

nationalgrid



Acting On Your Ideas

UK GAS DISTRIBUTION

November 2015

Where are we in the process?

We consult with you each year to understand your priorities and how we can improve our service. We make commitments and share our promises for the year. Following this, we let you know how we are acting on your feedback.

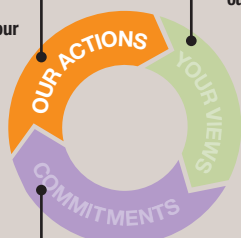


YOU ARE HERE

How we're acting on your feedback



We share our promises for the year



Tell us how we can improve our services



How to contact us

If you have a question, any feedback or an opinion on any of our stakeholder engagement activities, feel free to get in touch with us.

Email talkingnetworks.distribution@nationalgrid.com

Phone 01926 654828

Write Debbie Mitchell, National Grid, Block 2, Brick Kiln Street, Hinckley, Leicestershire LE10 0NA

Talking Networks website talkingnetworksngd.com

General Enquiries & Customer Support

Email customersupport@nationalgrid.com

Phone 0845 835 1111

Write Customer Support Team, National Grid, Block 2, Brick Kiln Street, Hinckley, Leicestershire LE10 0NA

Smell gas? Please call the 24-hour Gas Emergency line 0800 111 999

Hello and welcome



Welcome to Acting On Your Ideas; an update for you on the commitments that we made in April 2015 from what you told us during our 2014/15 consultation. In addition to an update for each commitment, we have also provided detailed case studies to demonstrate what we have been doing to help

deliver these promises. We hope you find the document interesting. If you do have comments, then please let us know. We've been working hard to put you, our customers and stakeholders, at the heart of what we do and to help us continue to do this, it is really important for us to gather your feedback and views. We'd be delighted to hear from you, to understand what you believe our priorities should be, where we should be focusing our resources, and what we should be leading and influencing on. You can do that by taking part in our consultation, 'Have Your Say', which you will find on our Talking Networks website. All feedback we receive is important to us and we promise to listen to what you tell us. Many thanks for your time.

Chris Train
Director – UK Gas Distribution

Our commitment to you

To provide the best possible service to you, we need to fully understand your needs and expectations. Armed with your feedback, we can put you at the heart of our business decisions and services.

