

# Gas Transmission

## Stakeholder Engagement Incentive Scheme Submission

Parts 1 and 2

# 1

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# part 1

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# Welcome to our stakeholder engagement incentive submission 2016/17



The energy industry is undergoing massive transformation. It faces greater change and uncertainty than ever before – changes resulting from the decarbonisation of our energy, technology advancements and an

increasingly diverse range of customers and stakeholders who have ever increasing expectations.

Given the scale and pace of change, we have been working closely with our stakeholders. By listening to them, understanding their needs, acting on their feedback, and finding innovative solutions, we are making sure we provide a resilient, flexible, cost-effective energy system that's fit for purpose – today and for the future.

Within National Grid, we have made significant changes across our entire business to put our customers and stakeholders at the very heart of what we do, to make them a greater part of our decision-making processes. This has been endorsed and driven by our senior leadership team from our CEO downwards.

Within National Grid Gas Transmission we have taken insights from across our customer and stakeholder base and created a business strategy to take us through to 2030 (more on page 17). This sets the direction and ambition for our company. Customer and stakeholder views are at the forefront of this.

**Our submission** To demonstrate the link between stakeholder feedback and our strategy, we've structured part 2 of our submission around our business priorities. These have been developed with our stakeholders and provide a strategic focus for our engagement, making sure our engagement centres on what's important to them.

Feedback from last year's submission has helped us develop our approach to engagement:

You said	We did
You need more clarity around your engagement approach i.e. what outcomes are you looking for, why a particular activity is chosen and what resources are needed	We introduced an engagement cost benefit analysis framework. This supports our teams to identify the required outcomes which helps inform the engagement approach and therefore the resources needed. You can read more about this on page 3.
You need to demonstrate how you value stakeholder feedback	Stakeholder insight has shaped our Business Strategy (more on page 17). We have a refreshed governance framework that incorporates stakeholder feedback at all levels.
Provide greater clarity and support on roles and responsibilities for stakeholder engagement	We've established a single owner to manage the entire customer journey for each of our key customer processes. Within major projects, we've created a project sponsor role with specific stakeholder management responsibilities supported by targeted training. In addition we've created tools and techniques to support our teams on a daily basis to deliver value adding engagement.

Embedding stakeholder views throughout our business is critical for us to deliver a safe, flexible and reliable network. I'm committed to enabling my teams to collaborate with our stakeholders and create effective outcomes for everyone.

I'm proud of what we've achieved over the last 12 months. I hope you find our submission informative and I look forward to hearing your feedback.

**Pauline Walsh**  
Director of Gas Transmission and  
National Grid Gas Board Member

## Outcomes from strategy and progress since last year



# We've refreshed and embedded our engagement strategy

Last year we aligned our engagement strategy with AA1000SES. This had a significant impact, and as you will see our business and engagement strategies are now more aligned than ever.

**“Strong integration of stakeholder engagement into the organisation's governance, strategy and operational management”**  
– AccountAbility 2017 healthcheck report

As a result, we have continued to base our engagement strategy on this standard as the framework gives us the tools and techniques to incorporate stakeholder views both at a strategic and an operational level.

Our refreshed engagement strategy has been shortened to make it clearer and easier for our employees to apply, but is still focused on the stages below, with the aim of:

- creating a consistent approach to engagement across Transmission (both Electricity and Gas);
- focusing on the outcomes of our engagement ensuring that we are delivering what our stakeholders (and we) need from it;
- ensuring that the benefits of our engagement are clear and measurable;
- clearly communicating how we have made decisions; and
- continually improve how we engage.

The organisation that developed AA1000SES, AccountAbility, audited us in early 2016. Its evaluation concluded we were 'advanced' on their maturity index with a score of 61%. They told us that we were strong in a number of areas, but we needed to be more consistent. So, this year we have developed and rolled out toolkits and adopted best practices further within our business.

Following this year's audit, AccountAbility rated us at 69%, a fantastic result that demonstrates how hard we've worked on implementing their feedback.

We compare well against our peers. We're in the top 15% of all companies audited by AccountAbility and achieved the second highest rating in the energy industry.



**achieved the second highest rating in the energy industry**

Even though we're performing well against our peers, we're passionate about continually exceeding the expectations of our customers and stakeholders so have developed a plan to further improve our performance based on this years feedback.

## Our Stakeholder Engagement Framework

We've developed tools and techniques to support our employees throughout the engagement lifecycle. The rest of this document will take you through how we've embedded this framework within National Grid Gas Transmission at a strategic and operational level.

Stage aim:

**Translate new learning, insights and agreements into action**

Tools:

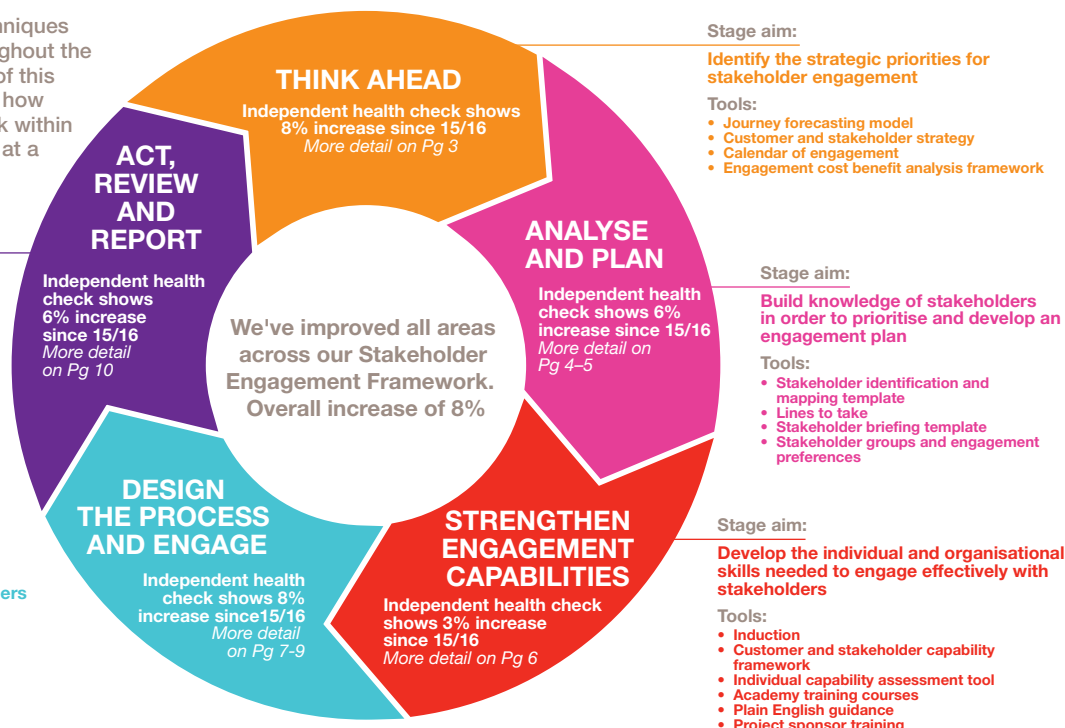
- Engagement cost benefit analysis framework
- Action planning template
- Lessons learned log

Stage aim:

**Plan and effectively carry out engagement activities with stakeholders**

Tools:

- Engagement planning
- Engagement risks
- RACI
- Calendar of engagement





# Think ahead – Identify the strategic priorities for stakeholder engagement

All engagement we undertake supports one of the strategic business priorities agreed with our stakeholders.

## Strategic engagement

In 2016, we set out our business priorities based on customer and stakeholder insight. These were then reviewed with our stakeholders to ensure they met their needs.

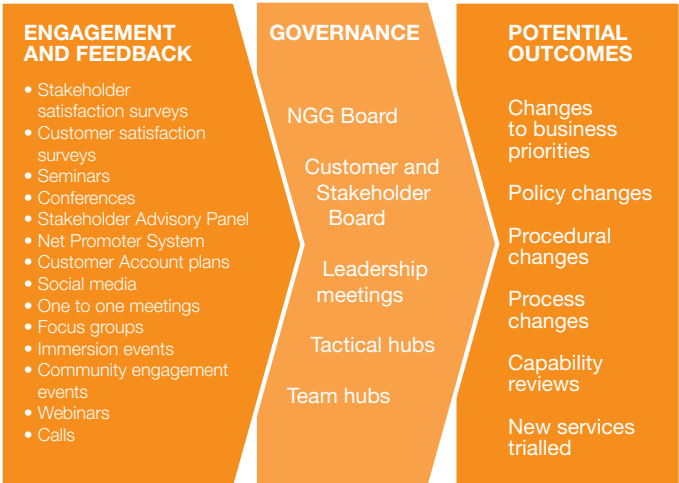
Through a number of methods, designed to give as broad a reach as possible, we asked our customers and stakeholders to rate these priorities in terms of importance to their business or organisation. The responses received gave us a valuable understanding of their specific needs, and we amended or enhanced our strategic objectives accordingly.

Our stakeholders set out the following priorities for our business:

Priority		Average score out of 10
1st	Safety	9
	Keeping the gas flowing	9
2nd	Affordability	8
	Facilitate and lead the debate	8
	Stewardship – our role in the community	8
	Customer service	8
3rd	Innovation	7

**Long term ambition** Our 30-year business strategy is based on the feedback and insight we gained through our strategic engagement activities such as seminars, customer meetings and immersion events. You can read more about our approach on page 17.

### How we turn insight into action



## Operational engagement

For each of our priorities, we spend time assessing what success looks like. For example, to reduce the risk of pipeline strikes on the network, we'd identify the key stakeholders that could impact and influence this outcome. In this instance it might be the National Farmers Union. We'd then develop a tailored, targeted engagement plan, linked in with their priorities to deliver the outcome.

