urban/rural
- Employment status
- Social grade
- Fuel poverty
- Internet use/access
- Electricity only
- Payment type
- Meter type
- Current supplier
- Switched supplier
- Considered switching supplier
- Changed tariff with current supplier
- Considered changing tariff with current supplier

In total, 66 Panellists returned to the second event. Panellists will be invited to attend one further event during this Panel year.

## 3 Perceived role of DNOs

At the beginning of the workshops, Panellists were asked for their spontaneous views on the electricity network, to get them thinking about how electricity reaches their home. We also asked them to tell us if they had ever considered the role of Distribution Network Operators (DNOs).

Specifically, we asked Panellists:

- 1 Do you think about how electricity reaches your home? How much do you know about this?
- 2 Have you ever thought about what happens to the money you pay to your supplier – who does it go to?
- 3 Have you heard of DNOs? What do you know about them?
- 4 Is it important to report on DNO performance?

This chapter draws on Panellists' responses to the questions, alongside subsequent discussions about these topics in their groups.

### 3.1 Awareness of how electricity reaches homes

Most Panellists assumed that a third party (other than their supplier) was involved in ensuring electricity reached their homes. They thought this would involve the maintenance and upkeep of wires and cables. Several mentioned National Grid as a key organisation that helped ensure they were continually supplied with electricity. However, they did not have a clear understanding of how this works in practice, for example the difference in roles between transmission and distribution companies<sup>4</sup>. Almost all had little knowledge about how suppliers and DNOs operate independently to ensure consumers are supplied with electricity.

***“I think a grid thing does it and then our supplier supplies it from the end and charge us...”***

None of the Panellists were aware of the term ‘Distribution Network Operators’ or ‘DNOs’. On prompting, some Panellists had heard of the relevant DNO company name for their local area, although they were not aware that the company was a DNO as such. However, there was an assumption that that the company had a role in maintaining the electricity network. For example, in Cardiff and Exeter, some had seen Western Power Distribution branding on vans or work being carried out in their local area. In Dumfries some remembered SP Energy Networks staff working during the night to fix an electrical fault on their street.

Unfamiliarity with the term DNO and low awareness of DNO companies was not surprising given that the majority of Panellists had not experienced recent power outages and therefore not had any need to contact their DNO. The only exceptions to this were in Exeter and Dumfries, where one Panellist in each location had experienced a power outage and had been told to contact the DNO for their area by their supplier.

---

<sup>4</sup> Transmission works nationally and is defined as the High Voltage electricity network. This is run and maintained by different providers in England, Wales and Scotland. Lower voltage electricity distribution works (the DNOs) operate regionally.

### 3.2 Perceived DNO ‘customer’ relationships

Panellists did not see themselves as DNO ‘customers’. Instead they felt that the relationship they had with their supplier was more relevant to them. This perception was driven by a number of factors:

- Panellists had low awareness of DNOs in general, and of their local DNO company in particular.
- Only two Panellists had needed to have direct contact with their local DNO in recent years because they had experienced power outages, and none had needed new connections.
- They do not have a transactional relationship with DNOs. Panellists felt that the contract they have with suppliers meant that these companies were responsible for ensuring that Panellists had electricity. Their own supplier would therefore be their first point of contact for queries relating to any supply issues.

***“If you’ve got to make a complaint, you would complain to your supplier”***

***“My thinking was, we’re not customers... as consumers we’re not their direct customers”***

Some Panellists felt uncomfortable with the suggestion that the DNO rather than suppliers should be the first point of contact for queries relating to electricity supply problems. They were concerned that suppliers would use this as a reason to pass on responsibility when things go wrong, and preferred the simplicity of dealing with just one organisation for any issues with their supply.

Panellists were shown information summarising key changes in electricity consumption and generation over recent years. They were then asked what they thought might be the biggest challenges for electricity networks in the future. Many Panellists expected that there would be greater pressure on the network in future as electricity consumption continues to grow and new forms of electricity generation become more common. They also assumed significant work would be needed to repair and maintain the network, because they perceived Great Britain’s infrastructure generally to be old and in need of upgrades.

However, Panellists did not see their relationship with their DNO changing significantly because of these developments. For example, none were currently generating their own electricity and supplying to the grid, and none spontaneously thought that smart meters would make a difference to their interaction with DNOs. They felt that their relationship with their supplier would continue to be much more important when it comes to their engagement with the energy market.

### 3.3 Reaction to price controls and the need for accountability

Panellists were presented with an introduction to DNOs and their role in the energy market. This included how each DNO operates as a monopoly company in its own area, and how Ofgem aims to protect consumers’ interests via the use of price controls. Panellists quickly realised that they are unable to choose between DNOs in their local area, which prompted some to question why DNOs were allowed to operate as monopolies, who owns them, and how much profit they generate.

***“So how does anyone actually know if, anyone is in charge of DNOs? Is it a government organisation? Is it a private organisation? It is owned by this country? Is it owned by another country? ”***

However, Panellists were broadly accepting of the price control arrangements once they had been explained. They welcomed the fact that a public sector organisation was responsible for holding DNO companies to account on behalf of consumers. They recognised that there needed to be a balance between allowing companies to make a profit whilst delivering what they considered to be an essential service. They felt that ensuring a safe and reliable electricity supply was important. Panellists thought DNOs should have enough money to do this, and could see risks if the network was not maintained and developed appropriately. Instead, they wanted reassurance that DNOs were being supervised by an independent organisation with sufficient expertise to properly assess DNO activities and performance.

***“I suppose they’ve got to charge a fairly decent amount so that they can do it properly. You don’t want them to not get enough and not do it correctly.”***

Panellists were content that Ofgem is currently responsible for holding DNOs to account through price controls. However ‘Ofgem’ was seen as synonymous with ‘public sector’ or ‘government’, and thus these views did not necessarily reflect the way Ofgem specifically performs this role. The key for Panellists was that DNOs are being monitored and regulated by someone, given the fact that they operate in a non-competitive element of the energy market.

***“It has to be regulated so that they are playing fair, because it’s something you have never heard of, so somebody needs to watch them. It’s good to know that Ofgem and others are watching them.”***

After being introduced to the role of DNOs, Panellists spontaneously asked for further information about how well DNOs performed when distributing electricity to their homes. As such, they were already generally receptive to the idea of DNO performance data being published. Views were mixed on the extent to which this information was of direct use to consumers, but all Panellists agreed that having information in the public domain could drive performance and be an important way for government and others to scrutinise DNOs and hold them to account.

***“If there was some sort of league table, say if the Scottish one was using their money more effectively than our one, they would be pressured. Their shareholders would want to know if they are at the bottom of the table...”***

## 4 Monitoring DNO performance through ‘outputs’

Ofgem monitors a number of different DNO performance measures of as part of the RIIO price control arrangements. These are grouped into the following six ‘outputs’: environmental impact, customer satisfaction, connections, safety, reliability and availability, and social obligations. Beyond these six outputs, Ofgem also look at finance and innovation when assessing company performance. More detailed descriptions of these eight areas of DNO performance are provided in section 2.1 above.

In the first Panel location the phrase ‘outputs’ appeared to confuse some Panellists. For the remaining Panel locations, moderators used the term ‘obligations’ to describe the different areas of performance companies are committed to deliver against under the price control. As part of the workshop, Panellists were asked to consider:

- 1 What information should be included when reporting on DNO performance?**
- 2 How interested are they (as consumers) in knowing how well DNOs are performing in specific outputs/obligations?**

This chapter draws on Panellists’ responses to the questions, alongside subsequent discussions about these topics in their groups.

