

Code administrators performance survey

Connection and Use of System Code (CUSC)

National Grid Electricity Transmission plc

Introduction

As part of its 2016 Code Governance Review Final Proposals (Phase 3) (CGR3), it was concluded that Ofgem should commission a standardised cross-code study to monitor and assess the performance of Code Administrators in their role in respect to each code that they administer.

The first study was conducted in 2017 and intended to evaluate the service provided by Code Administrators in accordance with the principles of the Code Administration Code of Practice (CACoP) which aims to align processes across the industry codes and identify areas of best practice.

The study was not intended to take account of the relative funding of the Code Administrators (CA), or whether they offer value for money.

In 2018, the study has been repeated to monitor performance and identify any developments. Specifically, the survey has been developed to:

- **Identify:** Organisations' interaction with codes and CAs; including awareness of CA responsibilities, confidence in dealing with codes, and expectations of the service which Code Administrators should be providing
- **Measure:** Overall performance of CA on key metrics, including overall satisfaction, support, communications and modification process
- **Assess:** Specific aspects of service delivery, including email, websites, meetings and accession process.

Method

A mixed mode programme of research was conducted with organisations interacting with industry codes consisting of:

- A total of five depth interviews to inform questionnaire design (14-20 Feb 2018)
- A core survey with 216 participants to measure experience and performance of code administrators – **40 participants answering about the CUSC** (27 Mar – 11 May)
- 25 follow-up depth interviews to get an understanding of drivers of satisfaction/dissatisfaction (18 May – 20 Jun)

Throughout the report, results are shown:

At a total level (aggregated results for all codes)

At a total for the CUSC (due to small base sizes, results are not broken down by subgroup)

Quotes from respondents included in the report are not intended to be representative of the range of views, but rather offer a range of opinions, feedback and suggested improvements

*Where base sizes are small, this is shown by an * for bases less than 30 and ** for bases less than 15. This indicates that the data should be treated with caution.*

Industry context

Organisations still acknowledge that codes are inherently difficult to navigate with some more technical than others. While the environment is challenging:

- Organisations do expect the governance of codes to be stringent
 - They believe that this is essential as it protects business, and smaller organisations in particular
- There is recognition that complexities associated with an individual code impact the way each code administrator operates

Perception that Ofgem could play a much bigger role in providing guidance and protection for business; this is driven by a view that the market does not always lend itself to a level playing field:

- Concerns around some businesses submitting tactical modifications for their own commercial gain
- View that smaller organisation more likely to be impacted as they have limited resource for personnel to attend meetings and to raise such modifications

Executive summary – CUSC

Overall, perceptions towards National Grid in relation to the CUSC are improved from last year:


- Overall satisfaction levels of the CUSC service have increased, 65% of organisations are satisfied (from 47% in 2017).
- Similarly, satisfaction with provision of support has seen a directional increase to 71% (from 54%).
- There are however a number of areas identified as in need of improvement:
 - Making it easier for organisations to understand information
 - Ease of finding information on the website
 - Organising and facilitating meetings

Organisation profiling

The level of expertise organisations have to deal with codes remains consistent with 2017. It is encouraging that there is a directional improvement around availability of resource.


The means to deal with the codes and their requirements is linked to the size and experience of the company. However, compared to 2017, smaller businesses are reporting greater confidence in their ability to deal with codes.

ORGANISATION'S SIZE



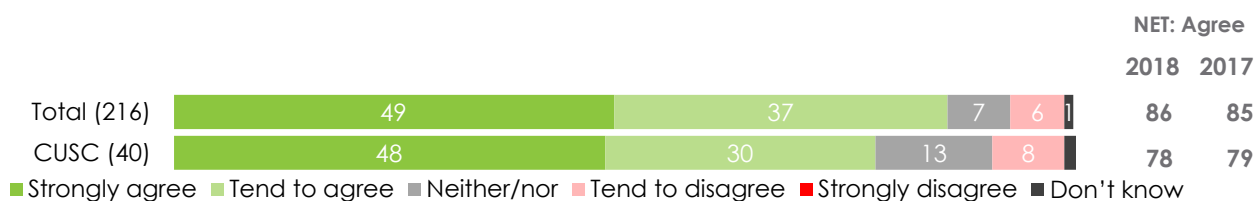
	No. of employees			
	0-49	50-249	250-999	1,000+
Total (216)	18%	16%	14%	47%
CUSC (40)	25%	13%	10%	50%

