

## **Stakeholder Engagement Incentive 2019/20 Supplementary Questions and NGGT Responses.**

SQ 1. Page 1 of your Part 2 submission indicates that there has been an increased focus on stakeholders, including consumers. Please provide evidence of this and examples of how your stakeholder engagement has influenced decisions in your business

SQ2. Page 11 of your submission notes the need to work closely with various stakeholder types, including 'other industries', in exploring solutions. However, the examples provided focus on the energy sector. Please provide details of the stakeholders engaged outside the sector and the learnings that have informed your decision- making.

SG3. The COVID-19 pandemic has changed both the ways of working and how stakeholder engagement is conducted. Please provide responses to the following:

- a. How have stakeholders helped you put in place new ways of working for the COVID-19 pandemic?
- b. What new methods of stakeholder engagement have you found useful and why?
- c. What learnings from the pandemic are enabling you to deliver more for customers and stakeholders?

Many companies are using technologies such as Artificial Intelligence to improve stakeholder engagement.

- a. Please explain what steps have been taken to use technologies such as Artificial Intelligence, Big Data and others to improve stakeholder engagement, deliver benefits to stakeholders and improve services to vulnerable customers.
- b. What data sets have you made available to other stakeholders?
- c. What help, if any, are you giving these stakeholders with using the data?

Our responses to these questions follow overleaf.

**1.** In 2019-20 there has been an increased focus on stakeholders including consumers in National Grid Gas Transmission, actively involving others as we decarbonise UK gas transmission on the path to Net Zero emissions. Examples include:

- We intensified our engagement with European stakeholders on a range of topics and key decisions for the benefit of UK consumers including increasing our participation in European Network of Transmission System Operators for Gas (ENTSO-G) by attending four additional Work Groups. This increased our internal focus to commission additional innovation works (GHGIM, MORFE, CHARGE).
- We instigated regular bilateral meetings with other EU TSOs to share information about Member State Brexit preparations for gas transmission across the EU market. This provided EU TSOs with opportunities to raise concerns about Brexit impacts, for example customs arrangements, and for us to put them in touch with relevant agencies providing guidance. We also contributed to the BEIS-chaired MOT Board which provided visibility of Brexit impacts on gas market arrangements and actions we are taking.
- Engagement with the Scottish Government resulted in Phil Sheppard joining the Scottish Energy Networks Advisory Group (October 2019), providing expertise which will help Scotland with its plans to decarbonise energy networks
- We increased our engagement with parliamentarians in 2019. We hosted 7 MPs at NGGT sites, conducted an MP survey, and became a sponsor of the All-Party Group on Hydrogen. We gained valued external perspectives which informed our planning, particularly on development of local decarbonisation partnerships.
- Responding to stakeholder requests we hosted a webinar in March 2020 which explored potential for incorporating hydrogen into the NTS. This session helped inform potential future collaboration opportunities to develop skills for the hydrogen economy.
- Our senior leaders participated in two dedicated 'consumer listening' sessions in 2019, helping to ensure that affordability and consumer value was always front of mind when decisions were made.
- We held 29 meetings with a diverse range of stakeholders on the topic of decarbonising heating. Influenced by engagement with Trade Unions and Citizens Advice, we conducted our first piece of dedicated consumer research on decarbonising domestic heat. This will inform the development of future policy.

**2.**The transition to a Net Zero future requires collaboration and engagement with a broad range of stakeholders beyond the energy sector to find solutions. Examples include: -

- As part of our inclusive approach to engaging on Net Zero we shared a platform with Extinction Rebellion at an event hosted by IGEM in December 2019. IGEM's website reported '*a positive interaction*' between our two organisations.
- Scottish Government: we held a collaborative workshop on decarbonising Scotland with Scottish Government/SGN/Energy Networks Association in November 2019. Covering a broad range of sectors, it assessed potential for hydrogen to help decarbonise industry, aviation, rail and domestic heat. By collaborating with stakeholders directly on engagement we were able to increase our reach, engaging with additional stakeholders such as boiler manufacturers, transport, supply chain and academics. As a result we now have a much broader range of diverse perspectives shaping our emerging Net Zero plans.
- Water: learning from engagement with Anglian Water and Scottish stakeholders we took the decision to pilot engaging proactively with local authorities and business groups beyond business as usual to understand their challenges and aspirations on strategic issues such as skills and Net Zero. We engaged local authorities around key Gas Transmission assets in the East of England and in Scotland. Following this we were invited to attend future meetings of Scottish local authorities' joint energy forum to discuss Net Zero once pandemic restrictions have eased. Outputs from these engagements included requests from some local authorities and business groups to support National Grid on their local skills and employment agendas. In response, we made them aware of our apprenticeship scheme and attended the Norfolk Skills & Careers Festival to raise awareness of employment opportunities. 58 apprenticeship applications were subsequently received for East sites. We also made stakeholders aware of our National Grid community grant fund. A bid was subsequently received by Opportunity Peterborough in April 2020 which we are considering.
- Various: we engaged with a diverse set of stakeholders to inform our digital strategy including Highways Agency, Network Rail and Shell who we've learned from about how they manage their systems and data. We also actively involved and learned from Altran, Petrofac, ARUP and ABB in the evaluation of our technology capabilities.