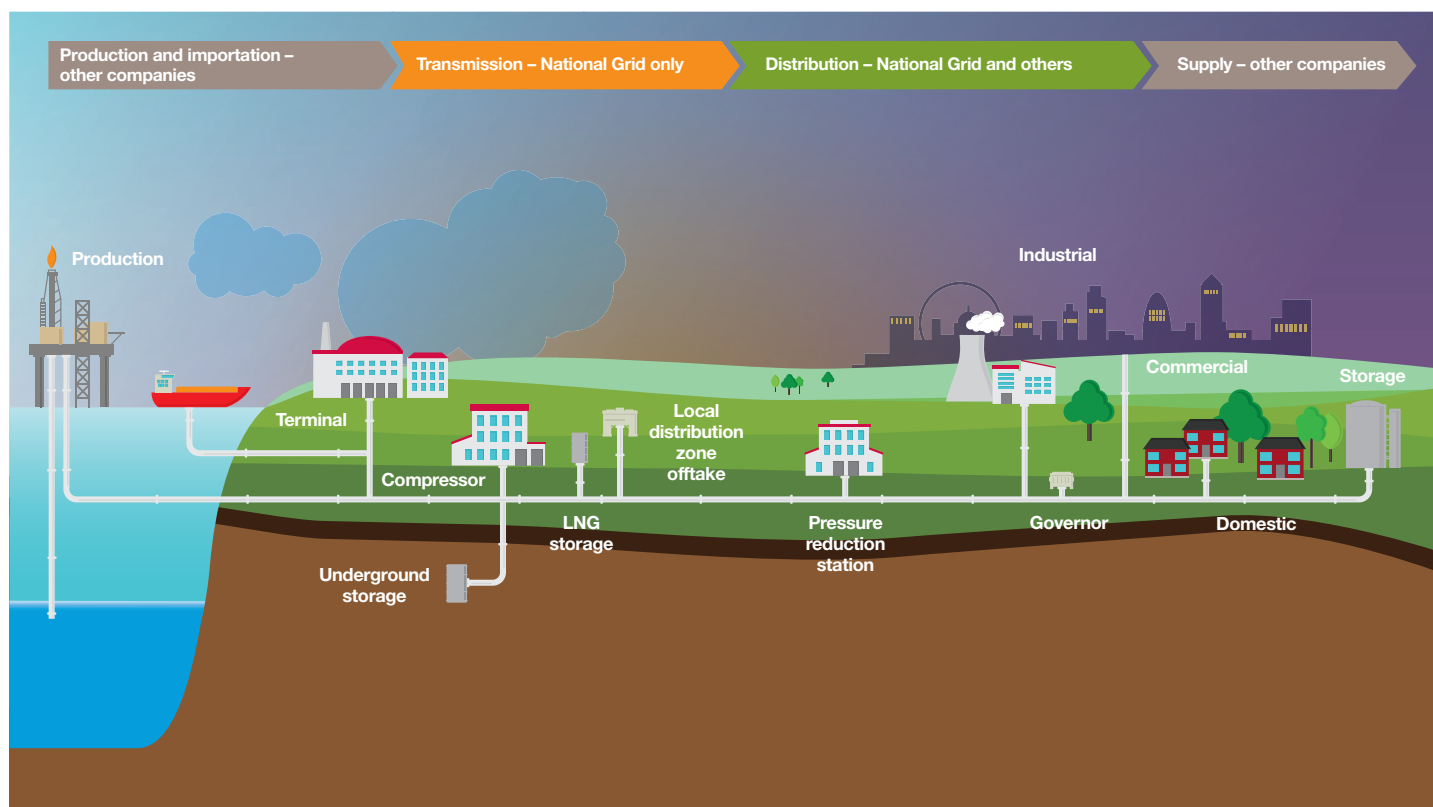
We set up Talking Networks (talkingnetworksngd.com) to do just that, so we can share how your views influence our decisions and offer an accessible communication channel for group and one-on-one discussions.

Talking Networks will keep to our engagement principles of acting with:

- Integrity
- Transparency
- Accountability
- Inclusivity



Talking Networks



Who we are and what we do

Our gas distribution networks keep you safe while delivering a reliable service to 11 million homes, schools and businesses

At National Grid Gas Distribution, our job is to make sure people are connected to the gas they need for heating, cooking and to keep their businesses operating.

Our services include managing the national gas emergency number, responding to gas escapes and repairing leaks. We also connect new customers to our network, alter the position of customers' supply pipes and disconnect gas supplies that are no longer needed.

In addition to this, we are responsible for replacing our gas mains infrastructure to make it safer and more reliable for future generations.

WHAT WE DO

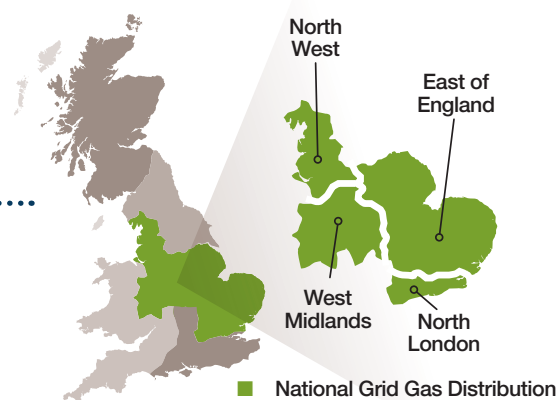
We own and operate four of the eight regional gas networks in the UK – the East of England, North London, North West and West Midlands – transporting gas to our customers through a network of pipes to around 11 million homes, businesses and schools through 131,000 kilometres

of pipeline, which laid out in a line would stretch round the world. We provide energy to some of England's largest cities and highest-profile companies. The regions we operate in make our gas distribution networks the largest and most diverse in the UK, covering densely populated residential neighbourhoods and widely dispersed rural communities. One of our key roles is to make sure the infrastructure we rely on to power our lives every day is available whenever it is needed.