ORGANISATION'S ENERGY MARKET EXPERIENCE



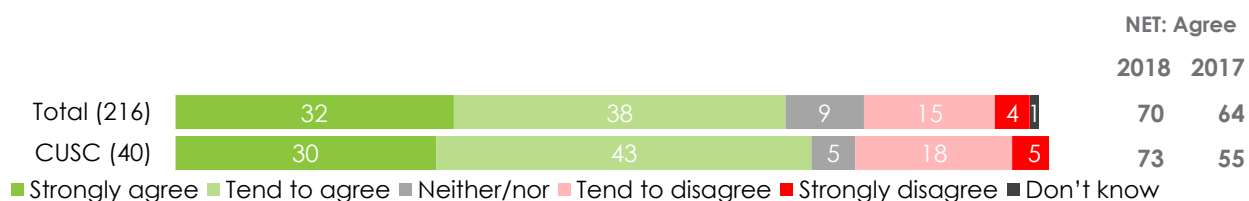
	0-5 years	6-9 years	10+ years
	Total (216)	16%	6%
CUSC (40)	20%	5%	75%

SUFFICIENT ORGANISATIONAL EXPERTISE TO DEAL WITH CODES



Q1. To what extent would you agree or disagree that your organisation has sufficient expertise to enable you to deal with the codes you are responsible for or interact with? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

ORGANISATION'S RESOURCE



Q2. And to what extent would you agree or disagree that you have enough resource within your organisation to sufficiently deal with the codes you are responsible for or interact with? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

Smaller organisations indicate that they often deal with multiple codes, which can make it challenging to know the intricate detail of the CUSC, or other codes they may deal with.

Key findings

KPIS

The survey collected four wide measures of satisfaction:

1. Perceived improvements from service received in the last year (new for 2018).
2. Overall satisfaction with the service provided to their organisation.
3. Satisfaction with the provision of support.
4. Satisfaction with support received when requested.

There are some positive shifts across key measures; with more customers reporting satisfaction with the CUSC service.

PERCEIVED IMPROVEMENT

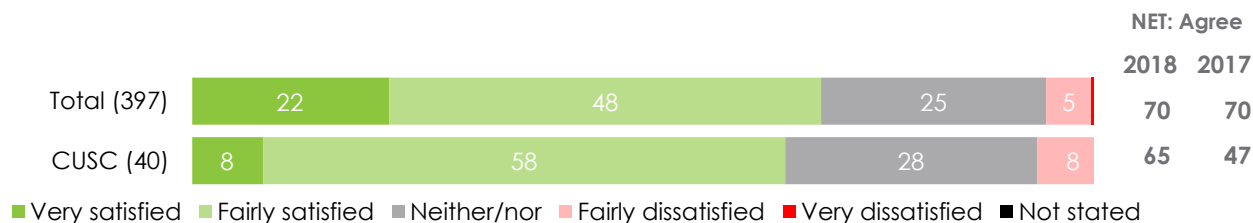
A high proportion of organisations feel the service received in relation to their code has not changed (57%). For CUSC, 73% indicate that the service levels have not changed from last year.



Q29b. Thinking about the service that you have received in relation to the <code> in the last year, would you say it has improved, remained the same or got worse? (number of respondents in brackets) (results in %)