To help our teams do this effectively and consistently, we've developed a framework that assesses what type of engagement activity will work best for a particular stakeholder, depending on the desired outcome. We call this the engagement cost benefit analysis framework.

### Engagement cost benefit analysis framework

The framework helps us understand the benefit or value from an engagement activity. We can assess this against stakeholder preferences, the cost of an activity and the likelihood of a successful outcome, resulting in a better informed, targeted engagement plan.

The framework has been designed to cover a number of areas within the engagement process to support our teams to deliver outcomes focused engagement. We have provided reference to this throughout this submission.

### Supporting tools

Tool	Purpose
Journey forecasting model	Enables the leadership team to look ahead and mitigate any impact our business plans might have on our stakeholders.
Customer and stakeholder engagement strategy	Based on AA1000SES it provides the framework for how we engage with our customers and stakeholders.
Calendar of engagement	Used across a number of stages, this allows us to take account of existing engagement activities, saving time and resource for us and our stakeholders.
Engagement cost benefit analysis framework (CBA)	Used across a number of stages, this framework helps us understand our desired outcomes of an engagement activity before we begin.

# Analyse and plan – Build up our knowledge of stakeholders so we can prioritise and develop a targeted and tailored engagement plan

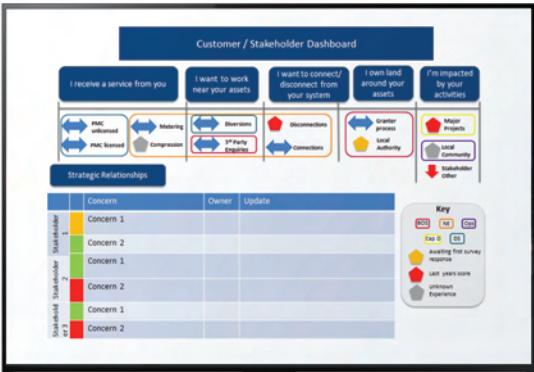
We spend time understanding our stakeholders’ concerns, needs and wants as well as how they like to be engaged. This establishes the foundations to create effective, tailored, targeted engagement plans.

## Strategic engagement

National Grid Gas Transmission has many stakeholders who affect and are affected by our business. We’ve turned the knowledge we’ve gained through our various interactions into a comprehensive overview of our stakeholders’ needs and interests. Sharing and developing this across our business gives us in-depth insight, providing a joined up approach and ensures we involve the right stakeholders in the activities that interest them.

We regularly review our stakeholders’ priorities, risks and concerns at our monthly leadership meetings through our refreshed governance process. This makes sure we continually review our business outcomes against our stakeholders needs.

Quarterly ‘deep-dive’ sessions are carried out at our Executive Committee meetings, looking at specific interactions within our processes, as well as strategic themes (see dashboard below). Our performance excellence hubs provide an escalation route for issues (a version of ‘Lean’ working we’ve rolled out across National Grid).



**A single point of contact** For stakeholders who interact with us a lot or need additional support, we appoint dedicated contacts to further develop and manage the relationship we’ve forged with them. These employees help make sure we maintain a positive and enduring relationship, that our messaging is consistent, and that we share key topics with other teams across our Company.

**Site stakeholder management** We’re developing stakeholder management capabilities at our operational sites, helping our engineers build stronger relationships with the communities that are close to or affected by work we do on our assets. We monitor local stakeholders’ issues and concerns and make sure we communicate with them regularly. You can read more on this on page 19. Our governance process helps us escalate any issues to our senior leadership team.

## Operational engagement

Our stakeholder mapping approach extends to all our engagement projects. We know, from the previous stage, what outcomes we are hoping to achieve from the project and which stakeholders will affect or be affected by it. We then set out to understand each stakeholder’s particular needs, so we can tailor our activities appropriately.

Our toolkits help provide guidance and consistency when we’re doing this.

### Supporting tools

Tool	Purpose
Stakeholder identification and mapping	Building on the engagement CBA framework, this allows us to further understand our stakeholders’ concerns and position relating to a particular topic. It also helps us prioritise the many stakeholders we interact with.
Lines to take	The energy industry is facing many complex issues and stakeholders often come to us for guidance. To support our employees, we’ve created a ‘lines to take’ library. This makes sure we give a consistent message no matter who stakeholders talk to within our organisation, removing confusion.
Stakeholder briefing template	When meeting stakeholders, we create a brief to allow our teams to understand all the issues the stakeholder is dealing with and wants to know more about. This ensures we’re able to answer as many questions as possible, reducing time and frustration. Outcomes are then fed back to our teams via the engagement calendar process.
Stakeholder groups and engagement preferences	To support initial engagement planning, we’ve created a list of stakeholder groups and how they generally like to be engaged with. This is then built on as we develop targeted and tailored plans.

“Translating stakeholder feedback into action has been a priority for us. The refreshed governance framework gives me the assurance that our stakeholders’ priorities and issues are being delivered by our business outcomes.” **Pauline Walsh**  
Director of Gas Transmission and National Grid Gas Board Member

“ They focus on our relationship, making sure they make time for it and making it part of the agenda in meetings that we attend” **xoserve**



We use a standard list of stakeholder groups and preferences to support our team's engagement planning.

Stakeholder group	Stakeholders we have engaged with	Engagement approach
Political – UK	10 Downing Street, all party parliamentary groups/Select committees, BEIS, HMT, special advisors, UK Parliament – Commons, UK Parliament – Lords, UK Parliament – Specific MPs, Scottish Parliament, Welsh Government, Mayors, local councils	1–1 meetings, Stakeholder managers
UK Government advisory bodies	Committee on Climate change, National Infrastructure Commission	Attendance at events, input to consultations
Think tanks and innovators	Policy Exchange, Bright Blue, Dieter Helm, Centre for Policy Studies, Infrastructure Forum, Universities, UKERC Energy Data Centre, KPMG, McKinsey	Partnership on key topics
European bodies	European Commission / Parliament, ENTSO-G (European Network of Transmission System Operators), CEER (Council of European Energy Regulators), ADER (Agency for the Cooperation of Energy Regulators)	Attendance and present at events, input to consultations
Regulatory	Ofgem, CMA (Competition and Markets Authority), other economic regulators, Environment Agencies, HSE	Topic-specific meetings, stakeholder managers, input to consultations
Industry bodies	Gas Infrastructure Europe, ENA, Energy UK, Renewables UK, IET, IMechE, IGEM, CBI, FSB (Federation of Small Businesses), offshore gas companies, operating margin providers, european networks, european TSO associations	Attendance and present at events, topic-specific meetings
Infrastructure	Highways Agency, HS2, Network Rail, utilities	Topic-specific meetings
Customers	Shippers, gas connection customers, gas distribution networks, directly connected demand, gas interconnectors, terminal operators, energy suppliers	Seminars, surveys, immersion events, operational forums, meetings
Supply chain	Suppliers, partners, contractors	Work closely, Supply chain forums, tender events
Stakeholder groups	Stakeholder Advisory Panel	Quarterly meetings and adhoc communications
Media	Consumer, trade, financial	Work closely
Interest groups	Green Alliance, Friends of the Earth, National Trust, English Heritage, John Muir Trust, CPRE, Sustainability First, Stonewall, Greenpeace, WWF	Tailored engagement approach
Consumer groups	Which? Citizens Advice, Age UK, MEUC (Major Energy Users Councils), EIUG (Energy Intensive Users Group)	Topic specific meetings
UK public	Project communities, other local communities, landowners	Topic specific tailored engagement approach
National Grid employees	National Grid Board, UK employees, global employees, system operator	Work closely
Trade unions	Unite, Unison, GMB, Prospect	Work closely

Building trust and reassurance we're proud to have achieved the following accreditations:





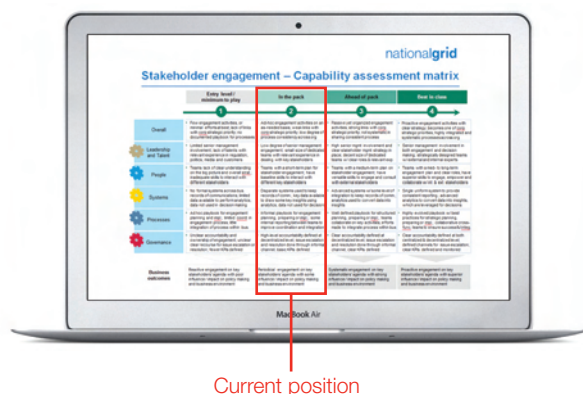
# Strengthen engagement capabilities – To develop the individual and corporate skills needed to engage effectively

To deliver effective engagement we are building the skills and capabilities needed both individually and as an organisation.



## Strategic engagement

We are traditionally an asset management business. We recognise that to make sure we are a truly customer and stakeholder-focused business, we need to equip our employees with the right skills and capabilities. To help us assess our current capability as well as identify our aspiration in this area, we've developed a stakeholder capability framework. This framework gives us the ability to assess, either by team or business unit, areas to focus on.



We've assessed ourselves as a business to be 'in the pack' against our capability framework. A good result, however, we're developing plans to further improve on this.

In addition to this tool, we've refreshed the individual stakeholder capability assessments for each role. This provides each member of National Grid Gas Transmission with specific areas to focus on in their development plans. Once areas are identified, employees have a variety of ways to build their capabilities, including webinars, mentoring, guidance documents, and residential courses.

These additional resources have proved very popular, receiving excellent feedback from participants stating they feel better equipped to engage effectively with their stakeholders.

