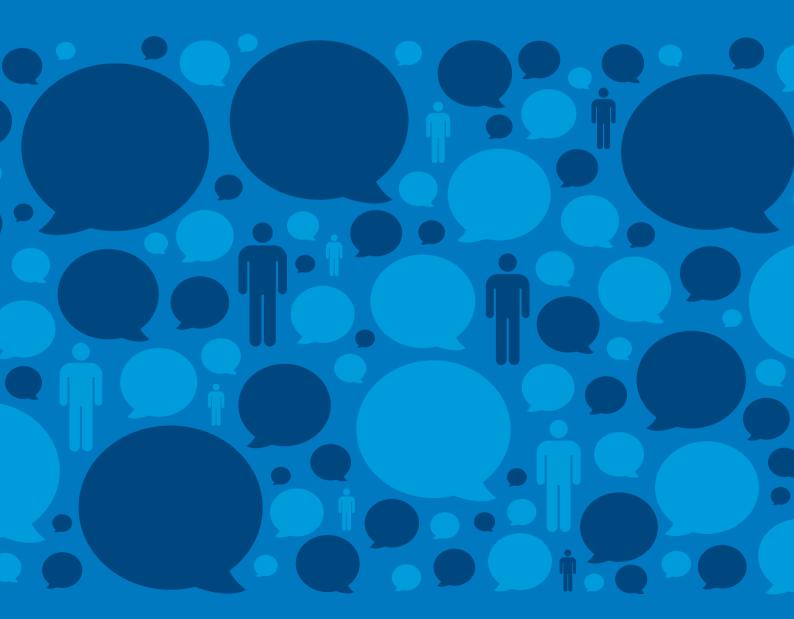
nationalgrid

GAS TRANSMISSION COMMITTING TO YOU FOR 2013



Contents











P01 Welcome to National Grid Gas Transmission



"Thank you for taking the time to respond to our recent consultation. This publication summarises the feedback you have given us and outlines our commitments for 2013/14.

Based on this feedback we aim to improve the way we engage with you by organising ourselves better and focusing on dedicated workshops and face-to-face engagement, where appropriate, to reduce the burden on you. More specifically, some of the other changes we are making are to remove one of our energy scenarios, improve our website and introduce gas customer seminars.

We will continue to engage with you as we work together in shaping the future."



We are committed to becoming a truly listening business that responds and adapts to what our stakeholders are telling us.



NICK WINSER Executive Director, UK

Planning for the future

Our vision

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

Our five priorities

- Safety: "we will keep you safe"
- Reliability: "we will deliver energy reliably"
- Environment: "we will safeguard the environment"
- Customer Satisfaction: "we will deliver quality, value-for-money services"
- Connections: "we will make connecting to our network as easy as possible".

Our stakeholder strategy

We will:

- Identify our stakeholders
- Engage with you using a variety of methods
- Understand and discuss your needs
- Act on your ideas
- Keep you informed
- Monitor, review and improve our strategy

PO2 About us





Who we are

At National Grid our job is to connect people to the energy they use – whether that's to heat and light homes, or to keep factories, shops and businesses going. We all rely on having energy at our fingertips; our society is built on it.

That puts us at the heart of one of the greatest challenges the UK faces – how the country will meet its ambitious low carbon energy targets and connect that new energy supply to communities.

Where we work

We own, maintain and operate the national gas transmission system in Scotland, England and Wales, balancing the flow of high pressure natural gas between import terminals and the regional gas distribution networks, gas storage facilities, international interconnectors, power stations and other large industrial customers.

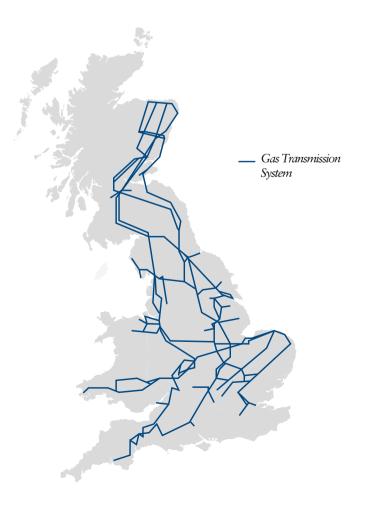
The transmission networks can be likened to motorways; high capacity networks linking major conurbations.