OVERALL SATISFACTION

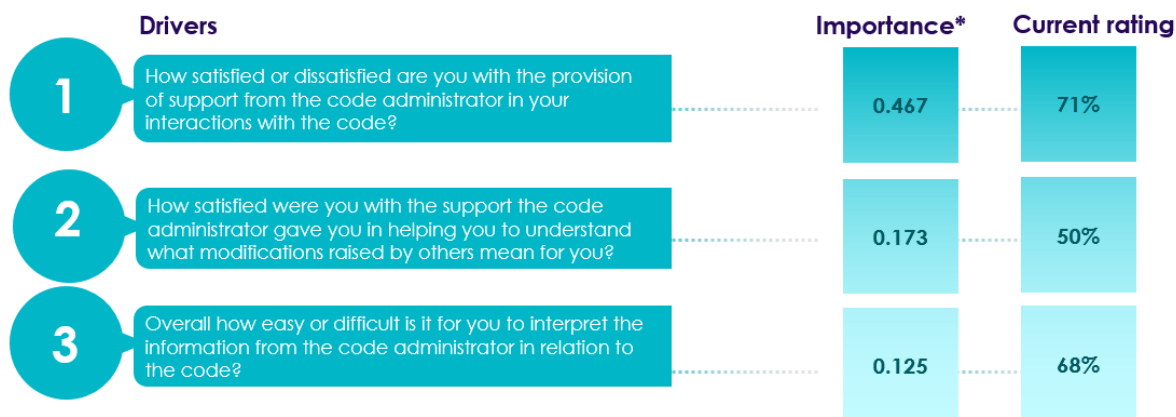
There is a positive directional change from last year, with 65% of organisations saying they are satisfied with National Grid's service regarding CUSC (from 47% in 2017).



Q10. Thinking about all aspects of your dealings with the code administrator in relation to <this/these> codes, overall how satisfied are you with the service provided to your organisation? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

“The National Grid CUSC team would benefit from greater one to one engagement with parties to familiarise themselves with the challenges they face.”

To understand the aspects of service delivery that most impact overall satisfaction, key driver analysis (KDA) was conducted.¹ The aspects of service that have the greatest impact on overall satisfaction are:



* The importance value will always have a value between -1 and +1, where, a large positive correlation means two ratings 'move together' and a negative correlation means the ratings move in the opposite direction. A correlation of 1 means an exact linear relationship (i.e. everyone gives the same rating for overall satisfaction as for provision of support.)

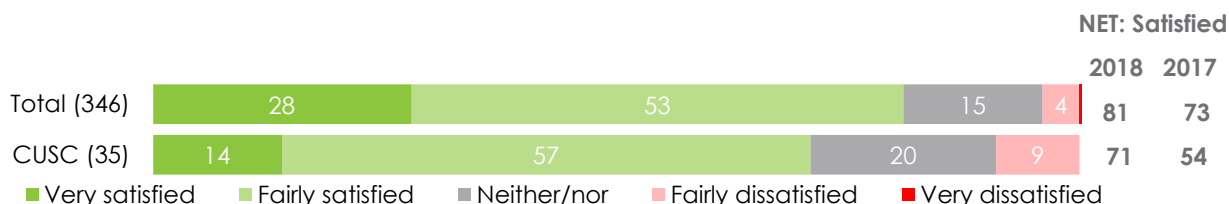
Due to the small base sizes, it is not possible to identify the key drivers for individual codes. The importance scores are based on the combined total for all codes and the current rating is specific to the CUSC. National Grid receive a relatively low overall satisfaction score for the CUSC and could make improvements to aspects of service such as information provision and all direct services.

At an overall level, the three key drivers of satisfaction continue to be around support and information. There are opportunities to improve service around two of the three key drivers. With service improvements to these core areas, it is likely that there will be a positive lift in reported overall satisfaction

SATISFACTION WITH PROVISION OF SUPPORT

More generally, Code Administrators are perceived to have improved the provision of support to small businesses from the previous year. There is a significant increase in reported satisfaction from 2017; smaller organisations tended to be less satisfied than larger organisations. It is however worth noting that although the gain for the smaller organisations is highly significant, larger organisations still report greater satisfaction.

There is a positive directional change with the provision of support from National Grid, 71% of organisations are satisfied with the level of service for the CUSC, a change of 17%pts from last year. Just one in ten organisations are dissatisfied with the provision of support and a further third are neutral.



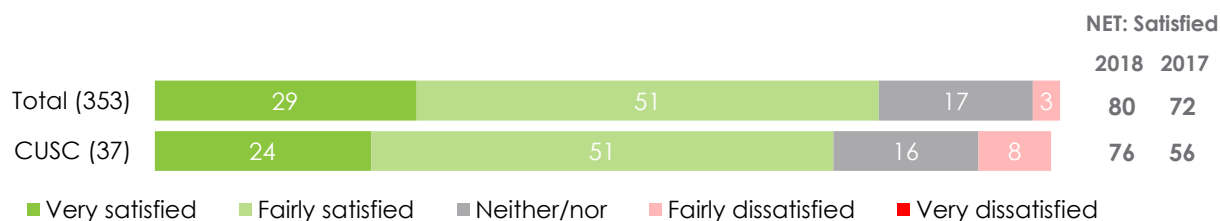
Q11a/Q11c. How satisfied or dissatisfied are you with the provision of support from the code administrator in your interactions with the <code>? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

¹ KDA tests the strength of the correlation between ratings of core metrics against perceived level of satisfaction by which we can derive which factors have the greatest impact on overall attitudes – this is a subconscious measurement rather than a stated level of importance.