We set ourselves specific and stretching objectives relating to our customer and stakeholder engagement performance. This starts with our leadership team's objectives, and is cascaded down to all employees. An example objective Pauline Walsh (NGG director) has is:

*'To take effective ownership of 6 strategic stakeholder relationships and to hold one CEO level meeting per month to understand their business strategies and how National Grid Gas Transmission can help support'*

## Operational engagement

Through our engagement CBA framework, we gain a clear understanding of the resources and skills we need to carry out specific engagement activities. This means we can make sure each engagement activity has the right level of support, which in turn means we are able to have valuable conversations and a productive level of engagement with our stakeholders. An example of this is on the River Humber project. You can read more about this on page 14.

**“** They have communicated well throughout the process and we have had regular meetings with the right people to take things forward.” **Ian Taylor, Norfolk Council**

Tool	Purpose
Induction	Sets out National Grid's ambition and expectations as soon as new starters join the company, as well as introducing tools and techniques to support them achieve this.
Customer and stakeholder capability framework	Allows a business, department or team to identify current and aspirational capability. We are then able to identify tangible actions to achieve the desired state.
Individual capability assessment	Supporting the existing performance and development framework, this allows individuals and line managers to identify current and aspirational stakeholder capabilities required for their role. This forms the basis of development discussions.
Academy training courses	We've extended the breadth and depth of our training so it's accessible to our entire workforce. Including webinars, guidance documents, residential courses and workshops.
Plain English guidance	Helps employees develop material that's accessible to all stakeholders using a consistent, clear language.
Project sponsor training	Provides guidance and support around roles and responsibilities for stakeholder management on major projects.

# Design the process and engage – To plan and effectively carry out targeted and tailored engagement activities with stakeholders

**Building on the information gained so far to create tailored, targeted plans, before carrying out our engagement activities with our stakeholders.**

We have a broad spectrum of stakeholders who have a variety of engagement preferences. We therefore carefully consider the appropriate method, media or technology through which we engage.

We don't assume how each individual stakeholder or group wants to be engaged; we ask them. Before starting a planned engagement activity we make contact to discuss their preferred approach or method.

For example, we gained valuable feedback as part of our satisfaction survey relating to our 'Dial Before You Dig' service. We were keen to

understand more and make sure stakeholders' views were incorporated into an innovation project we're developing to support this service. We contacted them to understand what would work best for them and agreed an approach. Read more about our artificial intelligence tool on page 20.

We use a number of tools and techniques, all designed to maximise the outcome of any engagement activity and to ensure consistency in approach, so our stakeholders know what to expect when they deal with us.

Here are some examples of the different styles of engagement we're using and the outcomes they're designed to achieve:

## Strategic engagement

**Immersion events:** These are designed to give us an opportunity to understand our stakeholders experiences when dealing with us. It enables us to see our business through their eyes. By truly listening to what our stakeholders say we are able to feel their frustrations and therefore get a personal understanding of the issues that are important to them. Read more on this on page 18.

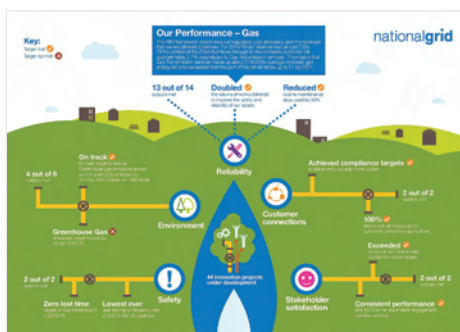
**Top-down Net Promoter System:** This executive driven top down approach gets feedback right to the heart of our business. Nicola Shaw, our UK Executive Director, starts the process by inviting customers and stakeholders to take part in a survey. The survey is short and asks two questions:

*'On a scale of 1–10, how likely are you to recommend National Grid to a friend or colleague?'*

This is followed up with:

*'Please explain why you gave us this score'*

Each response is followed up with a face-to-face meeting with Pauline Walsh to discuss their feedback. The outcomes of these meetings are cascaded throughout the relevant areas of the business through our governance framework to be acted upon.



## Operational engagement

**Conferences and forums:** These provide an opportunity to share information on our projects and collect specialist feedback. We target conferences that attract experts in relevant fields to gather a diverse mix of qualitative feedback and share progress and outcomes to date.

We facilitate these types of events to bring stakeholders together and provide an opportunity for all, to engage, listen and share their concerns not only at an industry level but also at a personal level on the service they receive from us. This includes our customer and stakeholder seminars.

**Social media:** More of our stakeholders are looking to social media to get their news. We're responding by tweeting our company performance, as well as updates on projects as they develop.

**Focus groups:** When we are looking to further understand stakeholders' views on a specific topic, we host targeted focus groups. These are designed to allow stakeholders to give their views in a structured yet inclusive way. To reduce the impact on our stakeholders we hold these across the country to minimise travel and inconvenience. We get rich qualitative feedback from these. We also develop trusted, strengthened relationships as a result.

**Surveys:** In addition to our satisfaction surveys, we use surveys to gain an initial understanding of stakeholders' views on a topic. We use a mix of quantitative and qualitative questions as these generate broad insight and can be used to explore how stakeholders would like to be engaged going forward.

**Coordinated engagement:** When designing our engagement, we proactively coordinate and collaborate across our business to make sure we don't overwhelm our stakeholders with numerous requests. We achieve this through our engagement calendar process.

## Design the process and engage – To plan and effectively carry out engagement activities with stakeholders (continued)

**Targeted and tailored engagement:** Using the right engagement approach for the desired outcome and stakeholder group, gives us rich, detailed feedback we can act upon. By targeting different stakeholders within an organisation we get different perspectives, giving us a more rounded view on where and what we need to improve on.

Tool	Purpose
Engagement planning	An overarching tool that helps teams plan an effective engagement approach against desired outcomes.
Engagement risks	Guides teams to identify, quantify and mitigate any risks associated with engagement activities.
RACI (responsible, accountable, consulted and informed)	This lays out the roles and responsibilities throughout an engagement activity.
Calendar of engagement	Used across a number of stages, this allows us to take account of existing engagement activities, saving time and resource for us and our stakeholders.

**Stakeholder Advisory Panel:** Our stakeholder panel, made up of senior representatives from a broad range of stakeholders, provides us honest feedback on our approach, challenging us to continually improve how we deliver for our stakeholders.

**Outcomes:** Their views have shaped our approach on a variety of topics including our strategic priorities, the Future of Gas programme and the Customer and Stakeholder Transformation programme.



### Examples of our engagement against our priorities over the last 12 months

Activity	Engagement	Outcomes
<b>Safety</b>		
Working with landowners to improve safety	Annual letter, calendar of NG related activities, Gridline magazine, stand at country shows, direct emails, targeted surveys, focus groups, 1-1 vcons	£63k saving from annual letter process, 68% reduction in pipeline strike near misses, stakeholder personas created, cross Gas/Electricity working group created, 13 improvement actions identified and taken forward across 6 themes including potential single point of contact for landowners for all utilities
Innovative pipeline protection – Saving time, money and carbon	Meetings, site visits, calls and emails	£471k saving for end consumers, 94% cost saving per slab, installation time reduced by 90%, reduced likelihood of pipeline damage, net promoter score of 8, no crop damage, 44% less CO <sub>2</sub> e per slab
Emergency preparedness	'Real-life' scenario exercise. Engagement with stakeholders via quarterly forums, calls and meetings. Public Information Zone communications used during exercise.	Exceeded all stakeholders' needs, 34 improvement areas identified, trusted relationship with HSE and SEPA, exercise filmed and shared with regulators and industry for future learning
Linewatch	Conference, workshops and site visits	Shared good practice on landowner engagement, proactive and reactive safety discussions with stakeholders, increased visibility of safety practices around the pipeline
Local authority visits	Site visits and presentations	Increased understanding of safety implications of working near our pipelines, commitment to work with us, support builders and developers deliver safe projects, satisfaction score of 8
Asset protection enquiries	Survey, email, phone and site visits	Safe execution of works, 1767 enquiries, average response time D+7 achieved against an SLA of D+21
<b>Keeping the gas flowing</b>		
Humber crossing – Leaving a positive legacy	School visits, town hall events, on the ground community liaison officer, drop cards, newsletter to 1372 addresses, dedicated phone number, email address and website	Dedicated local community liaison officer, more than 20 actions implemented from stakeholder feedback, drones captured aerial imagery of local area, 271 attended 'science made easy' session and 71 attended the public interest event, 119 calls to the dedicated phone line
Project CLoCC (Customer Low Cost Connections)	83 subscribers and 407 hits to the dedicated Project CLoCC website, attended over 18 different external events, over 6 publications including Pipeline & Gas journal, United Kingdom Onshore Oil and Gas, 1-1s	31 stakeholder requirements incorporated, 15 stakeholder concerns been addressed, 100% stakeholders classed the online portal as good or excellent, agenda shaped by stakeholders
Improving our engagement for compressor upgrades	Engagement via 3-D visualisation, meetings, emails and calls	Trusted relationship with local community, redesigned compressor stacks to improve visual amenity, noise modelling undertaken, gained early planning approval, lessons learned fed in to future engagement
Norwich northern distributor road diversion	Meetings, site visits, calls and emails	Diversion completed safely, ahead of schedule and significantly under budget as a result of close liaison with Norfolk County Council, collaborative working driving efficiencies, no disruption to supply, customer satisfaction score of 9