### 4.1 Spontaneous views on measures of performance

Having been given some basic information about DNOs, Panellists had already agreed in principle that there was a need to monitor their performance. Before discussing in detail the existing areas of DNO performance monitored by Ofgem, we asked Panellists to consider what they thought consumers would want to know about how well DNOs were fulfilling their role. It should be noted that unprompted requests for further information are likely in part to be driven by Panellists’ desire to learn more about DNOs more broadly (for the first time), rather than relating specifically to reporting to consumers on their performance over time or comparing between DNOs.

Panellists usually started with wanting financial information, such as a breakdown of what DNOs spend their income on and how much profit they make. Given their earlier spontaneous concerns about DNOs being allowed to operate as monopolies, Panellists also wanted some kind of check on how much profit DNOs made in comparison to how well they maintain the electricity network and respond to customer problems. Another important aspect of performance for Panellists was that investment in improving infrastructure and planning for the future of the network should match consumer needs and expectations, rather than DNOs being allowed to generate profits without ensuring the quality of the network is maintained.

Other spontaneous areas Panellists thought could be measured included the consistency of supply that DNOs offer their customers, how well they handle complaints, and ‘reviews’ from customers.

## 4.2 Understanding of 'outputs'

We showed Panellists descriptions of what was covered by the different outputs (this also included finance and innovation) to explore their understanding and views on the relevance of each for measuring DNO performance. In some cases the terms and underlying concepts were familiar, and it was clear to Panellists how these areas might be used to assess how well the companies fulfilled their role. However, other outputs caused some confusion, either through simple misunderstanding of the terms themselves, or because Panellists could not see why it would be important to measure DNO performance in this area.

Below we describe Panellists' initial understanding of the different outputs (following a brief description), before summarising how they interpreted each after more detailed discussion. This included seeing the mocked-up examples of how DNO performance might be reported (see chapter 5 for the examples and a full discussion of Panellists' reactions to each).

### Customer satisfaction

*Panellists were familiar with the term 'customer satisfaction', and agreed that any business should look to offer good customer service. However, many Panellists were initially unsure who the 'customers' of DNOs were given their lack of interaction with these companies.*

After further discussion Panellists understood that all electricity consumers were DNO customers. However, they remained unsure how customer service should be defined, and some felt that good customer service would be delivered if the DNO was performing well under all the other outputs and providing a reliable service at good cost. Others suggested that surveys of customers don't reflect true customer performance as those who are satisfied with the service would have no reason to contact their DNO to provide feedback.

When prompted, Panellists were confident in drawing conclusions about performance from specific measures such as handling complaints, but found it difficult to draw conclusions from overall measures such as customer satisfaction surveys and stakeholder engagement incentives.

### Finance

*Panellists quickly understood the basic concept of DNO finance as being similar to any company, with reference to profit, investment, expenditure, charges to customers through bills, and running costs like staff salaries.*

Panellists were comfortable discussing the cost of DNOs on customer bills and the breakdown of expenditure – even if not all sub categories were well understood. However, there was little understanding of terms like 'forecast' or 'allowances' as shown on some of the stimulus.

### Safety

*From the outset Panellists were very conscious of the dangers of electricity and understood the importance of working to guarantee safety across the energy network.*

In later discussions, it was clear that Panellists assumed that safety measures would be necessary for DNOs, and they emphasised the importance of complying with relevant safety regulations. A few also thought that monitoring network safety might include a measure of how safe individual households are in



terms of their use of electricity, as they saw this as an area of real risk (although discussing this with reference to DNOs seemed to arise from confusion about the scope of their role).

### Social obligations

*Many Panellists were quick to interpret social obligations as support for more vulnerable customers. Others were unable to differentiate between this and other perceived obligations, specifically to provide consumers with reliable electricity more generally.*

Panellists were initially unsure of how social obligations would work in practice; some also assumed that these would be more relevant to suppliers rather than DNOs. However once prompted, they acknowledged the importance of making extra provision for vulnerable customers during planned or unplanned supply outages, and could see how this could be used to monitor DNO performance.

### Reliability and availability

*Panellists were familiar with the term reliability and could see the relevance to electricity distribution. They equated a lack of reliability to power cuts or interruptions to supply. The meaning of the term availability (and whether and how it was distinct from reliability) caused some confusion.*

Despite this initial confusion, Panellists were comfortable with the terminology and metrics that might be used to measure this output, such as number of interruptions received by customers, or customer minutes lost without access to the network.

### Innovation

*Panellists were familiar with the general concept of innovation, and perceived this broadly as using developments in technology to improve the electricity network.*

Their lack of familiarity with how electricity is generated and distributed meant that Panellists were unable to say exactly how electricity networks could be 'innovated'. There was some awareness of alternative types of generation, for example solar or wind, but they struggled beyond this.

### Connections

*Panellists often assumed that being connected was part of measuring 'reliability and availability', rather than being about DNOs performance in making new connections to the electricity network. This output caused the most confusion, even after explanation.*

Panellists were unaware that it was the responsibility of a DNO to connect users to the electricity network – many assumed this was part of the role for suppliers. Alterations and reinforcements to supply were also not seen as relevant for individual consumers.

## 4.3 Identifying the most relevant 'outputs'

Panellists were asked to consider which outputs they felt were important for monitoring DNO performance, and which outputs they thought were most interesting for them. This exercise was completed after the initial explanation of the different output areas, but before they had seen the examples of performance reporting described in chapter 5.

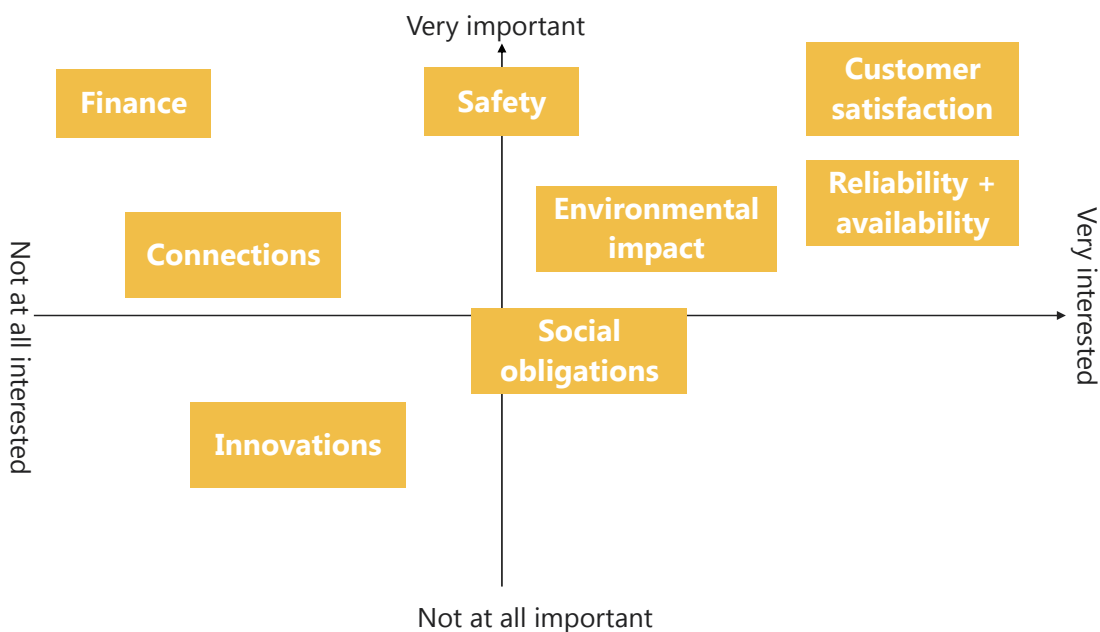
Panellists were asked to consider two questions for each output:

- How important is the output in identifying good/bad performance?
- To what extent would you like to know about this output?