“[I don't] feel sufficiently supported but can understand that it would not be ideal for the CAs to give such a level of support.”

SATISFACTION WITH SUPPORT RECEIVED WHEN REQUESTED

Experience of the code plays the greatest part in influencing perceptions of support received when directly requesting it from Code Administrators. A large majority of organisations (76%) are satisfied with the support they receive from National Grid when it's requested.



Q13/Q13b. And when you request support from the code administrator in relation to the <code> how satisfied or dissatisfied are you with the support you receive? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

The reported improvements may be attributed to the management team changes recently implemented:

“The changes to the management team has shown significant improvement in approach and has made the customer a greater focus of their engagement.”

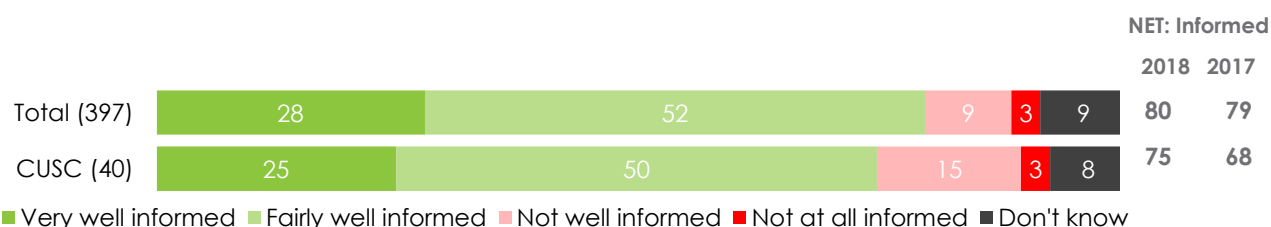
Perceptions of information provision

On average, organisations receive information about the CUSC from National Grid 1-2 times a week and for the majority (87%), this frequency is about right.

KEPT INFORMED ABOUT THE CODE

Although customers agree that they are kept informed, there are some concerns around CA resourcing and the view that some CA teams are stretched. As we observed last year, there is still a view that those who are less familiar with the codes struggle to interpret the information received. So while the obligation to provide information is being met, there is a need to continue to simplify and to target communications.

National Grid, on balance, performs well on this aspect, three quarters say they feel 'very' or 'fairly' well informed about the CUSC. This said, there is still a cohort of organisations that do not feel they are kept informed.

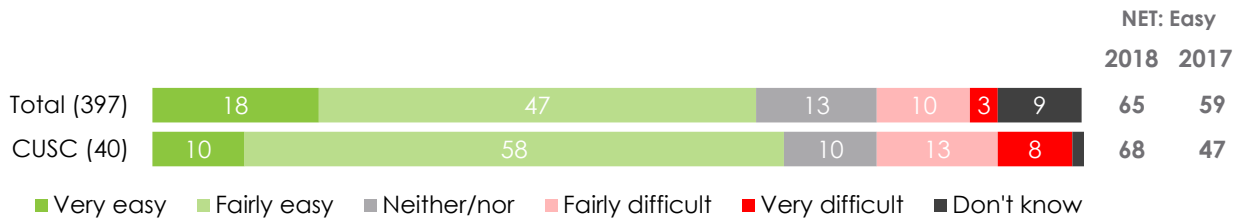


Q14/Q14b. How well do you feel your code administrator keeps you informed about the <code>? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

EASE OF INTERPRETING INFORMATION

Over two-thirds of organisations say that it's easy to interpret information from National Grid about the CUSC. A positive increase from 2017.

More generally, those with more personal experience of codes and in organisations with 250+ employees are more likely to find interpreting information easier. However, encouragingly, there has been a positive uplift in reported ease among those within smaller organisations and those in the energy market for 5 years of less.