Activity	Engagement	Outcomes
<b>Affordability</b>		
Leaving a positive legacy in the Cotswold Area of Outstanding Natural Beauty (AONB)	Meeting, emails and calls	£63k saving passed through to end consumers, 1.7km of dry stone walls built, mitigation and reinstatement plans created with stakeholders, aftercare schemes signed off 4 years early
Joining up on diversions	Local authority meetings, phone call, emails and 1-1's	Delivered both projects to time and cost, £1.36m savings (£1.2m direct to the developers, £158k saving for the end consumer), 3.8mt of CO <sub>2</sub> e saved, customer satisfaction score of 9
Helping local small and medium enterprises become part of our supply chain	Supplier forums, phone calls, trial of software and best practice meetings	Created and agreed a definition for local SME's, developed metrics to track and monitor performance, identified around £1.5m is spent on 950 local SMEs – creating value for the local community, smaller contracts – achieved a £67k saving
<b>Facilitate and lead the debate</b>		
Stakeholders views are shaping our future	LinkedIn, Connecting, Nationalgrid.com, Twitter, Facebook, microsites, seminars, workshops, round table discussion events, 1-1's, focus groups, publications, online consultation, thought pieces	Tailored and targeted engagement designed to gain maximum feedback and gather the views of over 40 stakeholder organisations, four topics were identified for future engagement: gas and electricity interaction, heat, supply and industrial demand; six key enablers were agreed: national policy, innovation & technology, optionality for the future, consumer experience, integration of energy systems and markets, affordability & economics. Previously identified best practice used to facilitate workshops running through creative problem solving approach, 15 thought leadership articles published by 11 industry leaders, stakeholder insight has led the development of nine areas of Gas Transmission's 2030 business strategy
In the pipeline: Quality of gas review	Industry working groups, bilateral meetings, conferences, online discussions and a comprehensive report on the financial and operational impacts of gas quality changes	Collaborative partnership established, report on financial and operational impacts on the Gas Transmission system complete, stakeholders' engagement preferences understood
Future Energy Scenarios (gas and electricity)	Conferences, workshops, webinars, thought pieces, documents, inc FES in 5, Twitter, LinkedIn, email, dedicated website	391 organisations engaged, over 20 recommendations considered or actioned, including: more accessible engagement for smaller business and individuals, identifying gaps in engagement and explaining any changes in publications
Customer seminar	Conference, webinars, bilateral meetings, workshops, climate change workshops	Customers views on key topics gathered, clarity of customers priority areas, feedback gathered for lessons learned and shared internally
<b>Customer service</b>		
Becoming agile to meet our stakeholders' needs	Facilitated workshop, best practice visit with aviation industry, newsletter updates, FAQs	Adaptable processes enabling flexibility to meet stakeholders' needs, user personas developed, 31 actions identified across 4 areas with 15 actions implemented to date, 15% more standards reviewed and published, standards are accessed via an interactive graphic, implemented best practice from aviation industry
Understanding our customers and stakeholders through Customer Immersion events	Immersion events, emails and calls, internal communication – newsletters, infonet, email	Adopted best practice from Eon, two events held to date at executive and operational levels. This innovative technique creates drive and ownership for the issues borne out of the sessions supporting our culture change programme, 19 actions identified and owned across the business, closer relationships with our customers and stakeholders who have agreed to come with us on our continual improvement journey
Maintenance outage planning	Emails and phone calls	£3.6m saving for customers, five times more outages aligned with our customers since 2016, internal processes aligned to deliver customers' needs, reduced venting as more outages are aligned
In the pipeline: Taking our customers on a journey	Satisfaction and feedback surveys, workshops, emails and phone calls	Developed a complete end-to-end customer journey map from connection to disconnection including mothballing. New ideas to be tested with customers, stakeholder engagement preferences understood
In the pipeline: Top Down Net Promoter System	Email, Survey, follow-up meeting	Surveys issued to customers and stakeholders, face to face meeting with Pauline Walsh and our customers. Actions are then progressed based on feedback.
<b>Stewardship – our place in the community</b>		
Stakeholder management in the local community	Meetings, on-site feedback, phone calls and emails	Successful structured approach rolled out to the West Area via Performance Excellence hubs, site engineers have developed close relationships with neighbours and have documented any concerns they raise, insight gained has informed our future maintenance plans, zero complaints have been received in the trial area, rolling approach out to the rest of the country
Active in our communities... Donations to local communities	Meetings, on-site engagement and feedback, email and calls	Turned 2687 end of life IT items into 35 iPad, 105 laptops, 5 netbooks and 12 PCs for 13 charities and 5 schools, defibrillators and training for Humber crossing project, 10 scout tents, grant for Humberside Police lifestyle initiative, kiosks, site offices and gates donated
Active in our communities... Skills and education	Workshops, website, residential work experience events, hands on activities, calls, meeting, webinars, YouTube and emails	<b>Schools:</b> 6596 interactions with young people on STEM subjects, 86 schools registered for Careers Lab, 30 new companies started working with Careers Lab in the last 12 months and 62 unique businesses on the regular monthly email list, 160 attended work experience week, 81% students reported that the course has persuaded them to follow a career in this field of engineering, engaged with over 80,000 children at Big Bang show. <b>Teachfirst:</b> 74 employees coaching 1,116 teachers through TeachFirst scheme, raising school and pupil performance, strengthening the teaching of STEM subjects and developing leaders across education and society
Active in our communities... Alzheimer's Society – charity of choice	Internal communications: posters, infonet, presentations. Fundraising activities: bike ride, wolf run, community days etc.	2 year partnership with Alzheimer's Society. Training 25 people to facilitate Dementia awareness training, 8 people trained so far, 1000 people to have Dementia awareness training, 120 people trained so far, £30k raised
<b>Innovation</b>		
Artificial Intelligence saving time and money for landowners	Focus group, 1-1, online discussions, satisfaction surveys, calls	Successful proof of concept, initial estimates indicate 100 enquiries a month can be dealt with instantaneously saving stakeholders 3-7 days per enquiry, stakeholder feedback led directly into tools requirements, save up to £200k when rolled out, stakeholders keen to work with us on developing the tool
Enabling compliance through innovation	Best Available Techniques decision support tool, meetings, emails, phone calls, site visits	All stakeholders concerns were understood and addressed, mitigation plans were co-created, £5.3m saving, compliant with legislation 3 years early, innovative technology approved by the Environment Agency, trusted relationship with local authority and local community
Sharing our innovation successes	Innovation benefits report, conferences, YouTube videos explaining projects, publications, social media, dedicated websites, email	Implemented best practice in value tracking from PWC, delivered a benefits ratio of 4:1, £6.4m in realised benefits to date, 43% response rate to survey, over 60 innovation partners are small to medium enterprises, identified over 25.7k tCO <sub>2</sub> e from innovation projects
GTBI best practice sharing	Surveys, emails and calls	5 areas identified to take forward
LCNI conference	Participation in presentations, interactive stand showcasing innovation projects inc Project GRAID & Project CLoCC, website	Total of 365 stakeholders attended workshops and presentations

# Act, review and report – To translate new learning, insights and agreements into action

We’ve asked for feedback to improve the service we provide. To really make a difference for our stakeholders, our employees and for end consumers we turn this insight into action.

We review how effective an engagement approach was and feed this back into the think ahead stage of our framework. Engagement is a continual loop of learning and improvement.

“ Embedding this framework into our ways of working has helped us adopt an outcomes focused approach, creating real value for stakeholders” **Mark Lissimore**

## Turning insight into action

As you’ve read, stakeholders give us feedback in many ways depending on their preferences. To make sure we capture and action this feedback we’ve refreshed our governance framework to enable employees to improve our stakeholders’ experience and escalate issues as necessary. Supported by Performance Excellence, we develop action plans, then track progress against these at weekly team hubs.

Where feedback is given at a strategic level, we disseminate any outcomes via the calendar process and develop action plans at our monthly leadership meetings.

All actions have owners assigned and completion dates to deliver the improvements our stakeholders want.

**Capturing and sharing lessons learned:** By using our engagement cost benefit analysis framework we’ve made significant progress in capturing the learning from each engagement activity. For example during our compressor upgrade projects we captured the learning from our experience on the Peterborough project and fed it directly into the Hatton project. Read more about this on page 15.

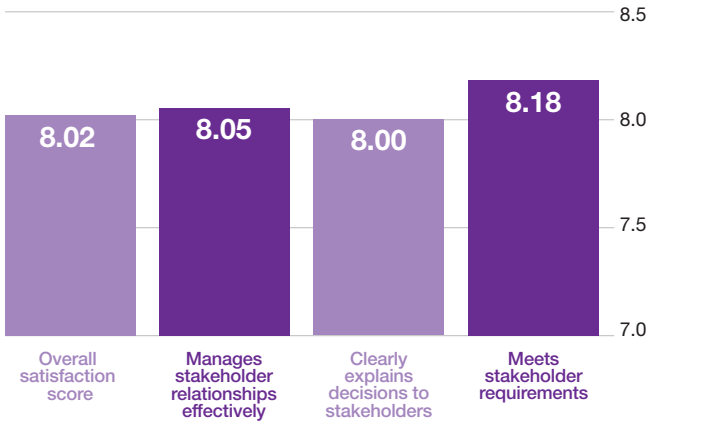
**Calendar of events:** Through a monthly cascade, we’re starting to provide greater visibility of our upcoming engagement events internally, helping us to be more joined up and consistent with our messaging. This also helps us become more effective and efficient when attending events, targeting ones that will add most value. Following each event or engagement activity, we capture feedback and outcomes and share them as part of this monthly cascade.

## Reporting

**Closing the loop:** Upon receiving feedback, we endeavour to contact each stakeholder to clarify our understanding and discuss our intended improvement actions. We recognise we’ve still got work to do in this area and are committed to improve further next year.

**Satisfaction Surveys:** We’ve already seen a 7% increase in our response rates since last year. We’ve done this by contacting our stakeholders in advance explaining how we value their feedback to improve our processes. As we continue to act on stakeholders’ feedback and close the loop, we’re hoping to see this response rate get even higher.