Based on their answers, they then plotted each output area on the following grid:

- X-axis: not at all interested – very interested
- Y-axis: not at all important – very important

Figure 4.2 Summary of where Panellists tended to plot each output in completing the exercise



Overall, Panellists felt that all of the outputs presented were important, at least to some extent. All were also seen as relevant by some. Often, judgements were made based on relative importance or relative interest compared to other outputs. Most Panellists instinctively had a preference or personal interest in a small number of outputs, and found it more challenging to distinguish between other outputs.

Panellists made decisions on the importance of outputs from a number of different perspectives:

- **Understanding of the terms and concepts used:** There was a broad correlation between understanding of the output (as explored in section 4.2) and the importance given to it by Panellists. This is most relevant to connections, which was poorly understood and thus some Panellists found it difficult to decide how important they thought it was.
- **Core vs nice to have:** Reliability and safety of the network were perceived to be a fundamental to delivery of electricity and often therefore seen as very important. Panellists were more flexible about judgements on other outputs that were seen to be additional to DNOs core role of ensuring the safe, reliable distribution of electricity to consumers.
- **Personal interest:** This was particularly relevant to environmental impact, innovation and social obligations, which received more divided opinion based on Panellists own interests and attitudes.

- **Short term delivery vs long term investment:** Some Panellists had an immediate short term view to guarantee supply of electricity on the current network and to current customers. These Panellists placed less importance on environmental impact, innovation and connections. Others had a longer term perspective, and felt it was important to invest in a future delivery of the network which would be more environmentally friendly, reliable and/or cost efficient.
- **Role of consumer vs role of regulator:** Panellists assumed that Ofgem – or government in general – would be monitoring core aspects of performance such as reliability, finance and safety ‘as standard’ and as part of the price control obligations. Citizens and consumers therefore did not need to worry about DNO’s core delivery, but instead should take a special interest in wider aspects of performance such as customer satisfaction, social obligations and environmental impact.
- **Perceived overlap:** Panellists placed less emphasis on outputs that they felt were already covered by others, or were dependent on the performance of other measures. For example, connections were assumed by some to be a core part of delivering a reliable service (rather than new connections), showing how this output was often misunderstood. Customer Satisfaction was also perceived to be heavily dominated by satisfaction with the overall reliability of the service.

Reliability and availability, customer service, and safety were consistently perceived as among the most important in helping judge DNO performance, as well as the outputs of most interest to consumers. Panellists felt that all three were essential to the supply of electricity and should be a priority for DNOs. Panellists anticipated that there would be significant problems for society as a whole as a result of poor safety and reliability (this concern went beyond worries about personal inconvenience), and in principle felt that all well-run services should have good customer service.

Panellists were in broad agreement that both finance and social obligations are important for measuring DNO performance, and thus should be monitored in some way. However they disagreed on how interesting these outputs are for consumers. For example, whilst it was seen as important to ensure that DNOs are not making too much profit, some Panellists felt that this would be unhelpful for consumers to know as they are unable to choose between DNOs.

***“Something like 10% of Scotland is sitting in poverty at the moment, so you have to have social obligations to children..., to old people... and to (those with) health issues in that group.”***

Connections was consistently seen as one of the least important and least interesting outputs. In part this was because of how Panellists struggled to understand this output. Some were unsure how relevant this output was to measuring DNO performance and felt instead that this was either covered by measures of ‘reliability and availability’, or expected suppliers to deal with any issues with new connections. Others understood why connections were important overall, but took a different perspective, giving the output less importance because they perceived it was not a priority for current customers. However, almost all recognised that new connections were very important to those who needed them.

***“(I’m not personally) building a new house, and not waiting on some new development, so I don’t see it (connections) as important. But I can see how it’s extremely important for some people.”***

The environment and innovation outputs were the most debated by Panellists, with differing views evident. For those who prioritised the environment output, this was because they felt protecting the environment was important in general, not just for the electricity network. Others did not share the same level of overall concern about the environment. Similarly, those who placed less emphasis on innovation suggested that more needed to be done to make basic repairs and improvements to the current network, rather than developing new approaches to delivering electricity in the longer term. As such, the importance placed on these outputs was driven largely by personal interest, and a preference for either immediate investment to maintain the network or longer-term concerns.

***“Well we have enough problems with the network that they’ve got now and they don’t have the money for it all to get it right, so why bring something else new when they’ve not finished off everything they’re doing just now?”***

# 5 Reporting on DNO performance

After Panellists had become more familiar with what each of the RIIO outputs meant, we asked them how they thought DNO performance could be best communicated to consumers. Illustrative examples<sup>5</sup> were presented as stimulus on four of the outputs. This was to establish which of the reporting styles Panellists preferred (rather than the content), and which could be best applied to different types of information.

When presenting these kinds of materials in a research setting, it is important to note that participants tend to focus on the specific details, particularly those they do not like. As such, they often make suggestions about what could be improved, rather than what they think works well. However, Panellists' discussion across all of the different examples used allows us to describe the key criteria they applied when thinking about how best to report DNO performance to consumers.

## 5.1 Presentation of data

### 5.1.1 Overall criteria used to evaluate different ways of presenting data

Panellists evaluated the information presented in the stimulus materials through a series of criteria, which they described as they explained their preferences for how data should be presented. These are summarised below in the form of the implicit questions Panellists asked of each of the examples as they reviewed them:

- **Can I navigate the information?** Panellists struggled and became overwhelmed when too much data was presented, particularly if there were too many numbers. They also found it hard when different bits of data were not obviously connected in the way they expected, for example across columns in tables or between different lines in graphs. Panellists needed to be able to work out easily where to look for the story being told by the data before they would engage with what the data was actually telling them. Across all workshops, Panellists had a preference for simple visual presentation of how DNOs have performed against outputs.
- **Is it easy to work out what the story is?** Panellists liked trends over time and comparisons to other DNOs, but struggled to make judgements about DNO performance if either the calculations were too difficult, or where they were unsure whether differences between DNOs were meaningful or not.
- **Are there ways to contextualise the data?** This was discussed in two main ways, based on the examples Panellists were shown:
  - They were comfortable reviewing performance compared to previous years, and often asked for this where it was not given. This was most easily understood in chart format where any increase or decrease in a measure could be seen visually.
  - Panellists also liked information allowing them to compare across DNOs. Ranking helped in this regard, and in the online post-task Panellists were also capable of comparing performance to an 'average' for all DNOs. They also liked ways of being able to see

---

<sup>5</sup> The data presented to Panellists was mocked up for the purposes of the workshop and the DNOs remained anonymous throughout.

comparisons quickly (e.g. the traffic light example) provided these made intuitive sense. However, some were concerned about simple comparisons given the different geographies and populations covered by DNOs. Panellists felt that for comparisons to be most relevant, it is important to make more meaningful comparisons, such as to the 'nearest equivalent neighbour'. By this, they meant the DNO that most closely mirrored their own, in terms of geography or population.

- **Can I work out if this is good or bad performance?** Panellists were unsure how to interpret composite 'scores' that had been calculated using multiple measures. These seemed too far removed from their understanding of the role of DNOs, and therefore lost meaning for Panellists. More direct, tangible measures such as bill impact, expenditure, how quickly customers had issues, and percentage of complaints unresolved were usually preferred as easier to understand and relate to.

All of these considerations were important as Panellists reviewed the examples. Their reactions to these are described in more detail below.