Q15/Q15b. Overall how easy or difficult is it for you to interpret the information from the code administrator in relation to Base: All responses for those involved with code (in brackets) (%)

Organisations highlight a range of suggestions to improve interpretation of information.

"More lay-man explanations."

"Providing more relevant data and giving more general information."

Perceptions of direct services

EMAIL

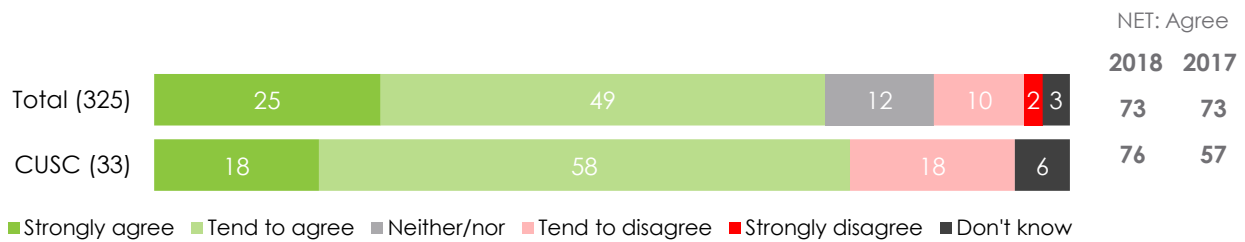
Overall, information is easily accessible via email – it is the most used both by CAs to provide information and by organisations to seek information. Communication by email means there are regular updates of information and organisations can stay on top of changes to the code. Organisations also prefer using email as it ensures there is an audit trail.

Email can however be overwhelming as CA communications are only one of many; this is especially so when several emails related to a code are sent in a single day. Furthermore, when emails do not include the key take outs, core messages can get lost.

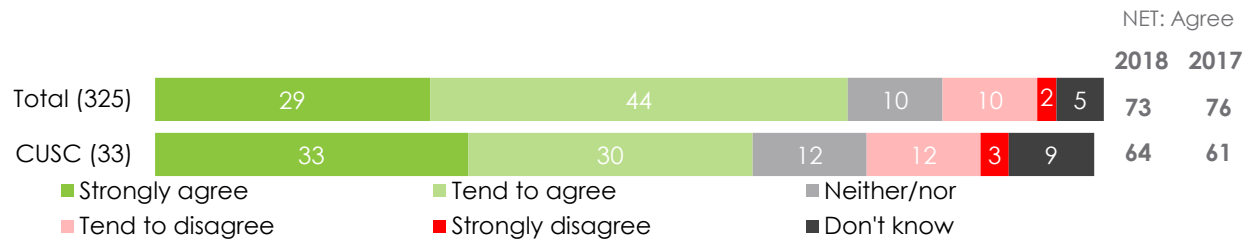
The volume of emails can make it difficult for organisations to identify which messages contain vital information, which ones need immediate action or prioritisation against those providing more general updates.

Around three in four agree that emails from National Grid in relation to the CUSC are easy to understand (76%) and are clear when action needs to be taken (64%).

'The emails I receive are easy to understand'



'The emails I receive make it clear when action needs to be taken'



Q19. To what extent do you agree or disagree with the following in relation to the <code/codes>? Base: All responses for those receiving information from code administrator (in brackets) (%)

However, there are some organisations who do not feel that CUSC emails are easy to understand or are clear on the actions needed.

"[Emails] can often be full of jargon and difficult to interpret"

"Have seen some improvements with CUSC introducing summaries of what is being proposed. However it would be even better if they could de-technicalise [simplify] the language and instead of references to particular sections of regulation, outline in layterms what it means and for who."

WEBSITES

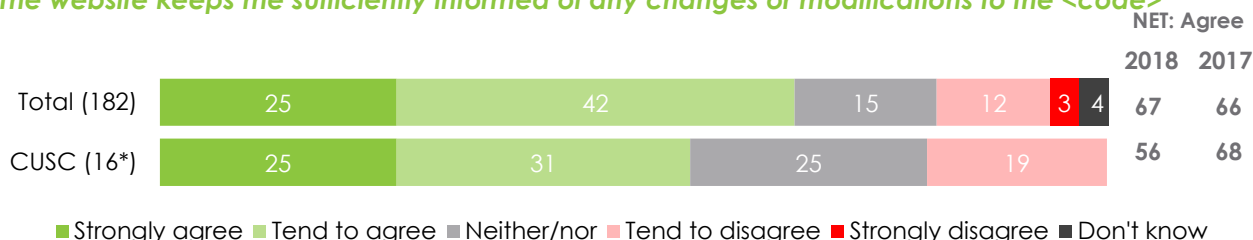
Generally, customers value having information on websites, they use them to keep up to date with various code changes. Information included on websites can be insightful, providing businesses with the depth of understanding they require to navigate codes.