VALUE

National Grid Gas Distribution, along with the three other gas distribution companies that operate throughout the UK, are regulated by Ofgem (the Office of Gas and Electricity Markets) to make sure, as natural monopolies, we all give customers the best value for money.

Our latest price control, known as RIIO-GD1, started in April 2013 and is in place for eight years.



Our 10 commitments 2015/16

We made 10 commitments in April 2015, published in *Committing to You*, based on the feedback that we received from our engagement. A key part of this was our formal three-month consultation, commencing November 2014, called *Have Your Say*. The consultation focused on three key areas; how we are doing; how you would like to engage with us; and what we should be focusing on for the coming year. These commitments help us plan for the year ahead and to make the service we provide better for our customers and stakeholders. We have been working on these commitments since April 2015 and progress for each one can be found over the page. ▶

We will keep to our 10 commitments for 2015/16

OUR RIIO PRIORITY: We will keep you safe, warm and be reliable

2015/16 OUTCOME WE WILL DELIVER

We keep our communities safe and warm

OUR 2015 COMMITMENT	OUR UPDATE	STATUS
1. We will continue to develop partnerships to raise awareness of carbon monoxide (CO) to help change our customers' behaviour.	We have continued with our initiatives to raise awareness of CO and provide CO alarms to our vulnerable customers. Since April 2015, we have reached out to over 10,000 stakeholders and provided nearly 2,850 CO alarms to our vulnerable customers. We recently attended Northampton Festival of Water and have been working in one of our local communities, Smethwick, to distribute CO alarms. To find out more about these initiatives, please turn to pages 6 & 7.	■
2. We will innovate to provide additional services to our vulnerable and fuel-poor customers.	We continue to focus on providing additional services to our vulnerable and fuel-poor customers. We have recently begun working with Leicestershire County Council to partner their referral scheme and have also launched an app for our engineers to help customers where English is not their first language. We have also joined up with the Royal Association for Deaf People to help our engineers and customers communicate where there are difficulties with hearing. Pages 6 & 7 will provide further information.	■
3. We will work more closely with local and highway authorities to undertake our works safely, improve planning and coordination, and deliver innovative solutions to minimise disruption.	Following the feedback we received from our consultation, we continue to work closely with local and highway authorities, having regular engagement and sharing our work plans. To reduce the disruption we cause with our works, we have set ourselves a target to reduce our excavation by 50% by 2017. We are currently on track to achieve this through innovation, changes to current process and lean ways of working. An example of one of our innovation trials can be seen on pages 8 & 9.	■

OUR RIIO PRIORITY: We will deliver a quality service

2015/16 OUTCOME WE WILL DELIVER



We are easy to do business with

OUR 2015 COMMITMENT	OUR UPDATE	STATUS
4. We will work with our stakeholders to review our asset data service to identify improvements.	Following the feedback that we received from our most recent consultation, we made a commitment to work with our stakeholders to identify improvements needed. However, following a number of near misses to our underground equipment, we have initially focused our attention on increasing awareness of this service to prevent injury to people working in the area, as well as damage to our equipment. Please see further details on pages 8 & 9.	■
5. We will continue to help shape industry change, working collaboratively to simplify processes that deliver positive outcomes for our customers.	We are continuing to work collaboratively across the industry to drive industry change by helping to develop and design the commercial and contractual framework for the Funding, Governance and Ownership (FGO) Programme (a major change to xoserve, who provides the centralised information and data service for shippers and gas transporters). We chair the FGO Programme Overview Board, which is a key industry meeting, drawing in key industry decision makers to collectively deliver the best outcomes for our stakeholders. We have begun engagement events with our stakeholders to provide understanding and clarity on pricing and shrinkage. In addition, to share our updates in these areas, we held two industry forum days in June and November with stakeholders. Page 11 shows more details.	■

KEY: ■ In progress: solution still being developed ■ Solutions identified and plans developed ■ On target to complete per plan or complete

We made 10 commitments in April this year to help deliver the outcomes that you would like based on the feedback that we received from our three-month consultation. The table below provides an interim update on these commitments. We will provide a final update on these commitments in our next stakeholder publication.