Satisfaction survey (average score out of ten)



## Delivering quantifiable outcomes for the end consumer

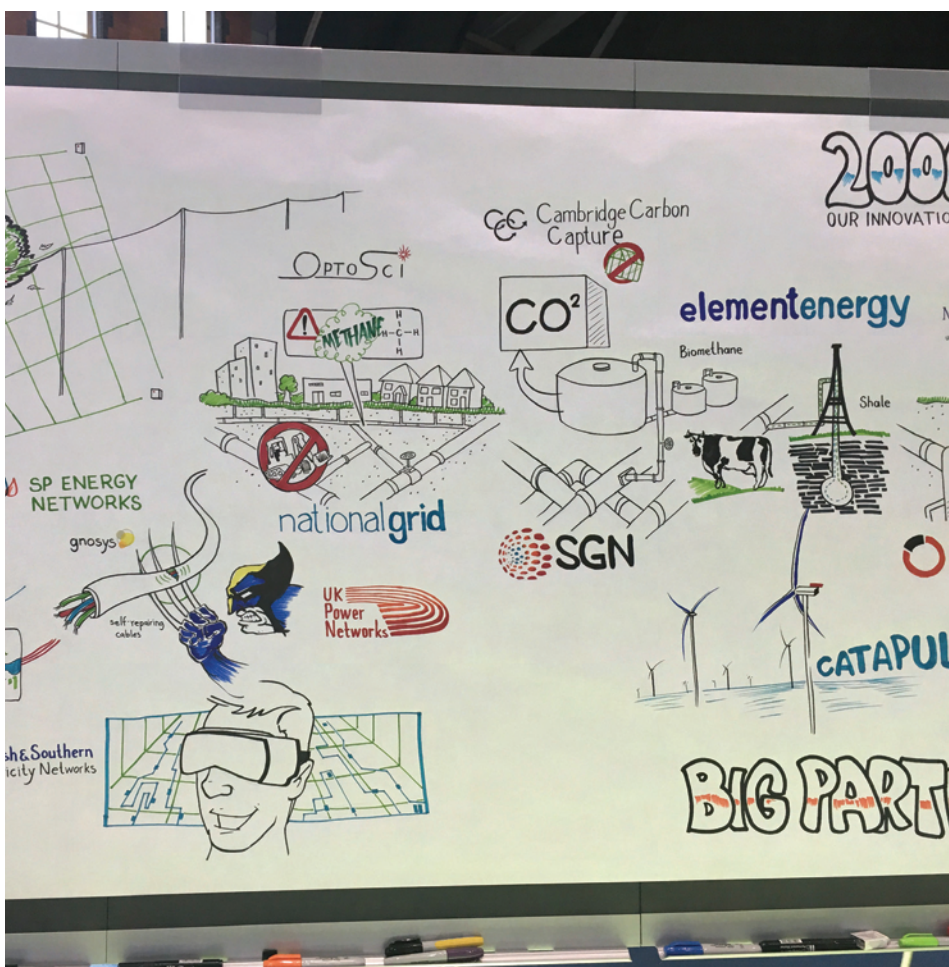
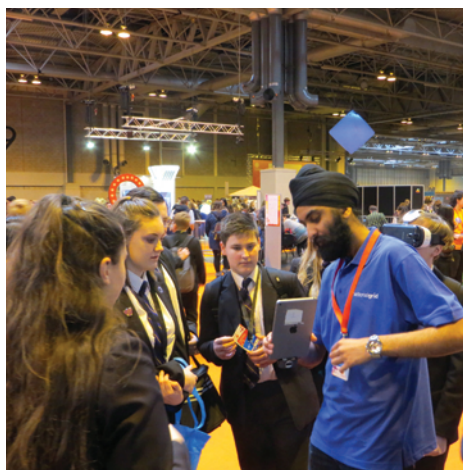
Where we can, we report quantifiable outcomes against engagement. As we don’t have a direct relationship with end consumers, linking these benefits and savings directly is challenging. However with the help of our engagement cost benefit analysis framework and our work with PWC we’re continually improving our reporting processes, confident that our outcomes will deliver benefits to the end consumer.

Tool	Purpose
Engagement cost benefit analysis framework	During this stage, we use the framework to compare actual against anticipated outcomes and feed lessons learned in to future engagement.
Action planning template	To support our teams turning insights into demonstrable outcomes, we’ve developed a tool to create and track actions against feedback and the stakeholder involved.
Lessons learned log	Linked to the engagement cost benefit analysis framework, this tool captures and shares learning, both positive and negative around engagement approaches. We use this to continually improve each time we design and plan engagement activities.

# part 2

## Contents

	Number of outcomes	Key statistic
11 Introduction		
13 Safety	71	68% reduction in pipeline strike near misses
14 Keeping the gas flowing	82	90.5bcm of gas transported
16 Affordability	14	£16.1m saving through engagement
17 Facilitate and lead the debate	39	40 stakeholder organisations engaged
18 Customer service	62	8.03 Customer satisfaction score
19 Stewardship – our place in the community	47	2587 end of life IT items recycled in to 157 computers for 18 charities
20 Innovation	25	110 innovation projects





# Introduction

As I described in my introduction to part one, we've structured our engagement approach and therefore our submission around our stakeholders' priorities. These are the things that our stakeholders have told us are important to them.

I'm passionate about delivering value for money. Whilst Gas Transmission network charges account for just under £10 of a consumer's annual bill, we know every penny counts. By focusing on stakeholders' needs and innovating, we've created some real savings that will be passed through to end consumers. For example, we've:

- saved £5.3m by engaging stakeholders to enable innovative technology to be used against traditional techniques (pg 20)
- saved £3.6m by aligning 5 times more outages with customers (pg 18),
- saved £1.36m by supporting our stakeholders, allowing us to combine diversion projects and minimise impacts on the local community (pg 16)

We've given our teams the tools and techniques they need to take ownership of their engagement activities, tailoring their approach to suit stakeholder needs and focusing on outcomes.

I'm really proud of how we're pushing the boundaries, by making sure our stakeholders' voices are heard at all levels of our organisation.



**Pauline Walsh**  
Director of Gas Transmission and  
National Grid Gas Board Member



Pauline Walsh  
hosting our GRAID  
stakeholder event

## Delivering on our promises

Our promise	How we've delivered
Reinvigorate our Stakeholder Advisory Panel and consult with them earlier so they can influence and shape what we do and how we do it.	We've restructured the sessions to be more interactive. Last year they helped shape our customer and stakeholder transformation programme, our engagement priorities, and our Future of Gas programme.
Introduce a stakeholder intelligence system to support our engagement.	We've introduced a stakeholder intelligence system to track and support our teams to manage interactions for infrastructure enquiries.
Engage around topics that are of concern to our stakeholders (gas quality, faster connections, future of gas).	We've structured our engagement around the things that our stakeholders value. You'll read about these later in our submission.
Further develop the role of Account Managers to support tailored engagement.	We've integrated our Account Managers and our business improvement teams, creating a closer link between stakeholder insight and our business change programmes.

## Sharing best practice and working with others

We've been working hard this year to share our experiences internally and externally:

### External sharing

**Transmission Owners working together:** The Transmission Owners Best Practice Working Group consists of representatives of SP Energy Networks; Scottish and Southern Electricity Networks and National Grid Gas and Electricity Transmission.

Key outcomes for 2016/17 are summarised in our shared appendix and include:

- **Surveys:** we shared advice on how to improve response rates with a marked improvement as a result of changes made.
- **Major projects:** by sharing what we've learned through consultations, we've updated our consultation policy to incorporate a priority services register and fuel poverty referrals into our process, as well as promoting the 105 power cut number.
- **Open4business:** we've worked with our supply chain to raise awareness of local SMEs, helping them get access to our contracts.

**Accessing standards via network visualisation** – We've adopted a simple, accessible way to access relevant, documentation via a visualisation of our network from the aviation industry.

**Gas Transmission Benchmarking Initiative** – We've initiated an information share with our European Transmission colleagues. We're in the early stages, but have already identified opportunities to collaborate on landowner relationships, customer experience days and co-creation workshops.

**Capturing and sharing our learning** – To create greater value from a real-life emergency preparedness incident test scenario, we filmed and shared the footage with similar industries. This enabled detailed discussions about the management and resolution of the incident.

### Internal sharing

**Compressor upgrade projects** – Using engagement cost benefit analysis, we've used learnings from our upgrade projects to inform future projects. Specifically, how we work closely with local community groups on mitigation measures.

**Local community support** – For the Humber crossing project, we employed a dedicated local community officer. This has improved relationships and resolved queries much faster.

**Building and learning across engagement** – Within the Future of Gas programme we employed previously established best practice. This involved facilitating a session with stakeholders to work through a creative problem solving process. We assessed each engagement event and fed in our findings to inform the next one.