There are some highlighted concerns around the ability for customers to easily navigate websites, and limited signposting. Overall, there is a decline in the proactive use of websites (52% in 2017 vs 28% in 2018). While customers perceive websites as not fit for purpose, use may decline further.

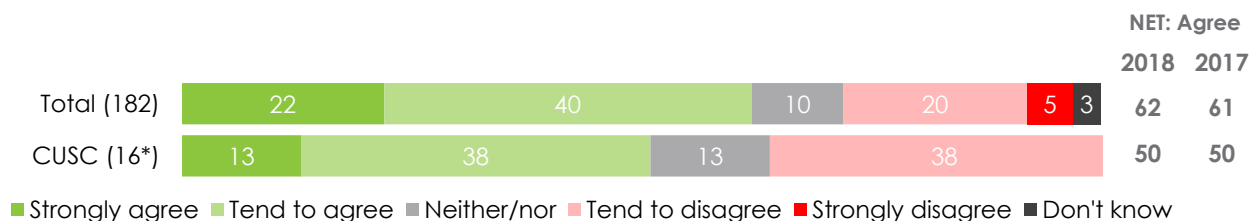
Around half (56%) agree that National Grid's website (in relation to the CUSC) keeps them sufficiently informed of any changes or modifications to the code, a quarter are neutral, while 19% disagree that the website keeps them informed.

Organisations also indicate some concerns with the ease of finding information on the website, with over a third disagreeing that it is easy.

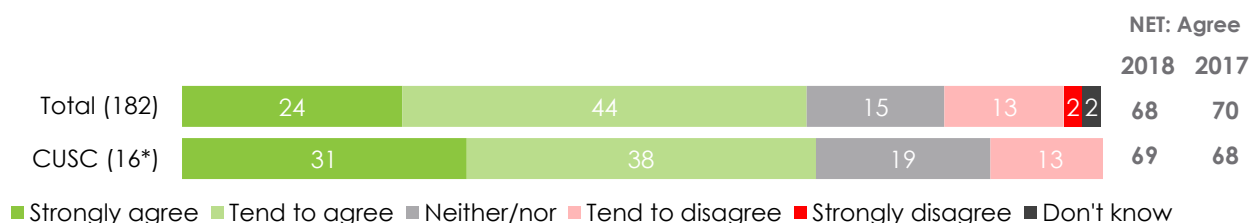
'The website keeps me sufficiently informed of any changes or modifications to the <code>'



'I am able to easily find information on the website'



'The information on the website is easy to understand'



* Low base

Q20. To what extent do you agree or disagree with the following in relation to the <code/codes>? Base: All responses for those using code administrator website (in brackets) (%)

There are some specific complaints in relation to the CUSC website:

"CUSC were recently revamped and it was better before. Documentation for the panels were structured more logically and rather than downloading a zip file of appropriate papers, there was approx 35 documents to download, which are 35 lots of 2 or 3 clicks whereas just putting it on the zip file. So that makes me very cross with the code administrators of the grid code. It makes me waste my time."

"National Grid website is frustrating. Finding a document in the search is different vs previous finding modification."

"No place on the websites to see what all the modifications are."

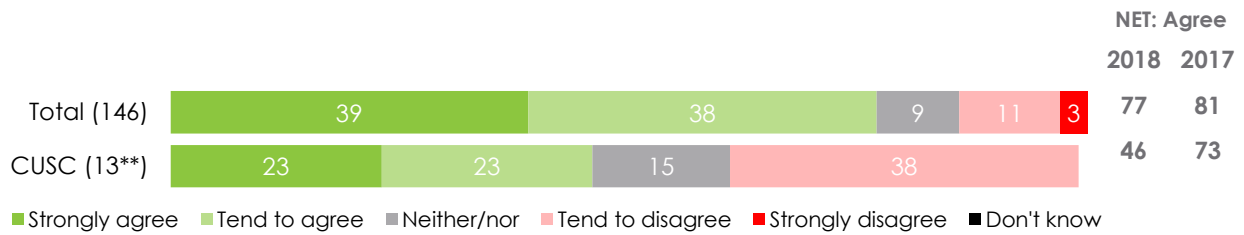
"Their new website makes it more difficult to find info than with the old one."