OUR RIIO PRIORITY: We will deliver quality service continued

OUR 2015 COMMITMENT	OUR UPDATE	STATUS
6. We will work with our customers to review the service we provide for our non-standard works, for example, diversions.	Since April this year, we have been working closely with our UIP (utility infrastructure provider) and iGT (independent gas transporters) community to improve the way in which we engage with them and to identify changes required to our processes for non-standard work, including reinforcements and diversions. The improvements that we will make will positively impact all groups of stakeholders that request these services. We have introduced quarterly working groups with UIPs and iGTs, put engagement plans in place and customer focused performance indicators. On pages 8 & 9 you will find further information.	
7. We will improve our communication and access channels.	We have recently improved the way we share information about the work we do with our stakeholders by making changes to our communications. We have built stronger links with roadworks.org (a website that contains up-to-date information about roadworks in the UK) making it easier for stakeholders to access this information. Users can now register with roadworks.org via nationalgrid.com to receive alerts by email of upcoming roadworks. We have also carried out an extensive review of all our communications when we are replacing old gas pipes and will begin a pilot in January to look at an alternative method for sharing this information with our stakeholders. For further information please go to pages 8 & 9.	

OUR RIIO PRIORITY: We will safeguard future generations

2015/16 OUTCOME WE WILL DELIVER


We are developing a future network to connect you to your energy

OUR 2015 COMMITMENT	OUR UPDATE	STATUS
8. We will continue to improve the biomethane process and innovate for new uses and gas sources.	We have continued to work with our biomethane customers to make positive changes to our process and innovate for new ways of working. We now provide connection offers within three weeks (previously took three to four months) and we were the first in the UK to use high-density thermo-plastic pipe to connect the biomethane plant to the gas distribution network, helping to reduce the cost of a biomethane connection. Further details can be found on page 10.	
9. Through our people and our networks we will help shape the transition to a low-carbon future.	We recognise the importance of a low-carbon future and working with others in the industry, we have developed the first compressed natural gas filling station on the M6, near Stockport, for HGVs that wish to use the natural gas network for their fuel. The station's first customer will be Waitrose. We are also looking at further stations around the city of Birmingham. Please see page 10 for more details.	

OUR RIIO PRIORITY: We will provide value for money

2015/16 OUTCOME WE WILL DELIVER

We will deliver value for money

OUR 2015 COMMITMENT	OUR UPDATE	STATUS
10. We will continue to share our RIIO performance annually with our stakeholders and operate a safe, reliable and efficient network.	We recently published our RIIO Performance document on our National Grid website and on our dedicated Talking Networks website. The document provides detailed information and case studies on how we performed in our second year of our price control. We have also provided more transparency on how your money is spent. Please see page 11 for more.	

We will keep you safe and warm

Case study: Fuel poverty

In September we jointly sponsored, with Northern Power Grid, the National Energy Action conference Fuel Poverty: Our Vision for the Future (below). Over 350 delegates and stakeholders, including the Department of Energy and Climate Change (DECC), Ofgem, Which?, Citizens Advice, and the National Institute for Health and Care Excellence, talked about the issues of tackling fuel poverty, including health, the heat or eat debate, and energy efficiency programmes.