## Outcomes from engagement

Engagement	Cost	Key outcomes/ benefits		
		Financial	Social	Environment
Safety				
Working with landowners to improve safety	£200	▪ £63k	▪ 68% reduction in pipeline strike near misses ▪ Stakeholder personas created ▪ Cross Gas/Electricity working group created ▪ 5 stakeholder specific concerns addressed ▪ 13 improvement actions identified and taken forward across 6 themes	
Innovative pipeline protection	£32k	▪ £471k ▪ 94% cost saving per slab	▪ Installation time reduced by 90% ▪ Safer to install ▪ Net Promoter Score: 8 ▪ Reduced likelihood of pipeline damage	▪ No crop damage during installation ▪ 44% less CO <sub>2</sub> e per slab
Emergency Preparedness	£50k		▪ Exceeded all stakeholders needs ▪ 34 improvement areas identified ▪ Trusted relationship with HSE and SEPA ▪ Enhanced lessons learned sharing through captured footage	
Keeping the gas flowing				
Humber crossing – Leaving a positive legacy	£60k	▪ £5k for Humber Lifestyle initiative ▪ £1k for scouts	▪ 271 children attended our ‘science made easy’ class ▪ Traffic management measures inc: additional crossing points, vehicle trackers installed ▪ Local liaison officer employed ▪ 70% calls dealt with on the same day	▪ Drones captured aerial imagery of local area
CLoCC	£3.9k		▪ 31 stakeholder requirements included ▪ 100% stakeholders rated the online portal as good or excellent ▪ Agenda shaped by stakeholders	
Improving our engagement on compressor upgrades	£13k		▪ Trusted relationship with local community ▪ Redesigned compressor stacks ▪ Early planning approval ▪ Lessons learned fed in to future engagement ▪ Innovative fake trees installed to provide visual screening until native trees grow	▪ Reduced noise pollution ▪ Reduced air pollution ▪ Native trees planted as visual screening
Affordability				
Leaving a positive legacy in the Cotswolds AONB	£500k	▪ £63k	▪ Mitigation and reinstatement plans agreed with stakeholders ▪ Aftercare schemes signed off 4 years early	▪ Enhanced Cotswold AONB ▪ 1.7km dry stone wall built
Joining up on diversions	negligible	▪ £1.36m additional savings identified for customer	▪ Both projects delivered to time and cost ▪ Satisfaction score of 9	▪ 3.8mt of CO <sub>2</sub> saved
Helping local SMEs become part of our supply chain	negligible	▪ £67k	▪ Agreed definition of local SME ▪ Open4business trialled and implemented ▪ Identified £1.5m worth of contracts went to 950 local SMEs	▪ Reduction in contractor travel
Facilitate and lead the debate				
Stakeholders’ views are shaping our future	£32k		▪ Four topics identified ▪ Six key enablers agreed ▪ Best practice used to facilitate workshops enabling co-created solutions ▪ 15 thought leadership articles published by 11 industry leaders ▪ Stakeholder insight led the development of our 2030 business strategy	
Quality of gas review	£300k		▪ Collaborative partnership established ▪ Report on financial and operational impacts on the Gas Transmission System complete ▪ Stakeholders engagement preferences understood	
Customer Service				
Becoming agile to meet our stakeholders’ needs	£5k		▪ Adaptable processes enabling flexibility to meet stakeholders’ needs ▪ User personas developed ▪ 31 actions identified across 4 areas with 15 actions implemented to date ▪ 15% more standards reviewed and published ▪ Standards are accessed via an interactive graphic ▪ Implemented best practice from aviation industry	
Immersion	negligible		▪ Adopted best practice from Eon ▪ Executive and Operational level events held ▪ 19 actions identified and owned across the business ▪ Closer relationships with our customers and stakeholders	
Maintenance outage planning	negligible	▪ £3.6m	▪ Closer relationship with customers ▪ 5 times more outages aligned with customers ▪ Internal processes aligned to deliver customers needs	▪ Reduced venting as more outages are aligned
Stewardship – our place in the community				
Stakeholder management in the local community	negligible		▪ Successful structured approach rolled out ▪ Documented concerns of neighbours ▪ Insight gained has informed our future maintenance plans ▪ Zero complaints have been received in the trial area ▪ Rolling approach out to the rest of the country	
In the community	£380k	▪ £30k raised for Alzheimer’s Society	▪ 3700 children engaged through science programme ▪ 160 attended work experience week ▪ Engaged with over 80,000 children who attended the big bang ▪ 74 employees coaching 1,116 teachers through TeachFirst scheme ▪ 120 people trained to provide dementia support and awareness	▪ 2687 end of life IT items recycled, raising funds to buy 35 iPads, 105 laptops, 5 netbooks and 12 PCs for 13 charities and 5 schools
Innovation				
Artificial Intelligence supporting infrastructure enquiries	£35k	▪ £200k when rolled out	▪ Successful proof of concept ▪ 100 enquiries a month can be dealt with instantaneously saving stakeholders 3-7 days per enquiry ▪ Stakeholder feedback led directly into tools requirements ▪ Stakeholders keen to work with us on developing the tool	
Enabling compliance through innovation	£15k	▪ £5.3m	▪ All stakeholders concerns were understood and addressed ▪ Mitigation plans were co-created ▪ Compliant with legislation 3 years early ▪ Innovative technology approved by the Environment Agency ▪ Trusted relationship with local authority and local community	
Sharing our innovation success	£7k	▪ Identified £6.4m benefits realised to date ▪ 4:1 benefits ratio	▪ Implemented best practice in value tracking from PWC ▪ 43% response rate to survey ▪ Over 60 innovation partners are small to medium enterprises	▪ Identified over 25.7k tCO <sub>2</sub> e from innovation projects

# Safety

Our stakeholders have told us they expect us to be safe. For us, the safety of the public, our employees and the network is a fundamental priority. Engaging with our stakeholders plays an important role in helping us maintain our excellent safety record.

## Stakeholder groups engaged:

Landowners, land agents, farmers, customers, emergency services, regulators, local councils, local community, operators, networks, supply chain, contractors

“The implications of things going wrong could be catastrophic; getting engagement right with our stakeholders builds understanding, ownership and performance” **Karl Yates, Head of Delivery Services**

## Innovative pipeline protection – saving time, money and carbon

**Stakeholders said:** Installing protection across your pipes on our land is time consuming and intrusive.

### Objectives:

- Safeguard the pipeline against strikes from mechanical diggers
- Reduce the time and cost of installing protection
- Make installing the protection safer and easier

**What we did:** By working with and understanding the issues faced by our operations staff and the impact pipeline protection slabs have on our landowners, we developed a new hard-wearing plastic slab, replacing the traditional concrete version.

The RSPB recently undertook some dredging on Whittsley wildlife reserve where one of our pipelines is located. Traditionally it would have taken many weeks to install the additional protection, causing significant disruption. We installed the new slabs in just two days, using the RSPB's own equipment – all at zero cost to them.

### Outcomes:

- £471k saved for end consumers to date, 94% cost saving per slab
- Reduced installation time from 10 days to just 1
- Safer installation – no need for trucks or concrete
- No risk of pipeline damage if slab sinks or is pushed on to the pipe
- Environmentally friendly: 44% less carbon and no crop damage

*“National Grid has been excellent with their dealing with us.”*  
– **Charlie, RSPB**

**£471k**

**saved for end consumers**



## Working with landowners to improve safety



**68%**

**reduction in pipeline near misses**

**5**

**individual stakeholder issues addressed**

**Stakeholders said:** The annual letter process doesn't work for us.

**Objective:** Improve the experience land owners have when engaging with us, leading to:

- reduced risk to the network from pipeline strikes,
- landowners having an improved understanding of our obligations and the importance of sharing safety messages.

**What we did:** To understand landowners' experiences of dealing with us, we conducted a short survey covering 11,000 landowners, undertook focus groups, conducted immersion sessions, hosted site tours of our compressor sites and consulted across our business.

### Outcomes:

- Initial approach of building an app rejected as wouldn't suit landowners' communication needs
- Landowner personas developed (including landowners, land agents, and Farmers) to allow us to develop tailored engagement
- £63k saving through improved engagement process
- Created a cross Gas/Electricity working group as landowners interact with both sides of the business
- 68% reduction in pipeline near misses
- 5 individual stakeholder issues addressed
- 13 strategic actions across 6 themes identified including working with utilities to create a single point of contact for landowners

*“It makes me proud to have a pipeline on my land and be a part of this vital service.”* – **Kath, Landowner**



## Emergency preparedness



**13**  
stakeholder  
groups involved



**Understood  
and exceeded  
all stakeholder  
needs**

**Stakeholders said:** Emergency preparedness planning is critical to enable us to respond quickly and effectively. We need realistic on the ground exercises that can also help our training for other situations.

**What we did:** Through regular meetings and calls we gathered all stakeholders' desired outcomes and bought them to life to test emergency planning, capturing the event to allow maximum best practice sharing.

### Outcomes:

- Broadcast sound effects to bring the incident to life for those who had no experience of gas escapes
- Tested the public information zone communications – a system that informs local residents of an incident and what action needs to be taken
- Informed the local community via maildrop of the upcoming event, what we were doing and why
- Incident started as a minor incident and grew quickly to catastrophic event so we could test emergency services responses
- Filmed the event to capture and share learning with similar sectors
- Worked closely with the HSE and SEPA when developing the scenario, which instilled trust that we'd deliver over and above our obligations. This resulted in their decision not to attend the event.
- 34 lessons learned were identified across the 13 stakeholder groups



# Keeping the gas flowing

The reliability and availability of our network is vital to our customers' businesses. Changing legislation and customer requirements is putting more demands on our ageing network. So, we're engaging extensively to deliver these changes.

### Stakeholder groups engaged:

Existing and future customers, end consumers, regulators, System Operator, local authorities, local communities, landowners, local businesses, schools, community groups, emergency services, delivery partners, gas distribution networks, energy industry, Government, innovators, investors.

## Humber crossing – Leaving a positive legacy



**Stakeholders said:** We want to work with you to ensure your impact on us is minimal.

**What we did:** Building on the successful pre project engagement phase of Humber crossing, we continued to engage the community through means ranging from working groups, parish and local council meetings, public information events, community liaison officers and newsletters, tailoring our approach to meet the needs of the stakeholder group.