### 5.1.2 Views on tables

Panellists were presented with several tables and asked for their views about how suitable the examples were for illustrating different aspects of DNO performance. Overall, tables were the least popular way of presenting data to consumers, with Panellists preferring graphs and data visualisations. However, some felt that data tables would be useful for others, such as politicians or consumer representatives, who could use the detail to highlight differences in DNO performance and put pressure on companies to improve.

Panellists found the table presenting customer satisfaction score data (Figure 5.1) the easiest to understand. This was because they felt comfortable with the concept of 'customer satisfaction'. The relatively small number of cells also made it easier to see what the data was about, as Panellists tended to struggle to engage with examples where lots of data was presented across multiple cells. Overall, Panellists struggled to make judgements on how good performance was across all three tables. In all three cases they found it hard to understand the meaning behind variation in the data for each measure, and particularly how to decide whether small differences between providers were meaningful or not.

Figure 5.1 Customer satisfaction example in table format

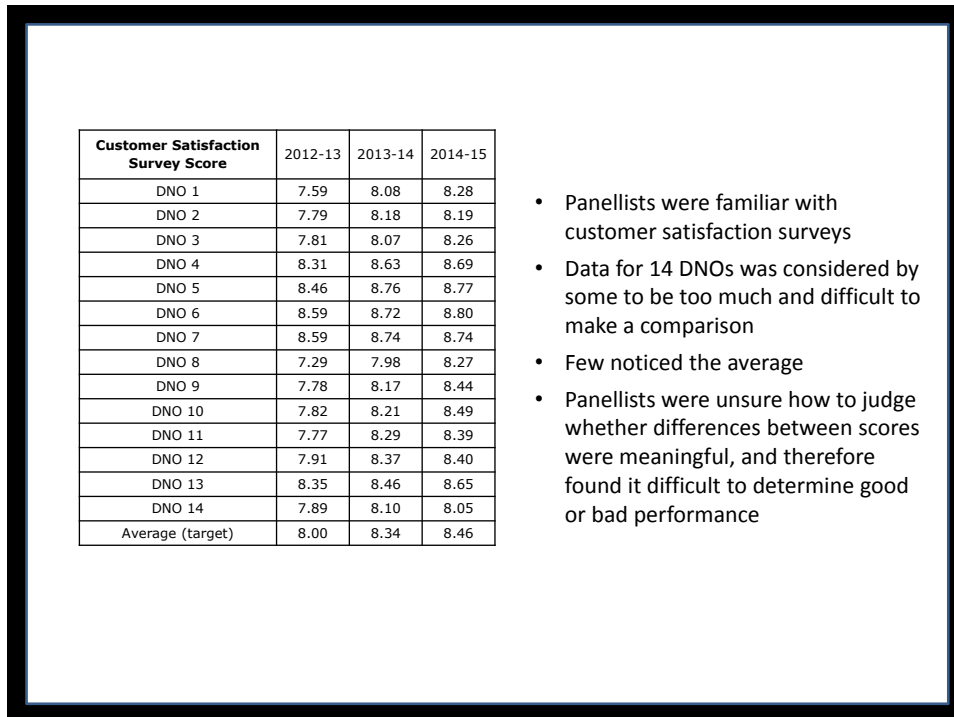


Figure 5.2 Environmental impact example in table format

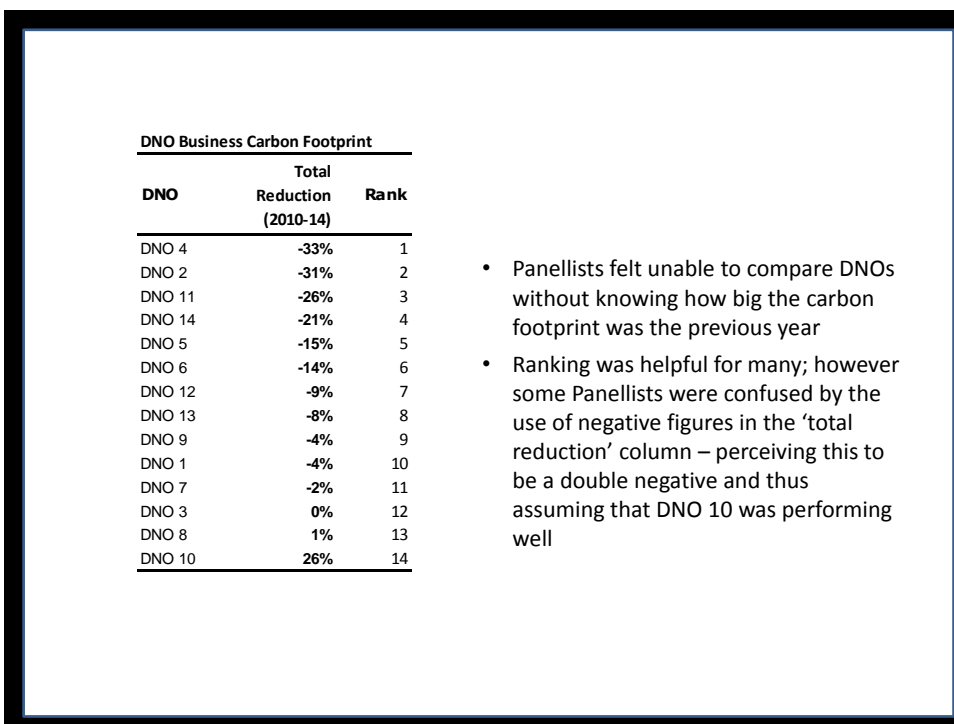


Figure 5.3 General information example in table format

DNO Customer numbers - 2010-2015 (DPCRS)					
	2010-11	2011-12	2012-13	2013-14	2014-15
DNO 1	2,359,391	2,364,446	2,368,572	2,371,790	2,375,305
DNO 2	1,575,686	1,581,420	1,583,627	1,586,437	1,590,615
DNO 3	2,258,404	2,266,464	2,272,386	2,277,373	2,284,044
DNO 4	2,446,951	2,462,123	2,469,953	2,448,930	2,455,914
DNO 5	2,614,165	2,623,103	2,619,183	2,604,846	2,613,507
DNO 6	1,099,333	1,103,465	1,108,168	1,113,015	1,117,685
DNO 7	1,541,188	1,551,046	1,561,137	1,570,645	1,579,687
DNO 8	2,251,892	2,267,440	2,279,053	2,286,322	2,298,560
DNO 9	2,233,288	2,247,823	2,257,968	2,262,882	2,271,189
DNO 10	3,516,859	3,537,357	3,556,281	3,565,115	3,581,606
DNO 11	1,992,998	1,994,241	1,996,169	1,996,758	1,998,881
DNO 12	1,485,153	1,487,412	1,490,883	1,494,271	1,499,500
DNO 13	740,768	745,907	750,446	754,258	757,906
DNO 14	2,934,581	2,952,565	2,967,585	2,984,187	3,000,058
<b>GB</b>	<b>29,050,657</b>	<b>29,184,812</b>	<b>29,281,411</b>	<b>29,316,829</b>	<b>29,424,457</b>

- Panellists found the numbers too large to be able to calculate differences between years and DNOs
- Many found the amount of data overwhelming
- They also could not work out why this level of detail on customer numbers over time was relevant to them

### 5.1.3 Views on graphs

Panellists generally preferred graphs to tables, finding them easier to understand and identify the story from the data. Lines on graphs were particularly helpful in identifying trends over time, as demonstrated in both Figure 5.4 and 5.5. However, both examples demonstrate the need to have clear and accessible language. Some Panellists were unfamiliar with the terminology used. Even those who felt relatively comfortable with the language were often unsure how to interpret the differences they observed between lines on the same graph.