These networks are natural monopolies regulated by Ofgem (Office of the Gas and Electricity Markets). Our next price control, known as RIIO-T1, started in April 2013 and will last for eight years.

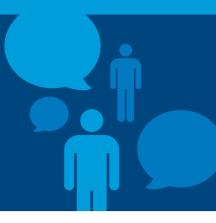
What we do

We transport gas through our network on behalf of gas shippers.

Our role is to ensure that the transmission infrastructure we rely upon every day delivers gas to homes and businesses whenever it is needed.



P03 What we are delivering Based on your feedback



These are our commitments for 2013/14. The tables below provide a summary of the commitments with further detail on what we will deliver on pages 6-8 of the document. We have split these into two categories.

The first includes the specific actions we are committed to delivering across our business based on the feedback you have given us through our recent stakeholder engagement consultation and the ongoing engagement we have with you. These include service improvements and commitments

to improve our engagement with you such as through our new gas customer seminars. Some of these commitments are completely new – these are based on our recent engagement with you in the past few months.

The second focuses on our more generic commitments in areas such as safety and reliability. These are the things you have told us are important and you expect us to continue delivering and maintaining the standards we have already set and / or are obliged to meet.

These commitments are numbered to enable you to easily cross-reference to the further detail contained on pages 7-9 in this document.

1. Commitments Part One

| Output Area | Our commitments: We will | More Detail |
|-----------------------|--|----------------|
| Reliability | 1) Engage with stakeholders on the development of our Gas Ten Year Statement. | Page 9 |
| Environment | Consult annually on the development of our energy scenarios through our Future Energy Scenarios process. | Page 7 |
| | 3) Continue to engage on the initiatives that were identified at our Sustainability Summit. | |
| Customer Satisfaction | 4) Ensure our people are accessible and respond to your queries in a timely manner. | Page 8 |
| | 5) Work with stakeholders to enhance the tariff information we publish via the NTSCMF meeting | |
| | 6) Refresh and upgrade our website by October 2013 | |
| | 7) Improve gas outage information for stakeholders. | |
| | 8) Introduce gas customer seminars from July 2013. | |
| | 9) Keep stakeholders informed about the development of EU network codes. | |
| Connections | 10) Engage with stakeholders to develop new capacity and connections (capcon) arrangements that can be put in place by April 2014. | Page 8 |

P04 What we are delivering Based on your feedback



2. Commitments Part Two

| Output Area | Our commitments | More Detail |
|---------------------------|--|----------------|
| Safety | 11) Deliver our commitments to protect our staff, contractors and general public. | Page 9 |
| | 12) Comply with all safety legislation applicable to the operation of the gas transmission network. | |
| | 13) Ensure our network is designed and constructed to be safe. | |
| | Structure our investment programme to ensure the safety and integrity of the network. | |
| Reliability | 15) Meet our obligations to provide sufficient network capacity. | |
| | 16) Minimise the risk of equipment failure by ensuring our equipment is maintained and/or replaced to maximise its operations. | |
| Environment | 17) Deliver our statutory environmental obligations. | Page 7 |
| | 18) Continue to engage with stakeholders on their evolving future network service requirements. | |
| Customer Satisfacrtion | Implement an action plan to address areas of concern that are raised through our customer and stakeholder surveys. | Page 8 |
| | 20) Benchmark our customer strategy against other organisations to make sure we are delivering what stakeholders need. | |
| Connections | 21) Meet our obligations to deliver timely offers for connections to our network. | Page 8 |
| | 21) Continue to work with you to improve engagement throughout the lifetime of your project. | |



These are the things you have told us are important and you expect us to continue delivering and maintaining the standards we have already set.