### Outcomes:

- 70% of calls resolved within 1 day, 90% within 5 days
- Weekly teleconference with project team to discuss proactive and reactive engagement
- Local community support officer employed to work with our engineers. This increased resolution speed of issues and developed closer relationships with the local community
- Following concerns about traffic we took a number of measures including installing trackers and signage on project vehicles and additional passing places

- 270 children attended our 'science made simple' programme, designed to inspire children to get involved in STEM subjects
- Understood and met local community needs by donating tents to a local scout group, supporting a Humberside Police Lifestyle initiative, donating defibrillators and training to a local school
- Used drones to capture the work area and local community. We want to leave the area in a better condition than when we arrive. This footage will help the local community hold us to account
- Local councillor agreed to be the conduit for helping get information to the community

*"Many thanks for attending the Parish Council meeting. Everybody appreciated the presentation and their questions seem to have all been answered thoroughly."* – **Goxhill Parish Council**

*"...the folk in the area have been impressed by the smoothness of the operation and lack of disturbance. Full marks to all concerned for looking after our well-being"* – **Mr Brown, Local Resident**

## Keeping the gas flowing (continued)



Our customers expect our network to provide an uninterrupted platform for the gas market, our consumers expect access to gas at an efficient price, our regulators expect it to be done safely and legally and our communities expect to not be disturbed by our activities. Only by talking and working closely with our stakeholders will we know how to achieve this.” **Mark Lissimore, Head of Operations**

### Project CLoCC (Customer Low Cost Connections)



**Stakeholders said:** We want to connect to the gas transmission system, quicker and cheaper than is currently possible and connect new, unconventional gas sources and demand.

#### Objectives:

- Understand unconventional suppliers and users needs
- Gain continual stakeholder insight throughout the design process
- Build an easier, cheaper and flexible way to connect to the NTS – reducing current connection time and cost

**What we did:** Building on last years engagement we developed and delivered an extensive, tailored and targeted engagement programme including meetings, forums, social media and a dedicated website. This culminated in a stakeholder discussion day, designed to gather views to influence the project's direction. Specifically, we wanted insight on the innovative physical connection solution, the online portal and the commercial arrangements to enable new smaller entrants in to the market.

#### Outcomes:

- More than 30 stakeholders engaged encompassing bio-methane, shale, CNG, regulators and industry bodies
- Stakeholders agreed to come along with us on the journey
- 100% stakeholders classed our online portal as good or excellent
- Stakeholders shaped the agenda
- 31 stakeholder requirements incorporated

*“The stakeholder discussion day was key to the project; it gave us the insight which shaped the decisions we made for the future of the project.” – Anne-Marie Liszczuk, project manager*



# 100%

**Stakeholders classed our online portal as good or excellent**

### Improving our engagement for compressor upgrades

**Stakeholders said:** Comply with new legislation quickly and efficiently with minimal disruption to the local community

#### Objectives:

- Comply with the new Industrial Emissions Directive;
- Maintain our ability to move gas to where our customers need it; and
- Ensure minimum disruption to the local community.

**What we did:** To become compliant, we must upgrade our compressors. We learned a lot through our engagement on the first two sites (Huntingdon and Peterborough). This learning has been incorporated into future engagement, including Hatton and St Fergus upgrades through the engagement cost benefit analysis assessment.

Through tailoring our approach (workshops, meetings, calls, site visits) to each stakeholder group, we understood the issues and worked collaboratively to develop solutions for the successful implementation of the legislation.

#### Outcomes:

- Plain English proposals supported by 3D visualisations enabled rich, transparent conversations
- Redesigned the compressor stacks to reduce the visual impact of the site
- Significantly increased planting of native trees around the site and installed innovative tree-like screening to reduce visual impact while native trees grew
- Planning permission granted quicker than expected
- Close relationships created and maintained with local community
- Lessons learned fed into future engagement approach



# Affordability

We work hard to keep costs down as we know it has a direct impact on end consumers. We're always looking for innovative ways to provide excellent service more efficiently.

## Stakeholder groups engaged:

Local authority, local community, landowners, regulators, local interest groups, customers, utilities, local community, suppliers, scottish transmission operators

## Leaving a positive legacy in the Cotswolds AONB

**Stakeholders said:** We want you to put the landscape back how you found it and commit to maintain it until we're happy it's established.

**What we did:** To deliver a 44km pipeline in the heart of Cotswolds Area of Outstanding Natural Beauty (AONB) we worked to understand stakeholders' needs before collaborating with experts to deliver on our promises, particularly on reinstatement of landscapes. To provide reassurance we agreed a 10-year monitoring programme.

### Outcomes:

- Mitigation and reinstatement plans created with stakeholders
- 10 year aftercare scheme agreed to provide reassurance
- Stakeholders signed off aftercare scheme 4 years early due to successful implementation saving over £63k
- Over a kilometre of additional dry stone walls built

*"Particularly pleased with the support given to the CCB, this is a model of how a major construction project should be conducted through one of the country's very special AONB's" – Martin Lane, Director of the Cotswolds Conservation Board*

**£63k**  
saved



## Helping local small and medium enterprises become part of our supply chain

**Stakeholders said:** Small and medium enterprises (SMEs) are finding it difficult to access opportunities to deliver work for us due to the complex processes and systems we operate.

**Objectives:** Understand and remove the barriers experienced by SMEs.

**What we did:** At our supply chain forum, we shared our ambition to enable local SMEs to gain access to our work. We also shared a tool SSE shared with us. Together we created an approach to identify opportunities, report progress and improve our performance.

### Outcomes:

- Created and agreed a definition with our supplier base: "Businesses that have fewer than 50 employees and are based within 30 miles of works."
- Developed metrics to track and monitor our performance
- Trialled Open4business approach, a best practice from SSE with 3 of our Tier 1 suppliers adopting the system
- Through the Open4business trial we determined that for our five main contractors we have 950 suppliers that fit our local SME definition, equating to around 50% of our subcontractors

- Just under £1.5 million is spent with local SMEs – creating value for the local community
- Through creating smaller local contracts, we have achieved a £67k saving which is passed to the end consumer

**£1.5m**  
spent with local SMEs

**“**To drive value for our stakeholders, we need to work with them to understand their needs.”  
**David Salisbury, Head of Network Engineering**

## Joining up on diversions

**£1.3m**  
saved



satisfaction  
score of 9

**Stakeholders said:** We need you to move your pipeline to allow us to build two large housing developments.

### Objective:

- Deliver two pipeline diversion projects with minimal disruption to the local community
- Provide support to inexperienced stakeholders ensuring project is delivered with maximum saving and efficiencies

**What we did:** We developed a tailored approach to each stakeholder allowing for experience, knowledge and required outcomes. Through workshops, calls and monthly site visits we gained trust and close working relationships which allowed a collaborative approach to decision making throughout.

### Outcomes:

- Open forum discussion based on a visualisation of the two pipeline diversions and house developments allowed richer discussions
- Collaborative mitigation techniques agreed with house developers, utilities and council.
- Additional savings identified for customer by our project engineers
- Delivered both projects to time and cost
- £1.36m savings (£1.2m direct to the developers, £158k saving for the end consumer) through joining up the projects
- 3.8 mt tonnes of CO<sub>2</sub>e saved through reuse of materials

*"The service has been excellent, there is nothing I can think of that they could have done better. They have been keen to help make and have made suggestions to keep costs down." – Norfolk Council*



# Facilitate and lead the debate

Stakeholders have said they look to us to facilitate and lead the debate on many important topics. We take this responsibility seriously and engage extensively to make sure all stakeholders' voices are heard.

## Stakeholder groups engaged:

Existing and future customers, energy industry, regulators, consumer groups, innovators, Government, shippers, suppliers, operators, consultants, gas distribution networks, students, industry, employees, leadership team

“Our business strategy is focused on efficient delivery of what our customers and stakeholders need. We listen to their views on important topics across the energy sector and this helps us to shape our strategy and focus on delivering what they need from us into the future” **Adrian Jarvis, Head of Business Strategy**

## Stakeholders views are shaping our future



**Stakeholders said:** The industry is changing, the future of energy is unclear. This uncertainty is making our investment planning very difficult.

### Objective:

- Understand what stakeholders see as the key challenges and opportunities for the future to:
  - help us understand and articulate the future role of transmission
  - evolve our business and systems to continue to meet Great Britain's future energy needs.

**What we did:** Bringing the industry together, we have engaged extensively through workshops, meetings, forums, social media and publications to bring clarity to the future role of gas. Each engagement activity fed in to the next, making sure lessons learned and feedback were acted upon.

*“The workshop was a valuable exercise and the ‘creative problem solving’ approach really worked well”*

### Outcomes:

- Tailored and targeted engagement designed to gain maximum feedback and gather the views of over 40 stakeholder organisations
- Four topics were identified for future engagement: gas and electricity interaction, heat, supply and industrial demand
- Six key enablers were agreed: national policy, innovation and technology, optionality for the future, consumer experience, integration of energy systems and markets, affordability & economics
- Previously identified best practice used to facilitate workshops running through creative problem solving approach
- 15 thought leadership articles published by 11 industry leaders
- Stakeholder insight has led the development of Gas Transmission's 2030 business strategy



**1321**  
individual subscribers



**11**  
engagement methods

(LinkedIn, Connecting our online magazine, thought leadership articles, microsite, Nationalgrid.com, Twitter, Facebook, seminar, workshops, 1-1's, focus groups, publications)

## In the pipeline: Quality of gas review

To ensure gas is safe to use, it is subject to legislation on its quality. As sources of energy become more diverse, our stakeholders are telling us they need more flexibility around the quality of gas accepted onto the system. Notably, it could support growth in ‘non-traditional’ gas sources, removing barriers to entry imposed by current gas quality parameters, and increasing future security of supply.