**3.** Questions Q3a, b and c do not really apply to the 2019/20 incentive year – the pandemic only had a material impact on the final three weeks of that year – so our responses below cover the actions we took before and after the end of 2019/20.

**a)** As our international counterparts were facing similar issues, some ahead of the UK, we wanted to learn from them and we stepped up engagement with European TSOs in February 2020; in particular, we spoke at length to SNAM (Italian Gas Transmission System Operator) about how to develop vital control room and field-based staff resilience. They influenced us to quickly implement new ways of working including providing accommodation for our own staff: actions we shared through [BBC News](#).

**b)** In March, at the start of the lockdown, we changed ways of working as customers had technical queries such as how to access the data they needed from home. We deployed additional resource to the operational customer teams, to support the volume of customer queries and to facilitate proactive engagement. After the initial transition to remote working we observed customers and stakeholders becoming interested in how the gas markets were behaving and we responded to questions on supply, demand and interaction with power generation via Webex and the Operational Forum. We also brought forward the roll out of Microsoft Teams by 6 months as this was the collaboration tool of choice most aligned to our stakeholders' needs. This new mode of operation has broken down geographical barriers and increased frequency of communications. This has resulted in greater information sharing with networks (including Gas Networks Ireland) and our interconnector customers to the continent. We held 3 COVID-19 specific webinars (25 Mar, 23 April, 3 June) and built in a COVID-19 specific section to the May and June Operational forums (responding to common queries raised by stakeholders at the start of lockdown). Their usefulness was reflected by increased attendance numbers (211, 104 and 54) and involvement of new stakeholders. We also supported the East of England Energy Group (EEGR) on a webinar for their members – enabling us to actively engage 45 stakeholders in our emerging plans for the development of Bacton Terminal. To offer stakeholders a variety of engagement mechanisms, we issued an email newsletter on 29 May. This reached 1514 people. This featured clear contact points and updates on how we are mitigating impacts of COVID-19. It resulted in requests for bilateral meetings on Net Zero and helped shape topics for future engagement.

**c)** The increase in stakeholder contact and reach via online communications methods during the pandemic has deepened relationships with stakeholders. We now hold weekly video conference meetings with other networks on a wide range of topics and will continue to do so post-lockdown.

**4a)** As a transmission owner and operator of gas we engage with 202 business to business customers, in contrast to the high volumes of domestic gas consumers served by Gas Distribution Networks (Cadent for example has 11 million customers connected to their networks, both domestic and business). We do not operate or have access to a Priority Services Register. Within that context, we have embraced use of AI computer driven analytics and digital technologies to improve service to our stakeholders and to drive transparency of data and decision making to those that use our network or use information about our network. During 2019 and continuing today, we are working with our customers to develop a pressure forecasting service with more detailed forecast information on pressures a customer is likely to receive. It is tiered according to customer needs, and will be cost-neutral, meaning that National Grid will only charge to cover costs. This service helps customers operate more efficiently and lowers barriers to entry for new market participants, leading to savings for the end consumer.

**b)** Since 2019, we have continually made available more market information provision (MIPI) information via our innovative [data community website](#). The purpose is open and efficient communication on residual balancing decisions, to provide better visualization to customers, to test concepts and gain customer feedback. It was also developed in response to need for customers, particularly smaller companies, to engage remotely. Over 308 stakeholders and customers have since registered to use the site. However, the benefit is to a wider stakeholder community, by creating a level playing field of information. We have used the website to gain stakeholder feedback, e.g. to identify where new data was required. Stakeholders have also used the site to raise topics directly with us. We are also working to make the data we provide simpler and more accessible to a wide range of customers and stakeholders. Our information provision tool (MIPI) has been re-platformed to the cloud, enabling us to re-design the front-end user interface and was launched in February 2020. We re-designed the user experience with customers to enable the additional functionality that they wanted such as easy access to API feeds, more visuals and the ability to read analysis from the data without having to import it into a separate programme.

**c)** When developing new data tools, we conduct extensive engagement with our stakeholders. We consult and co-create the interface and ensure that users are well informed in advance of any changes. For instances where we introduce products that enhance the underlying systems, we will communicate the changes in the form of video tutorials or written instructions uploaded to the collaboration website. To access some of National Grid's data, stakeholders need to engage with third parties that provide services (such as the auction process). In this instance, we act in parallel as a point of contact so that stakeholders feel supported through the process.