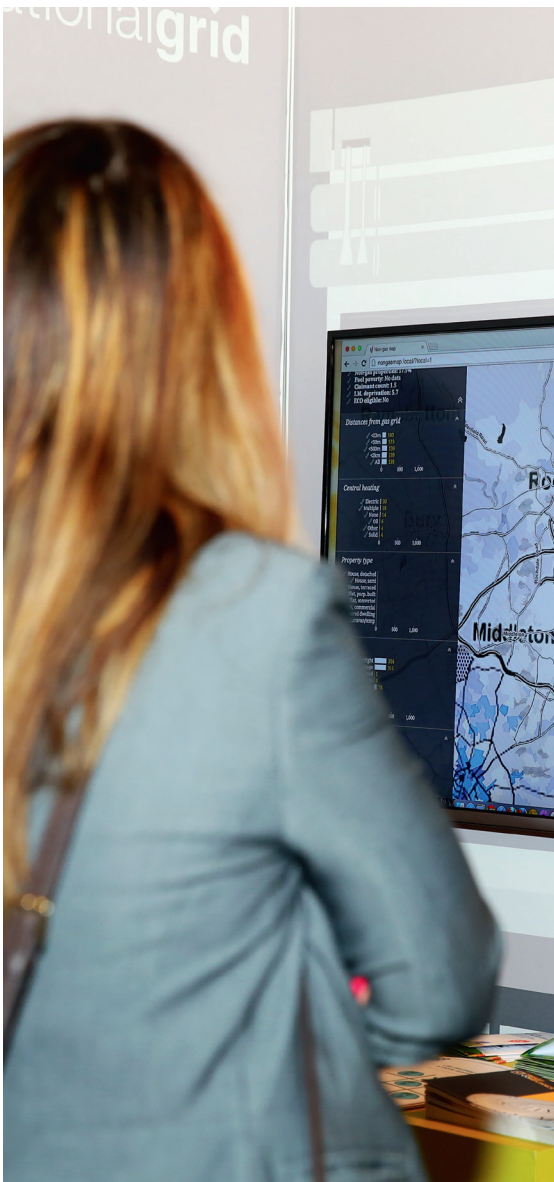
FIRST OF ITS KIND

At this conference we unveiled the Off-Gas Grid map, Britain's first ever online map showing all the postcodes in the country not connected to the gas network. Spearheaded by the government's Fuel Poverty

Advisory Group and DECC, and funded by National Grid's community interest company, Affordable Warmth Solutions, the initiative saw a host of organisations joining forces to support the project, including energy suppliers, electricity distribution companies and trade associations.

This mapping tool (right) aims to make it much easier for those organisations with the resources to tackle fuel poverty, for example, through connecting homes to cheaper natural gas and targeting the area's most in need. The map will also enable other organisations, such as local authorities and housing associations, as well as individuals, to identify areas with high levels of fuel poverty and come forward to seek help. The map is accessible at nongasmap.org.uk where organisations can register for access to the postcode level data.

In addition to looking at future developments in the area of fuel poverty, we continue to connect more homes to the gas network. We recently completed a community project in Hucknall, Nottinghamshire, where we worked in partnership with Ashfield District Council to connect 177 fuel-poor homes to our network. To ensure each of these homes had the opportunity to realise the benefits of this scheme, Affordable Warmth



Solutions funded the installation of new heating systems to 27 private home owners. These home owners and social housing tenants now face a much more affordable and comfortable winter.

Case study: Helping our vulnerable customers

Looking after our vulnerable customers continues to be one of our priorities and the feedback we received during the consultation reinforces this. We recently began working with Leicestershire County Council's First Contact referral scheme. The First Contact team work with over 100 different agencies who can provide support, advice and services to those customers that

may benefit. These services range from emergency and social services to help around the house and befriending support. **RECOGNISING VULNERABILITY** Our engineers working in the Leicestershire area have been trained to recognise vulnerability and to make a referral to First Contact. We are now looking at a similar scheme in London with

Islington and Hackney local authority. Another initiative we are working on is with the Royal Association for Deaf People to provide sign language via a third party when our engineers are communicating with customers who experience hearing difficulties. We have also recently launched a translation app for our field force engineers to use when engaging with those customers where English is not their first language.



Have your say

Tell us how you would further improve our service by filling in our Have Your Say questionnaire at brws.it/haveyoursay



Case study: Raising awareness of carbon monoxide

The feedback that we received during our last consultation told us that we need to carry on with the work we do to prevent incidences arising from CO. We have continued to build on many different initiatives and begin new ones that will help to raise awareness of the dangers of CO and develop partnerships with others to help us do this. We continue to host stands in shopping centres (below), and work with the fire service and Cub Scout group to help change our stakeholders' behaviour and increase their understanding.