P05 Your feedback How are we doing?



The first section of our consultation focused on 'How we are doing'. The respondents to our consultation had all engaged with us before, ranging from once to over 30 times.

This engagement took place at a variety of events including our Talking Networks price control engagement, Future Energy Scenarios consultation, local community engagement for specific projects and at industry meetings.

All of the gas stakeholders who responded to our consultation believe that engaging with us is worthwhile, increased their level of knowledge and their understanding of what we do.

The majority of our stakeholders also felt that they were listened to during our engagement processes and that they had the opportunity to give their views and ask questions with the engagement seen as an effective two-way discussion.

The majority of stakeholders felt that we had acted upon their feedback and their comments and views have been taken into account, for example in the development of our future energy scenarios. The rest of the stakeholders who responded feel it is too early to say whether their views have been taken into account in the final outcomes of our engagement. We will continue to work with these stakeholders to explain our decision-making.



Overall our stakeholders view our engagement positively, seeing it is as a good use of their time and an opportunity to have their views listened to. We will continue to monitor how we are doing, report back regularly and work with you to improve.



Along with other participants I was able to make points and ask questions of National Grid staff. Also it felt as if National Grid was listening.

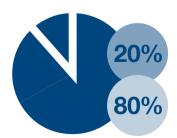
What you said



Time82% of respondents felt that our engagement was a good use of their time.



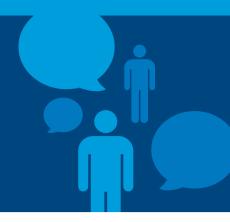
Listen/Discuss 82% felt they had been listened to and had their chance to have their say.



Act

57% felt we had acted on their feedback, or if not, had explained why not with a further 14% stating it was too early to say.

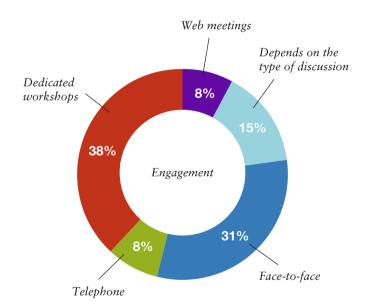
P06 Your feedback How are we doing?



The second part of our consultation focused on how you want to engage with us. The majority of respondents preferred methods of engagement focused on face-to-face discussions, whether that was in dedicated workshops or bi-lateral discussions.

Stakeholders told us that the type of engagement depends entirely on the issue or topic being discussed. We will continue to ensure that all our stakeholders have a platform to engage with us, which is appropriate for them and the topic being discussed.

How do you want to engage with us?





The feedback through the consultation is that we consult and engage with the right stakeholders and that no groups are excluded.

One other important comment was that the **decisions** we make now with regard to energy will have a lasting impact. It is therefore important that stakeholders are involved in our decision-making process.



A range of methods is usually helpful depending on the particular stage of the project and the issue under consideration.



Our commitment to engagement

Using this feedback we will focus our engagement on workshops and face-to-face meetings, organising ourselves to collect your feedback through these methods of engagement. We will also continue to aim to consolidate our engagement, such as via seminars covering a variety of topics, to reduce the burden on you.

We will also look to reduce the amount of formal written consultation where it is appropriate to do so. We are committed to collecting your views on how we are doing and reporting back to you regularly.

We will also make our engagement activities stakeholder specific, engaging with you in the way that you want.

P07 **Your feedback**Our commitments



Our role in facilitating a low carbon economy is important to you. It is also clear that visual amenity is a highly emotive subject for you, providing a wide range of views.

Your feedback through this consultation, our engagement as part of our infrastructure projects and through our price control 'Talking Networks' programme continually highlighted the importance of the environment. Our primary deliverable in this areas is to ensure we comply with applicable environmental legislation.

The role of gas-fired power stations in supporting the transition to a de-carbonised electricity network is vital and we will work with you to facilitate new connections.