**“You can look at the blue line in the graph, see how much that’s gone up compared to the other two...”**

In both instances, Panellists requested more contextual information to help them judge how well the DNO was performing, particularly other DNOs financial information and trends to allow for comparisons. This may in part be a result of having comparative information available on other stimulus – Panellists liked being able to see whether an individual DNO was performing differently compared to others. Though they were more comfortable interpreting graphs, Panellists suggested that this format may not be the most appropriate for presenting comparisons across all the DNO companies, because they could not envisage how this would be included in the graph without including multiple lines (which they expected would be confusing).

**“This is just for one (DNO), if you want to see a range, you’re better seeing your table I think”**



Figure 5.4 Finance example in graph format

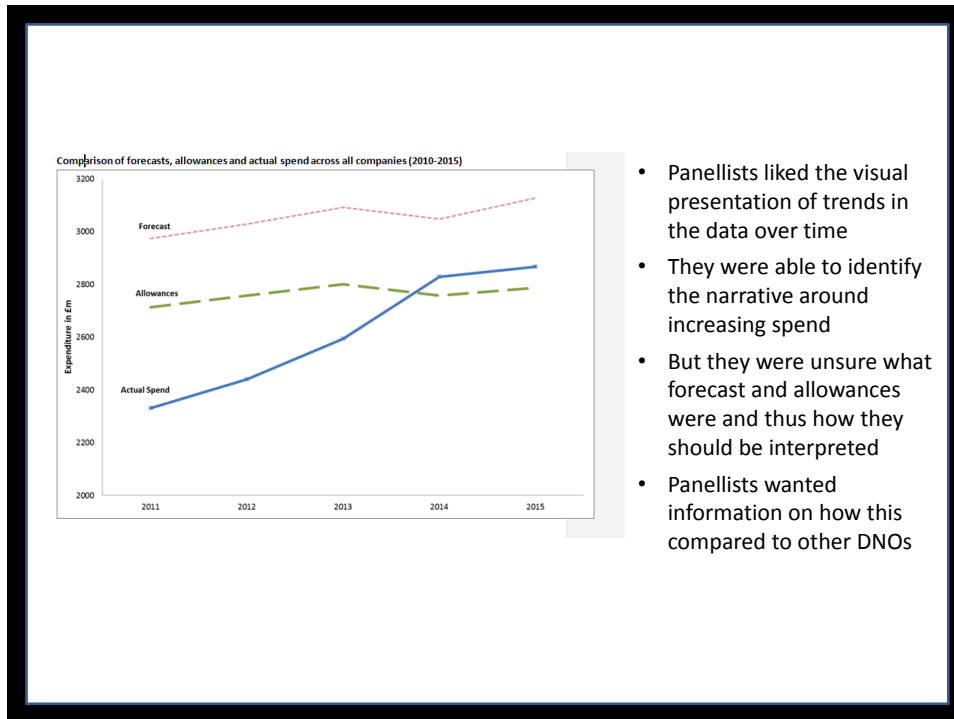
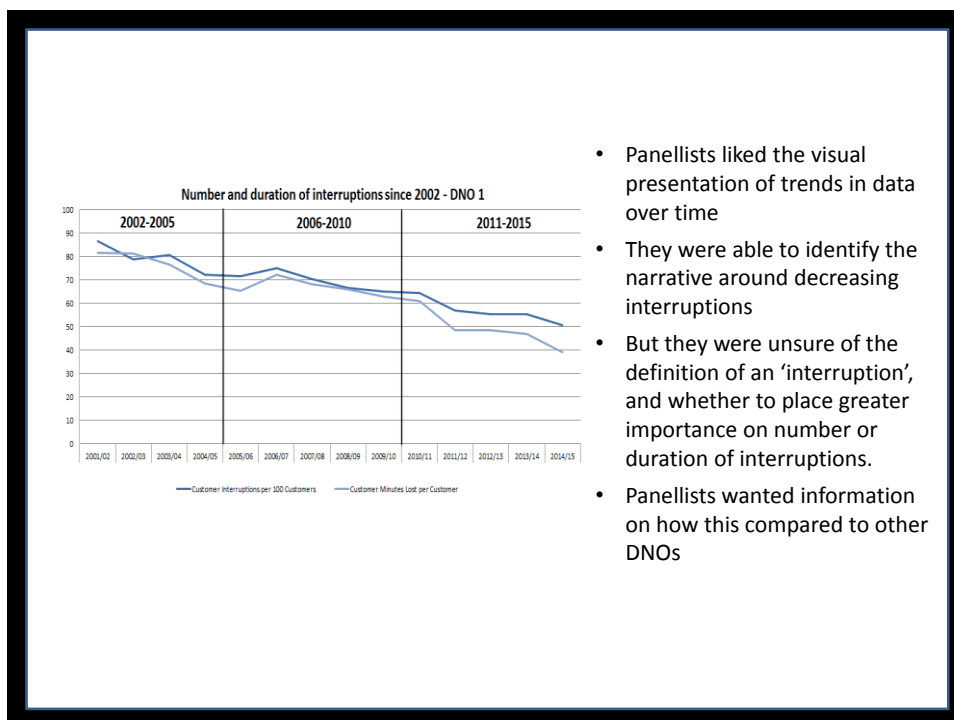


Figure 5.5 Reliability and availability example in graph format



#### 5.1.4 Views on statements

Simple text straplines were generally considered to be a good addition to any presentation of data. If terminology is kept to a minimum and the content of the statement is simple and grounded in something Panellists could relate to, then these were considered accessible for most consumers. For example, the statement in figure 5.6 about the finance output was considered to be effective because it was easy to understand and used a description (average charge per household over a year) that Panellists could relate to their electricity bill.

However, in light of the more detailed examples they had seen, Panellists often requested further information to help place statements in context. Without trends over time or comparisons between DNOs (or both), Panellists struggled to decide whether the data showed good or bad performance by the DNO.

Figure 5.6 Finance example in statement format

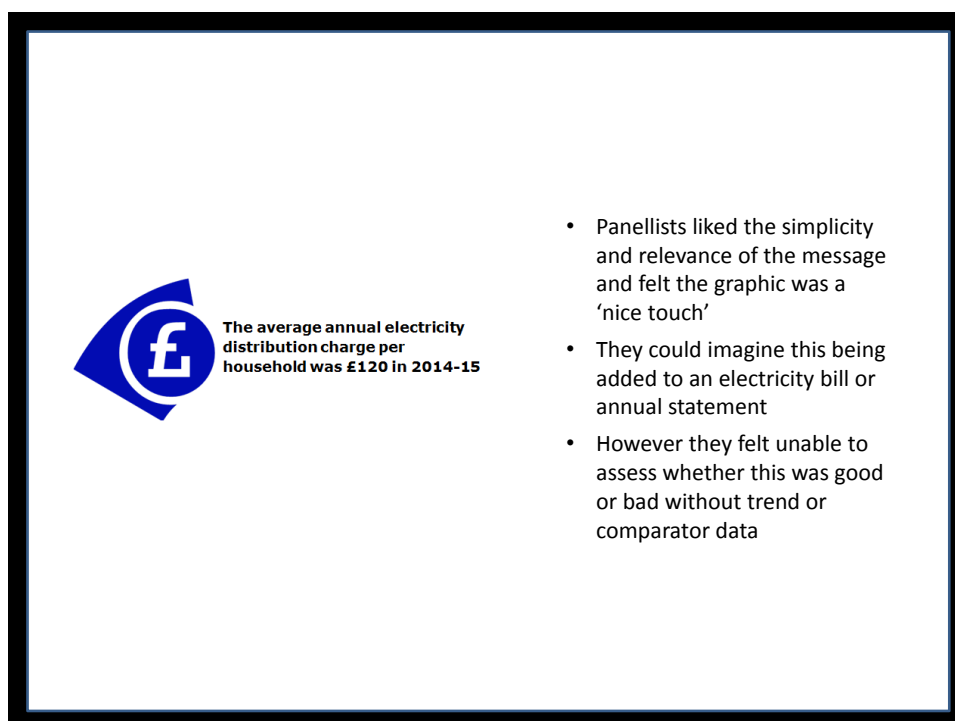




Figure 5.7 Environmental impact example in statement format



**Between 2010 and 2015, DNOs spent £30 million in total to underground a total of 168kms of lines in National Parks and Areas of Outstanding Natural Beauty**