PROVIDING CO ALARMS

One of our most recent initiatives is working with Smethwick local authority, one of the most deprived areas in the West Midlands. They have various community initiatives that we have been able to access to provide over 1,000 CO alarms to vulnerable customers in this area. These initiatives have linked into AGE UK in West Bromwich, Warm Zone and Bangladesh Islamic Centre. This collaborative approach with Smethwick allows us to reach out to a cross-range of the most vulnerable groups in this community.

Following on from the Camping and Caravan Show that we went to earlier this year, we attended Inland Waterways Association's Northampton Festival of

Water (right) at the end of August. During this festival we were able to reach out to the boating community, providing nearly 500 CO alarms and giving out 2,000 leaflets and CO merchandise alerting stakeholders to the symptoms of CO poisoning when boating.

We continue to work with a wide range of stakeholders, including the other gas networks, so that we can share ideas, best practice and learn from each other. We'll continue to build on the initiatives that we are working on now and look at new ways to reduce the number of incidents from CO.



"We continue to work with... stakeholders so that we can share ideas and initiatives"



We will deliver a quality service



Case study: Information about our planned work

We continue to improve the way in which we communicate with our stakeholders about our planned works. We recently made changes to our website to make this information more accessible and easier to understand, which led to an increase in visits to our information video in the first month. We will soon be creating three more videos to help our stakeholders understand more about why we do this work, what to expect when their gas supply is interrupted, and returning paths and driveways to their original state.

TRIALLING A NEW WAY

We began a trial in October in the Coventry area to provide stakeholders with the opportunity to let us know when they have a query or issue with our works. Stakeholders will be able to use a 'Do Disturb' door hanger on their property. Our teams will then proactively visit the customer to resolve their

“We will continue in 2016 to make improvements to the way in which we communicate”

issue, rather than the customer having to go into the street or call our customer centre.

We will continue into 2016 to make improvements to the way in which we communicate with our stakeholders who are impacted by our planned works.

Have your say

Tell us how you would further improve our service by filling in our Have Your Say questionnaire at brws.it/haveyoursay



Case study: Working to improve our non-standard work

During our last consultation we received mixed feedback about the service we provide for some of our non-standard works, so we are now working collaboratively to identify the improvements we need to make. Earlier this year, we invited our UIP and iGT stakeholders to a workshop to provide feedback, which identified topics such as communication and lead times, and the difficulties our customers have when their connection request moves between our internal processes like reinforcements and diversions.

BETTER RELATIONSHIPS

Internally, we have set up a cross-functional working group, as well as an external quarterly working group, with members of the UIP and iGT community. This will ensure we deliver what is required as well as take on-board any new issues. We have commenced a programme of external engagement, which is enabling us to develop better relationships and provide individual support where needed. The introduction of a customer satisfaction survey will help us to understand whether the changes we are making are successful and where we need to focus more effort.

We still have more work to do but are committed to making changes that positively impact everyone who uses these services.



Case study: Minimising our disruption



This video provides further explanation of the PRISM technique: brws.it/prism

We are committed to reducing the impact of our operations in the communities where we work and are investing in no-dig technologies to deliver this. We are trialling a number of exciting new technologies, as well as changing our processes so that we can reduce digging and gas supply interruptions for our customers. Some of the trials we have started are already seeing benefits, for example, we have reduced the amount of digging we do by 19% and reduced the amount of times we have to interrupt supplies from 2013/2014 levels.

LESS INCONVENIENCE

An example of one of the innovative techniques we have introduced is called PRISM. This technique has been developed with our innovation partners and creates a pipe within a pipe by mixing a polymer (a type of plastic) on-site which is then sprayed into the existing cast iron pipe. We can do this by pulling a rotating spray head through the pipe on a cord, using special couplings to provide a smooth transition across joints.