*71% of all future customers felt that gas quality specifications present barriers for them.*

Our stakeholders are looking to us to lead the debate on this complex issue so we've established a collaborative partnership with SGN and IGEM, who each bring their expertise on their business, stakeholders and asset base.

To support our engagement, we've undertaken a review of the financial and operational implications of accommodating a different specification of gas into the network. Considerations around this will help inform decision making, while adding

further transparency to discussions with our stakeholders.

### Outcomes:

- Collaborative partnership established
- Report on financial and operational impacts of gas quality changes on the Gas Transmission system complete
- Stakeholders engagement preferences understood

# Customer service

The energy industry is changing, which is affecting our customers' needs and wants. We're adopting innovative practices to truly understand and meet our current and future customers' requirements.

## Stakeholder groups engaged:

Existing and future customers, supply chain, contractors, employees, landowners, land agents

## Becoming agile to meet our stakeholders' needs

**Stakeholders said:** Your technical standards are difficult to access and extremely prescriptive making it difficult to innovate and deliver customers' needs.

**Objectives:** Understand frustrations experienced by users. Create a simple process to access and update technical documents to allow us to maintain compliance and implement best practices quickly.

**What we did:** Brought together users from across the technical standards lifecycle which gave us an understanding of their issues and aspirations. Through regular meetings, best practice visits and workshops, keeping stakeholders up to date via newsletters which included FAQs, we developed a programme to deliver our stakeholders' needs.

### Outcomes:

- Developed user personas to help us tailor the service we provide
- 31 actions were identified across 4 areas (find and implement, develop and improve, publish and use, governance enabling tools)
- Streamlined process has increased review frequency enabling innovative techniques to be applied quickly
- Standards are accessed via an interactive graphic helping stakeholders find the right document first time, saving time and resource
- Implemented best practice from aviation industry



**15%**  
increase in doc review  
since 2015/16

**4** stakeholder  
personas  
identified

**“Customers are changing how they use and value our network. We must continue to build relationships to understand and exceed their expectations”** Yasharn Smith, Head of Business and Operations Support

## Understanding our customers and stakeholders through immersion

**Stakeholders said:** Do you understand the impact you have on my business?

**Objective:** Inject the voice of our customers and stakeholders in to all layers of our business.

**What we did:** We achieve this in many ways from workshops to surveys from conferences to phone calls. A new approach that helps get the emotional impact across that we've recently adopted from Eon is called immersion.

Led by a facilitator, sessions are designed to have an open, transparent conversation about stakeholders' experiences dealing with us. Representatives from across the business will listen and understand the issues our stakeholders are raising. All feedback is captured and clarified with the stakeholder. Following the session, we contact each attendee with what we are doing about their feedback. Internally, the actions are owned by the relevant party who attended the immersion event and tracked through the governance framework.

### Outcomes:

- Creates drive and ownership for the issues borne out of the sessions supporting our culture change programme
- Adopted best practice from Eon
- Two events held to date:
  - Executive event in which Pauline Walsh together with her leadership team met our customers executive teams
  - Operational event focused on our landowners and grantors
- 19 actions identified and owned across the business
- Closer relationships with our customers and stakeholders who have agreed to come with us on our continual improvement journey
- Immersion will be used to support our engagement activities across our business

**“They listen to us and they are flexible with any requirements we have” – RWE**

## Maintenance outage planning

**Stakeholders said:** We lose money when we can't generate power due to your maintenance work – up to £200K-£300k a day.

**Objective:** Maximum alignment of our maintenance activities with customer's existing outages.

**What we did:** By creating trusted working relationships with our customers through site visits, calls and meetings we implemented a process to align more work within existing customer outages.

### Outcomes:

- Developed a collaborative relationship with customers, understanding each other's maintenance and compliance needs
- Internal processes aligned to support delivery of customer aligned works
- KPIs developed and monitored to report on the outages aligned and our relationships with customers

**“They always ask for feedback and they plan their work around us” – BOC**



**5 x more**  
outages aligned



**£3.6m**  
saving for  
customers

# Stewardship – our place in the community

As a large company, we have a responsibility to our stakeholders. We take this responsibility seriously and have an ambition to leave a positive legacy.

## Stakeholder groups engaged:

Local community, contractors, supply chain, neighbours, charities, schools, farmers, landowners

“Our sites and assets are a part of the communities that host them. We have an obligation to look after those assets in a way which makes our presence a positive contribution to that community.”

**Mark Lissimore, Head of Operations**

## Stakeholder management in the local community

**Stakeholders said:** Your operations impact our businesses.

**Objective:** Create close links to the local community so we understand who would be affected, and by what activities.

**What we did:** Most of our sites are in the countryside, with neighbours who can be affected by noise, visual amenity or traffic. We wanted to support our field staff in developing relationships with their neighbours to understand and mitigate potential impacts so we trialed a stakeholder management approach.

## Outcomes:

- Successful structured approach rolled out to the West Area via Performance Excellence hubs
- Site engineers have developed close relationships with neighbours and have documented any concerns they raise
- Insight gained has informed our future maintenance plans. We found that our venting activities, which are noisy, affect the running of a local riding school that operates during the summer holidays. We've therefore changed the maintenance schedule so any venting works take place in September so we don't affect their business

- During a recent unplanned maintenance activity we were able to proactively warn the relevant stakeholders prior to venting
- Zero complaints have been received in the trial area
- This approach has been so successful we're rolling it out to the rest of the country.



## Active in our communities...

By understanding what our local communities want we've been able to make a positive contribution through...



# 3,700

children engaged through science programme



**160**  
attended work experience week  
(50% girls 50% boys)

# 81%

students reported that the course has persuaded them to follow a career in this field of engineering



# 80,000

children attended the big bang fair

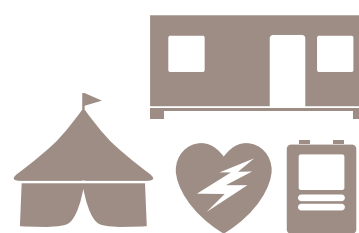


# £30k

raised for alzheimers

**120** people trained to be dementia friends

**74** employees coaching **1,116** teachers through **TeachFirst** programme



Donated 5 porta-cabins, 2 kiosks, 10 tents and 1 defibrillator to local communities



turned **2,687** end of life IT items into 35 ipads, 105 laptops, 5 netbooks and 12 PCs for 13 charities and 5 schools



# Innovation

We must innovate to adapt as the industry changes. We engage with stakeholders to shape our innovation priorities and to share outcomes to gain more value.

## Stakeholder groups engaged:

Regulators, contractors, delivery partners, employees, customers, Government, consumers, energy industry, landowners, farmers, builders, local authorities, local community, local interest groups

“We’ve delivered over £10.4m worth of innovation projects shaped around our stakeholders’ priorities. When we fail, we fail fast; when we succeed we share our success” **David Salisbury, Head of Network Engineering**

## Artificial Intelligence saving time and money for landowners

**Stakeholders said:** It takes too long to get a response through the existing Infrastructure Enquiries process causing delays to my project.

**Objective:** Develop a proof of concept to understand if a new artificial intelligence tool we’re developing can support stakeholders.

### What we did:

We spotted an opportunity to improve our stakeholders’ experience when making enquiries about the location of our pipelines.

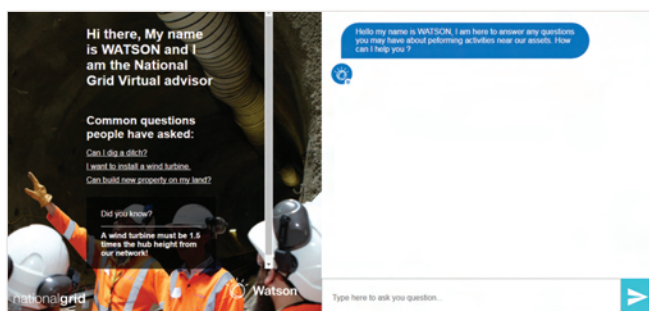
Through feedback we gained from our satisfaction surveys followed up with workshops and calls, we gained insight in to what stakeholders’ need from this service.

### Outcomes:

- Successful proof of concept
- List of ‘must have’ requirements built in to the tool
- 100 enquiries a month can be dealt with instantaneously saving stakeholders 3–7 days per enquiry
- If rolled out can save £200k on plant protection services
- Stakeholders are keen to work with us as we develop the tool

# £200k

potential saving



## Enabling compliance through innovation



**£5.3m** saving for end consumers

**Stakeholders said:** Comply with new Industrial Emissions Directive quickly and efficiently with minimal disruption to the local community.

**Objective:** Work with the local council and the Environment Agency to address concerns around an innovative technology.

**What we did:** Through the use of our ‘Best Available Techniques’ decision support tool, we identified we could save over £5.3m and reduce the project time by 3 years through the use of an innovative catalytic converter placed on the compressor stack. We worked extensively with the local planning authority and the Environment Agency through 3D visualisations, meetings, teleconferences and site visits to make sure they were comfortable with the approach.

### Outcomes:

- All stakeholders’ concerns were understood and addressed
- Mitigation plans were co-created with local stakeholders
- £5.3m saving
- Compliant with legislation 3 years early
- Innovative technology approved by the Environment Agency
- Trusted relationship with local authority and local community

## Innovation in numbers

- Dedicated platform for sharing and communicating progress
- **Conferences:** 25 conferences, 4 countries, approx. 5000 people
- **Publications:** 14 publications
- **2 dedicated websites:** 1275 hits
- Innovation Benefits Report published
- 4:1 benefits ratio
- £6.9m realised benefits from NIA funded projects
- **Innovation Social Media:**
  - **Likes:** 500
  - 5 videos accessible via YouTube with over 25k views