MEETINGS

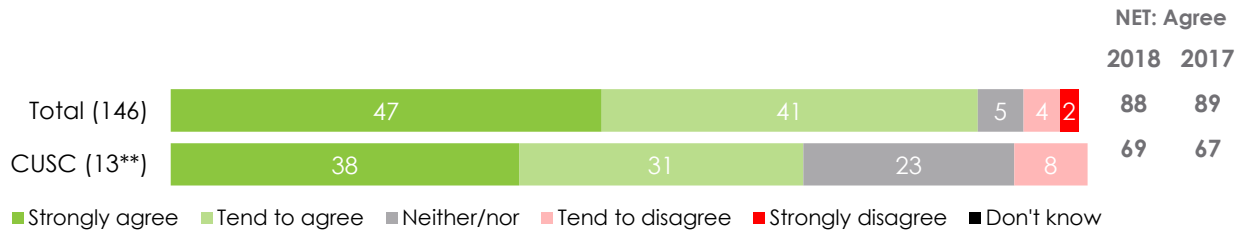
The proportion of those who have attended a meeting or workshop about the CUSC in the last 12 months stands at 33%. At an overall level, 37% have attended a meeting or workshop in relation to the code they interact with.

Although only a small number have attended a meeting (13 individuals), organisations attending CUSC meetings have polarised views about receiving information in sufficient time before meetings and teleconference facilities being fit for purpose.

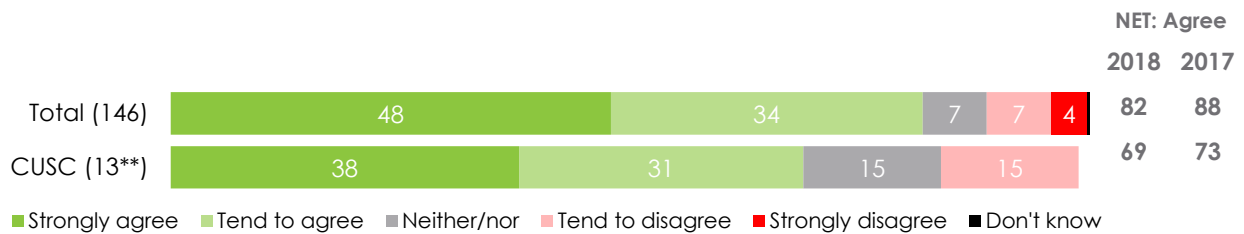
'I receive information in sufficient time before meetings'



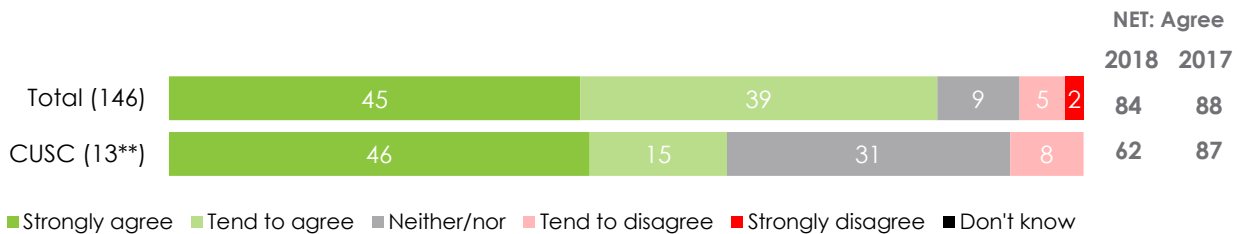
'Meeting facilities are fit for purpose'