Using this technique, the gas pipes in a cul-de-sac of eight houses could potentially be upgraded in about eight hours, from the time we turn off the gas to when we restore supplies, with very few holes being dug. This results in less inconvenience for our customers and stakeholders as it reduces the amount of time the gas has to be turned off, and the amount of holes being dug, as well as being much more efficient.

We have been able to prove the concept during a site trial. We are now preparing the technology for trials in live conditions, with an ambition of beginning to roll out the technology by 2017/18.

Case study: Improving our asset data service

Our primary focus is keeping people safe, as well as providing a safe and reliable network. Damaging equipment can prove fatal or cause life-changing injuries. It can also lead to whole communities losing their gas supply, leaving business and households in a vulnerable position.

We are still committed to improving the service we provide and we will review this commitment over the coming months.



“We are trialling a number of exciting new technologies, as well as changing our processes”



We will safeguard future generations

Case study: Natural gas vehicle network

One of our joint priorities is the transition to a low-carbon future and the role we can play. An example of this is the role we are playing in developing a natural gas network for heavy goods vehicles (HGVs) and buses. This type of transport accounts for 21% of transport emissions and a move to gas from more carbon-intensive fuels will help the government's target of reducing greenhouse gas emissions by 80% by 2050.

With our large distribution network, we are well placed to provide connections for those customers that wish to use natural gas for their vehicles. Working with CNG Services, we have developed a compressed natural gas (CNG) filling station on the M6 motorway in Leyland, near Stockport.

THE USE OF NATURAL GAS

This will be the first high-pressure connected public access CNG filling station in the UK and is capable of refuelling more than 500 HGVs daily. The station's first customer will be Waitrose, part of the John Lewis Partnership.

We have been working with the Low Carbon Vehicle Partnership Task Force and are also founder members of the Natural Gas Vehicles Group, working closely with industry stakeholders to promote the use of natural gas in vehicles. Together with others, including Birmingham City Council, we are now looking at a further four filling stations on the edge of Birmingham.

For our gas customers, growth of this natural gas sector will result in a higher usage of our distribution network, therefore, reducing the transportation cost per customer, as well as helping to reduce environmental impacts, and ensuring longevity and optimum use of assets that have already been built.

Further information on the use of Reinforced Thermoplastic Pipe (RTP) can be found here: brws.it/rtp



Case study: Biomethane connections

Since our last update in April we have connected a further four biomethane plants to our gas distribution network. These sites (Euston, Raynam, Metherington and Mepal) are all in the East of England and have the potential to heat over 3,000 homes from renewable sources. We currently have a further seven projects in progress and are well placed to meet our RIIO target of 80 biomethane connections by 2021.

BETTER CONNECTION PROCESSES

We are always looking to innovation to make improvements to this process and an example of this is the use of Reinforced Thermoplastic Pipe (RTP) – a form of polyethylene pipe. Working with CNG Services, this was used for the first time in the UK at our Raynam Farm site in Norfolk to connect the biomethane plant to our distribution network. Steel pipe, which is traditionally used, is often expensive to buy, install and maintain. This type of plastic pipe requires fewer welding points; on this project 15 welding



points, rather than 140 were needed, taking three days to complete the welding, rather than six weeks for the traditional steel pipe. This plastic pipe also allows for changes in direction and so proved very beneficial to navigate the side road and ditch on this route. The total time to install this pipe was approximately one week compared to two months using the steel pipe.

This innovative technique is enabling cost savings and efficiencies to be gained, making the connection process cheaper, quicker and more efficient for our stakeholders.

We will provide value for money

We welcome feedback on our RIIO Performance publications; if you do have any comments, questions or suggestions for improvement, please email talkingnetworks.distribution@nationalgrid.com