One of the features of a future low carbon economy will be an increasing reliance on wind generation, which brings with it a need to respond quickly when the wind stops, or starts, blowing. The use of gas-fired generation as a rapid response back-up is one of the ways we will balance supply with demand and we will continue to engage with you on how the network will evolve to ensure we can operate the network in an efficient, affordable and sustainable way.



Additionally, our updated energy scenarios, that underpin the investment in our Transmission system and include scenarios that meet wider industry environmental targets, reflect the feedback you have given us.

You said We will

Consider dropping our 'Accelerated Growth' energy scenario as it is not plausible.

You told us that our role as a facilitator of a low carbon economy is vital, in particular connecting gas-fired power stations and additional storage to the network.

You told us we should take account of the impact on the environment of our day-to-day activities and ensure we meet our statutory environmental requirements.

- 2) Consult annually on the development of our energy scenarios through our Future Energy Scenarios process, ensuring a range of outcomes including those that meet the wider industry environmental targets. Our updated set of scenarios for 2013 will be published in July 2013 and will reflect the feedback we have received with the Accelerated Growth scenario removed.
- 3) Continue to engage on the initiatives that were identified at our Sustainability Summit. These include working with suppliers to deliver innovative projects with sustainable outputs; reducing business travel; delivering sustainable land management plans to enhance local habitats and benefit local communities and embedding a culture of sustainability. We will report back on progress in September 2013 one year on from the summit.
- 17) Deliver our statutory environmental obligations and be a recognised leader in sustainability.
- 18) Continue to engage with stakeholders on their evolving future network service requirements to ensure we can develop the network to meet their requirements and maintain the required level of network reliability.

P08 **Your feedback**Our commitments



You told us that the connections process should be a key priority for us and that it needs to be improved and simplified.

We are committed to improving the services we provide to you, as well as ensuring everything we do provides value for money.

We will continue to work with you to improve the processes and frameworks that underpin the services we provide and strive to ensure they work within the commercial and regulatory environment in which we all operate. In July 2013 we are introducing gas customer seminars, building on the success of the equivalent forums in the electricity business to give you a forum to engage with us on a variety of connection-related issues.

Throughout 2013/14 we will engage with you on the development of new capacity and connection arrangements, with the aim to have these in place in April 2014.

We are committed to becoming a truly listening business that responds and adapts to what our customers tell us.

You said We will

You told us that transparency and predictability of charges are of critical importance.

You told us that our website needs refreshing to make information more accessible.

You expressed a desire for us to do more to engage and make our existing events and seminars more accessible...

- 4) Ensure our people are accessible and respond to your queries in a timely manner. We will provide an acknowledgement of any complaint within 2 working days of receipt and provide a full response within 20 working days of receipt.
- 5) Work with stakeholders to enhance the tariff information we publish via the NTSCMF meeting. We will engage with you at the July 2013 customer seminar regarding the publication of revenue information and report back with any further commitments following this engagement.
- Refresh and upgrade our website by October 2013 to make information more accessible for stakeholders.
- 7) Improve gas outage information for stakeholders by providing outage data further into the future (three years instead of one)
- 8) Introduce gas customer seminars from July 2013 to provide stakeholders with a forum for engagement and to consolidate some of our engagement.
- 9) Keep stakeholders informed through the Transmission Workstream and other meetings as required about the development of EU network codes. We will also involve stakeholders in their implementation into the GB commercial regime, especially where industry systems changes are needed.
- 10) Engage with stakeholders to develop new capacity and connections (capcon) arrangements that can be put in place by April 2014. This aims to co-ordinate these two processes to make them more aligned to your needs.

Your feedback has highlighted that while our customer service has improved, there is still room for improvement.

- 19) Implement an action plan to address areas of concern that are raised through our customer and stakeholder surveys.
- 20) Benchmark our customer strategy against other organisations to make sure we are delivering what stakeholders need. We will continue to seek your feedback on our customer service and strive to improve the services we provide to you.
- 21) Meet our obligations to deliver timely offers for connections to our network and work to ensure (where possible) that we can meet your desired connection date and explain to you the reasons why we can't.
- 22) Continue to work with you to improve engagement throughout the lifetime of your project and reconcile any charges within the contracted timescales.