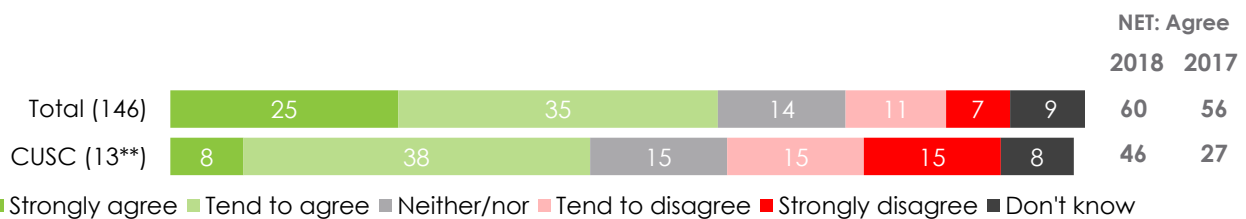
'It is easy for me to actively participate in the discussion'



'The materials that I receive prior to the meeting(s) provide me with enough information about the objectives'



'Teleconference facilities are fit for purpose'



* Low base

Q22. To what extent do you agree or disagree with the following in relation to the <code/codes>? Base: All responses for those attending meetings (in brackets) (%)

There are specific issues raised around the location of the meetings and aspects of facilitation:

"National Grid struggle to organise people/meetings so a different experience, organisationally very difficult for them and location in Warwickshire can be difficult."

"If I wanted to be more involved I could but going to Warwick is not a priority when this is not a key part of my role or business."

"In terms of meetings, belief that you need a very strong facilitator to keep discussions on track. If you have 2 parties with opposing views debate can get sidetracked without someone who can manage it effectively."

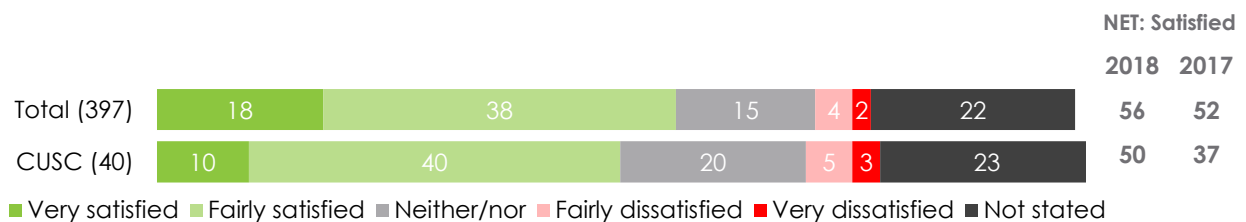
RAISING MODIFICATIONS

Five percent (two organisations) have raised CUSC modifications in the last 12 months. One of the organisations found it easy, while the other felt it was difficult.

UNDERSTANDING MODIFICATIONS

Overall, just over half (56%) of organisations are satisfied with the support their Code Administrator provides to help to understand what modifications raised by others mean for them, a similar level to the previous year.

Half of organisations are satisfied with the support given by National Grid to help them understand CUSC modifications. A 13%pts increase from last year.



Q28. How satisfied were you with the support the code administrator gave you in helping you to understand what modifications raised by others mean for your organisation? Base: All responses for those involved with code (in brackets) (%)

"Modifications are complicated in the Grid Code and the CUSC. Because of the prescription involved in the rules for the Grid Code and CUSC panels. There are no detailed set of rules about how things are done as opposed to no rules at all for the Dcode, meaning that the panel have much more flexibility."

ACCESSION PROCESS

Twelve people (30%) are employed by organisations who became party, or began the process to become party to, the CUSC in the last five years. Over half found the process easy (seven; 58%) with two finding it difficult; others were not directly involved in the process.

Conclusions

The service provided by National Grid in relation to the CUSC has seen some positive shifts from the previous year. Key aspects like, overall service provision and provision of support both see strong directional increases in satisfaction.

Organisations highlight a need for greater attention around emails and the website in particular. Making emails easier to understand and creating a website that is easier to navigate will go some way towards customer perceptions of the CUSC service.

"Not everyone the CA interacts with is an everyday practitioner or expert in this. It is what we have to do as part of our job but it is not all or even a great part of our job."

More generally, some organisations indicate that National Grid has an unfair advantage as a result of its dual role. To minimise some of these perceptions, there is scope to communicate how the organisation manages these two competing roles.

“The conflict of interested that National Grid has is becoming more apparent whereby they are commenting on things and from a perspective they shouldn't be.”