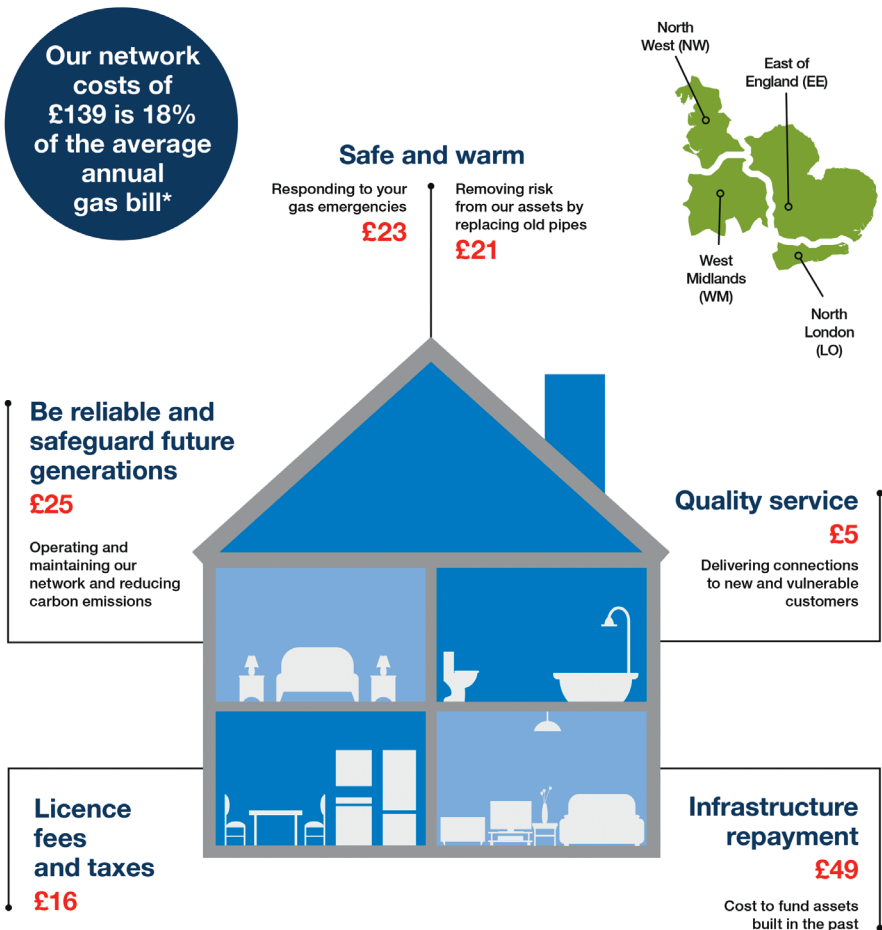
Case study: Our performance and make up of a customer bill

Our second annual RIIO Performance document was published on 30 September on our Talking Networks website. This year, we have also provided a link on our UK National Grid website to the publication and supporting documents to ensure that it is easily accessible through different routes.

ANNUAL PERFORMANCE

This publication shares with you our annual performance together with supporting case studies based on the four priority areas we set with our stakeholders during our RIIO price control engagement. Our outputs cover many areas including customer satisfaction, complaints handling, interruptions to gas supply and responding to gas escapes. We have provided data broken down for each of our networks (East of England, North London, North West and West Midlands) to make it easier to read and understand. We have also created a one-page leaflet (similar to the illustration right) for each individual network to show the breakdown of our costs as part of a customer's gas bill.

Our RIIO Performance document can be found at talkingnetworksngd.com/price-control.aspx



All figures in 2014/15 prices, based on the average domestic gas consumption of 13,500kWh. The Infrastructure Repayment includes our Return on Regulated Equity (RoRE).

*Source Ofgem

Case study: Understanding pricing

We appreciate that the world of gas distribution transportation charging and pricing can be a difficult and complex area to understand. In view of this, we have recently begun holding one-on-one engagement sessions with our stakeholders to provide understanding and clarity on pricing and what it means to them. We have,

so far, held four sessions with different gas shippers and have set ourselves a target to complete several more sessions before the end of the year.

In addition to providing these education sessions, we also ask stakeholders in advance of the session what areas they would like to focus on and anything specific they would

like to discuss. This ensures that the engagement is planned well in advance, is two-way and beneficial to all involved.

We are also looking at refreshing our pricing notification and changing statements that we have to publish to make them more engaging, brighter and easier for stakeholders to read.



National Grid Gas plc Distribution

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