P09 Your feedback Our commitments



You have told us that safety and reliability are very important to you – safety is a given and reliability should be maintained at current levels.

In order to maintain safety and reliability at the current levels, investment in the network is required and we will be open and transparent about our decision-making processes for future investment. Information on the potential future investment on our network will be published in our Gas Ten Year Statement in December.

Our belief is that safety is paramount. We will protect people and the environment from the risk of major accidents through our Process Safety Management System and the right safety-focused culture.

We will monitor and maintain the integrity of the network and report regularly to you on our performance at Operational Forum meetings.

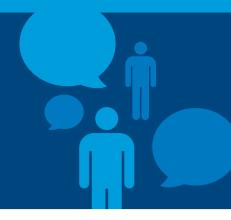




We will protect people and the environment from the risk of major accidents through our Process Safety Management System and the right safetyfocused culture.

| You said | We will |
|--|--|
| You expect us to be transparent about our decision-making with regard to the development of the Transmission network. | 1) Engage with stakeholders on the development of our Gas Ten Year Statement and in particular the information on the development of the network in this document. |
| You expect us to continue managing safety as we have been doing, ensuring we comply with the required standards. | 11) Deliver our commitments to protect our staff, contractors and general public. |
| | 12) Comply with all safety legislation applicable to the operation of the gas transmission network and deliver world class safety performance. |
| You told us that reliability is seen as a crucial aspect of our service with | 13) Ensure our network is designed and constructed to be safe. |
| a high level of reliability expected, delivered in an affordable way for | 14) Structure our investment programme to ensure the safety and integrity of the network. |
| consumers. | 15) Meet our obligations to provide sufficient network capacity. |
| Focus on safety is a given and is very important to you, with the gas industry seen as experts in this area. | 16) Minimise the risk of equipment failure by ensuring our equipment is maintained and/or replaced to maximise its operations. |

P10 Continuing to engage with you



Our commitment to you

We are committed to stakeholder engagement: listening to stakeholders and acting on what they tell us.

Working with a wide range of stakeholders we developed 'Talking Networks', providing channels through which we will listen, discuss and act on what you tell us.

Talking Networks will:

- provide information to show how your views have influenced our business decisions
- where possible, use existing forums to engage with you rather than take up more of your time
- make us accessible for one-to-one discussions where an open forum is not appropriate.

Our Engagement Principles

Integrity – We will be open, honest and create an environment which enables you to discuss what is important to you.

Accountability – We will show you how we have taken your views into account. Where we have not, we will tell you why.

Transparency – We will ensure all relevant information is easy to access quickly.

Inclusive – We will be flexible enough to provide opportunities for everyone to be involved.





How to keep in touch

We would be delighted to hear from you if you have any questions, feedback or views on this document or any other part of our stakeholder engagement activities.

The best way to do this is to send an email to: talkingnetworkstransmission@nationalgrid.com

Alternatively you can write to us at the following address: Steven Thompson,
Stakeholder Strategy Manager,
National Grid,
National Grid House,
Warwick Technology Park,
Gallows Hill,

Or call us on: **01926 656380**

Warwick, CV34 6DA

If you would like to be kept informed you can also register with our Talking Networks website. This will also enable you to receive automatic updates. www.talkingnetworkstx.com

If you have an enquiry or complaint about our transmission network (high pressure gas pipelines) in the UK, please contact us:

Call: **01926 655986**

Email: transmission.customerstrategy@uk.ngrid.com

Write: Transmission Customer Support,
Transmission Customer Services,
National Grid, National Grid House,
Warwick Technology Park, Gallows Hill,
Warwick CV34 6DA

If you smell gas then please call the 24-hour Gas Emergency number: **0800 111 999***

*All calls are recorded and may be monitored for training purposes. Some mobile network operators may charge for the call.

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