- Panellists felt this statement contained too much assumed knowledge around what undergrounding was and whether this was a good or a bad thing for the environment.
- Panellists asked for points of reference – mainly how this performed compared to expected targets

Figure 5.8 Reliability and availability example in statement format



**In 2015, on average 53% of customers experienced an interruption. The average duration of an interruption was 47 minutes.**

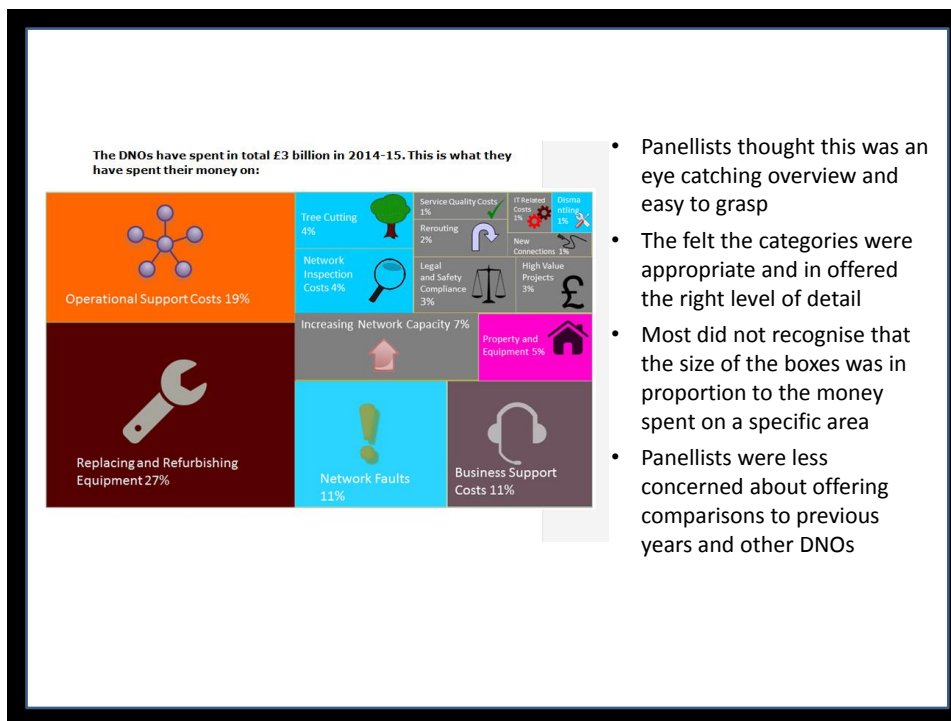
- Panellists were unsure how an interruption was defined
- But did understand the concept of an average over the course of a year.
- They asked for points of reference to assess how this compared to previous years and other DNOs

### 5.1.5 Views on an infographic

The treemap visualisation<sup>6</sup> on finance was the most popular example presented to Panellists, as it was something tangible they could relate to and understand. They felt it was immediately engaging and would enhance any overall report. They liked the use of images and how colourful it is, as well as feeling able to work out the key information it was designed to communicate.

There was a sense amongst Panellists that this was easier to comprehend than the complex tables and graphs. However, they thought that there was a need for both formats, as the infographics and figures from the graphs and tables complemented each other. In particular, Panellists wanted to be able to compare current spending to other DNOs, and to see how an individual DNO's finances had changed over time.

Figure 5.9 Finance example in treemap infographic format



## 5.2 Points of reference

The stimulus presented at the workshop contained a number of different points of comparison to help judge DNO performance, including trend data from previous years and comparisons to other DNOs. Panellists were broadly positive towards having comparative information, and often requested trend and comparative data where this was not already provided. Many felt that stimulus which provided information on just one DNO in a single year was not sufficiently detailed enough to make a judgement as to whether the performance was good or bad.

Panellists were shown different ways of comparing performance to other DNOs. Comparisons were either made across all 14 licenced DNO areas, or the six DNO companies. They were asked whether comparisons were useful, and which level they preferred. When asked if they thought it could be more or less helpful to compare DNOs between the 14 different areas or at an overall company level, Panellists

<sup>6</sup> Treemapping is a method for displaying hierarchical data by using nested rectangles.

were split. Some felt that a comparison to just 6 other DNOs was more manageable; others suggested that a comparison at a more local level might be more meaningful if the other areas had similar characteristics to their own. Panellists felt that on the whole it would be less helpful to make comparisons between all the DNOs, as they are likely to have different needs and challenges due to geography and their wider environment. This included mentions of how densely populated an area was, the absolute numbers of customers for each DNO, and any specific geographical features that might make a difference to how DNOs operate.

***“Comparing a rural area with another is important as you can’t compare rural and urban”***

Panellists welcomed trend information; however this was more easily interpreted in graphs rather than in table form – where Panellists needed to work out the difference between the numbers presented to assess the direction and scale of change. Some also found it difficult to assess both trend and DNO comparator data within the same presentation of data.

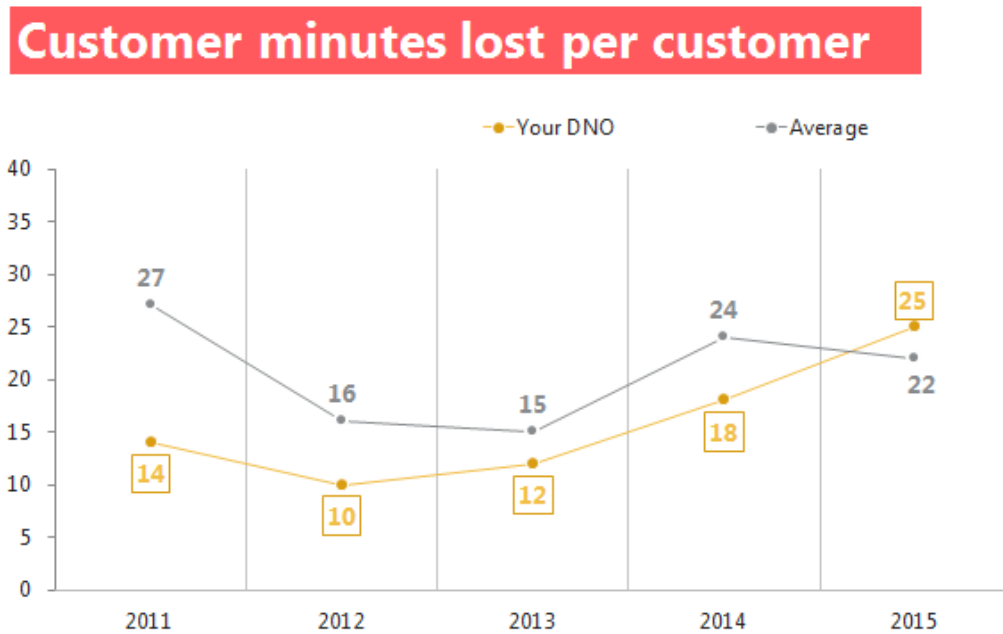
After the workshops, participants were invited to join the Consumer First Panel online community to continue their discussions. Participants without access to the internet were also invited to take part in post-panel discussions. In total, 15 Panellists submitted responses to the post-task. The post-task explored whether Panellists could understand using averages as a more simple form of comparison.

Panellists were asked to describe how well their DNO was performing in the scenario presented at Figure 5.10. All of the 15 Panellists who responded to the post-task were able to tell a comprehensive story of their DNO performance, drawing on both trends and the comparison to an ‘average’. When asked how they thought the ‘average’ was calculated, Panellists assumed that this was calculated by adding all the minutes lost by all DNOs, and dividing by the total number of customers or DNOs.

***“My DNO lost less minutes than comparators in 2011 to 2014. However more minutes were lost (than average) in 2015 so this is not a good performance. The performance of my DNO needs to improve in 2016.”***

While the numbers of Panellists that completed the post-task was relatively small, the broadly positive findings suggest that presenting averages in this way would be worth exploring in greater detail.

Figure 5.10 Example of using average DNO performance in graph format



In a similar exercise, most Panellists were able to draw on both the ranking and 'average' used to present information about the reduction in carbon footprint shown in Figure 5.11.

***“My DNO is performing above average, however there are other DNOs that have cut more emissions by more than double of what my DNO has done.”***

Figure 5.11 Example of using average DNO performance in table format

## DNO Business Carbon Footprint

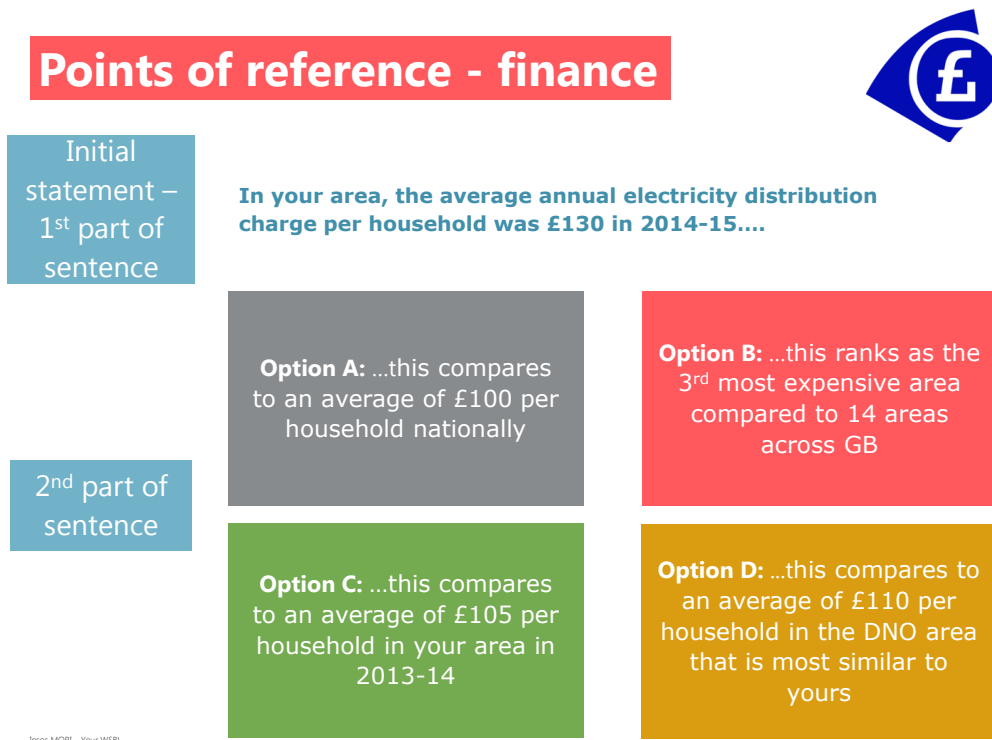
DNO	Total Reduction (2010-2014)	Rank
DNO 12	-33%	1
DNO 8	-32%	2
DNO 5	-26%	3
DNO 3	-21%	4
<b>Your DNO</b>	<b>-15%</b>	<b>5</b>
DNO 2	-14%	6
DNO 6	-9%	7
DNO 10	-8%	8
DNO 11	-4%	9
DNO 1	-4%	10
DNO 13	-2%	11
DNO 14	0%	12
DNO 4	1	13
DNO 7	26%	14
<b>Average</b>	<b>-3%</b>	

***“Performing well compared to the average, and has the 5<sup>th</sup> best reduction, but still a long way off the top spot.”***

Panellists recognised that there would have to be a balance between giving enough trend and/or comparator information that allows a judgement of good or bad performance to be made, and providing too much information which then becomes overwhelming. As part of the post-task, Panellists were asked which type of comparison they would choose from the options presented in Figure 5.12. Panellists preferred C because they felt that comparisons to other DNOs were less important given they cannot choose between DNOs in their local area.

***“I suppose Option A and B are interesting because I can see how I compare to other areas, but I’m hardly going to move to save £30 a year. I think option C is probably the most interesting as it has some foundations in actual reality for me.”***

Figure 5.12 Finance example with different options for making comparisons



As noted above, during the workshops Panellists suggested that they would prefer comparisons to DNOs that had similar characteristics. However, when tested during the post-task, Panellists were less sure how valuable it was to draw a comparison to ‘the DNO area that is most similar to yours’ as presented in Option D in Figure 5.12. This was perceived to be either too vague, or expected to be very specific to their immediate town or city, not broad geographic area.

***“Option D: ‘most similar to yours’ could mean like twenty different things. This is fluffy enough to be taken as misleading no matter what the values are because it doesn’t say what the similarity is.”***

### 5.3 Summary reports

Panellists thought that ways of summarising overall performance could be helpful. In particular, they were shown examples of traffic lights, which categorised DNOs based on their performance against each of the output areas. If presented in a clear, accessible way, Panellists felt these were a good way of summarising DNO performance. They responded particularly positively towards the bar chart version presented in Figure 5.13. This is in part because of the familiarity with similar styled reports for areas such as home efficiency ratings.

***“It’s easy to understand because it’s what’s on the side of washing machines and fridge freezers, when you’re looking to buy any electrical appliance”***

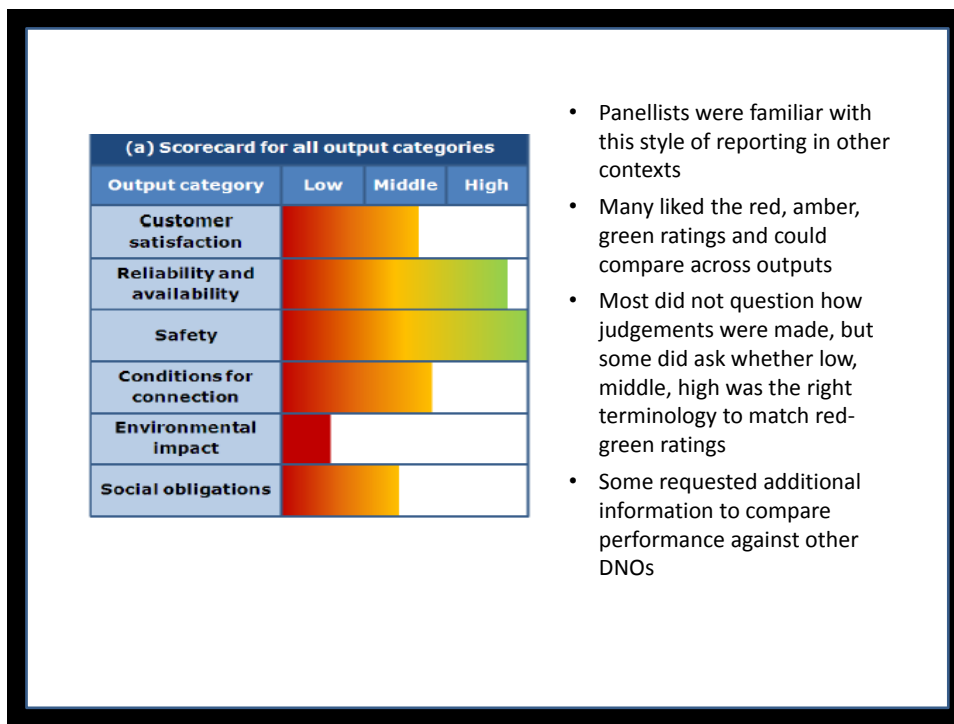


**“Everybody... I think knows these sort of traffic light systems because you see them on the food in the supermarkets.....if you want to see further information on this then you can go to the website and then be able to see much more”**

In general the red, amber, green nature of the bar chart was received well by Panellists. The colours held meaning for them; though some were unsure of the suitability of the terms low, middle, high, all understood that the ends of the scale pointed to good and bad performance. Panellists were also able to easily draw comparisons across different outputs and identify which areas were performing better than other. Panellists did not question how the judgements had been made to generate individual ratings, but instead trusted in this familiar presentation.

**“Well red’s always for danger, isn’t it, and it’s not very good, whereas green always means it’s better, doesn’t it?”**

Figure 5.13 Example of a traffic light summary



In contrast, Panellists were less positive about the summary table presented at Figure 5.14. Panellists found it hard to interpret and said they did not like the symbols. This was particularly true in the case of the exclamation mark. It held little meaning for them and they did not know if this meant good or bad performance. Panellists also questioned how decisions had been made to generate classifications of a ‘tick’, ‘cross’ or exclamation mark’ in the table.

Figure 5.14 Example of a summary table

	Reliability and Availability Targets met?	Customer Satisfaction	Reducing Environmental Impact
DNO 1	✓	Reward	✓
DNO 2	!	No Reward	!
DNO 3	✓	Reward	✓
DNO 4	✓	Reward	✗
DNO 5	✓	Penalty	✗
DNO 6	✓	Reward	✓

- Panellists were confused by unfamiliar terminology such as rewards and penalties, or ticks and crosses and exclamation marks
- There was less recognition of the use of colours than in the traffic light example
- Panellists expected columns to relate to each other and found it confusing that DNO 5 had both penalties and ticks

## 6 Customer versus citizen needs when reporting on DNO performance

Panellists were asked to consider what information they think should be published overall, in what format, and where, and what action they might take on seeing information about DNO performance. This was generally approached from two perspectives, either as a consumer or as a citizen. Taking a consumer perspective, Panellists thought primarily about their personal needs and interests. As citizens, they discussed what might be good for society when it comes improving DNO performance. As such, Panellists made a distinction between what information they think should be presented for electricity consumers directly, and what other information should be published to hold DNOs to account.

### 6.1 A consumer perspective

As consumers, Panellists thought it was important that they have access to simple and easily digestible information on the outputs that are relevant and have a direct impact on them – for example finance, customer satisfaction, and reliability and availability. Despite recognising that there was nothing they could do to switch DNOs, they thought that providing information to consumers could improve transparency, and may help encourage better DNO performance in some cases.

Panellists wanted the information on DNOs to be accessible to them but acknowledged that they were very unlikely to actively search this out. They said they would be more likely to read it if it were tied to other forms of information that they received. Even though Panellists described wanting detailed data to be made available, they felt it was important that what was given to consumers should be simple enough so that they could easily identify good and bad performance.

***“I would (read it) if it came with my bill, but if it came as a document on its own people wouldn’t look at it”***

When we asked Panellists how they would use information about DNO performance there was a mixed reaction. Some were interested in having the information because it would satisfy their curiosity on how the DNOs were performing against price control. Others said that it could encourage them to take action and potentially lobby politicians, consumer groups and regulators for change. However, most felt that information would be of limited relevance to them personally because they were unable to change DNO without moving location.

***“It is good to know how they are doing but you are also stuck in the situation that you can’t do anything about it”***

### 6.2 A citizen perspective

As citizens, Panellists felt it was important that detailed information about DNO performance was published somewhere, and suggested that this could be made available online. They felt that this kind of transparency would hold DNOs accountable for their performance and encourage improvements. They also thought that it was important that detailed data was available for those who want to scrutinise DNO

performance in more detail, to point out differences between DNOs, problems with specific areas of performance, or declining performance over time. As such, the DNOs would not be able to ‘get away with anything’, and those with more expertise in how the network works and the role of DNOs could monitor what they do closely, putting pressure on companies directly, and through the government. This might include academics, politicians, consumer groups and organisations like Ofgem with a responsibility for overseeing the energy market.

***“I think everybody should have access if they want to, that in itself helps to make people stay within the guidelines, because people will stay in them if they know that they are being watched.”***

### 6.3 Summary of good practice principles

Overall, the presentation and publication of DNO performance data should seek to follow a number of good practice principles that emerged from discussions with Panellists. These are in direct response to the criteria for evaluation presented in section 5.1.1.

- **Can the reader navigate the information?** Avoid use of unfamiliar terminology and symbols. Avoid use of tables which include columns of different independent variables, or charts which show data for multiple measures. Avoid the use of large figures, or where differences in figures are too difficult to assess.
- **Is it easy to work out what the story is?** Include contextual information to help readers’ judge performance compared to previous years or compared to other DNOs, but help readers identify which differences are significant.
- **Are there ways to contextualise the data?** There is a preference for comparisons to previous years over other DNOs; however use of ‘averages’ may help simplify comparison to other DNOs where it is not possible to identify relevant ‘nearest neighbours’ for comparison. There is less appetite for comparison to either the 14 DNO areas or 6 DNO companies just for the point of comparison.
- **Can the reader work out if the data points to good or bad performance?** Avoid use of composite scores, unless presented in familiar summary reports through red-amber-green reporting. Where possible, especially in reporting for customers, accompany data with short written narratives that help tell the story of the data presented in a graph, table or visual.

Daniel Cameron  
Research Director  
Ipsos Social Research Institute  
daniel.cameron@ipsos.com

Steven Ginnis  
Associate Director  
Ipsos Social Research Institute  
steven.ginnis@ipsos.com

Fiona Vallance  
Senior Research Executive  
Ipsos Social Research Institute  
fiona.vallance@ipsos.com

## For more information

Ipsos MORI  
3 Thomas More Square  
London E1W 1YW

t: +44 (0)20 7347 3000  
f: +44 (0)20 7347 3800

**[www.ipsos-mori.com](http://www.ipsos-mori.com)**  
**[www.twitter.com/IpsosMORI](https://www.twitter.com/IpsosMORI)**

### **About Ipsos MORI's Social Research Institute**

The Social Research Institute works closely with national governments, local public services and the not-for-profit sector. Its c.200 research staff focus on public service and policy issues. Each has expertise in a particular part of the public sector, ensuring we have a detailed understanding of specific sectors and policy challenges. This, combined with our methodological and communications expertise, helps ensure that our research makes a difference for decision makers and communities.