nationalgrid

Electricity Transmission Stakeholder update and consultation 2014



Welcome to National Grid Electricity Transmission





MIKE CALVIOU Director of Transmission Network Service

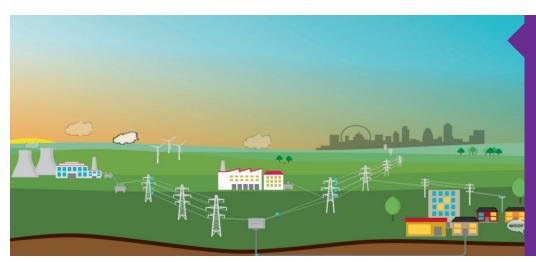
"Welcome to our latest stakeholder update and consultation for our electricity Transmission business. This document provides an update to you on what we are delivering based on your views.

Your continual feedback is important to us and helps us to plan the future together, so we'd like to hear from you on how we are doing and what we should be focusing on.

To do this, complete the survey in this document and post it to us or online at our Talking Networks website at www.talkingnetworkstx.com"



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



What we do

We transport electricity through our network on behalf of electricity suppliers.

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

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.

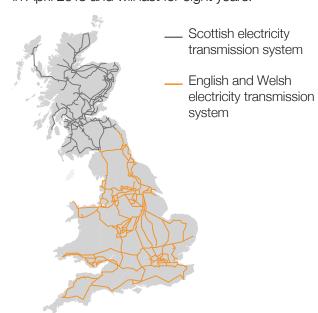
That puts us at the heart of one of the greatest challenges the UK faces – how the country will meet its ambitious low carbon energy targets and connect that new energy supply to communities.

Where we work

We own and maintain the high voltage electricity transmission system in England and Wales, together with operating the system across Great Britain, balancing supply with demand on a minute-by-minute basis.

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 current price control, known as RIIO-T1, started in April 2013 and will last for eight years.



What we are delivering Based on your feedback



Summary of previous year's commitments

Our commitments, based on your feedback for 2013/14, were split into two categories. The first included the specific actions we committed to delivering across our business, based on your feedback.

The second focused on our more continual businesswide commitments in areas such as safety and reliability. These are the things you have told us are important and we will continue to deliver and maintain the standards we have set or are obliged to meet.

The tables below provide a summary of our 2013/14 commitments and updates on how we are doing.

Output area	You said	We did	Useful links
Reliability	You expect us to be transparent about our decision-making on the development of the Transmission network.	1) We used a variety of forums to consult with you on the 2013 Electricity Ten Year Statement (ETYS). These included our Future Energy Scenarios and customer seminars workshops, as well as a written consultation via the National Grid website. The feedback we received resulted in changes being made to the ETYS, including greater clarity on opportunities, more information on operational challenges and a network development and opportunities chapter.	ETYS – http://www.nationalgrid.com/uk/ Electricity/ten-year-statement/ continuous-development/
Environment	Consider dropping our 'Accelerated Growth' energy scenarios, as it is not plausible. Information about the cost of delivering the future energy scenarios would be useful. You told us that our	2) We engaged with more than 180 organisations and 300 individuals as part of the consultation process for our 2013 UK Future Energy Scenarios. Following feedback on the range of our scenarios we removed the Accelerated Growth scenario. We have also doubled the number of scenarios and are now developing four scenarios for 2014, with a varying emphasis on sustainability and affordability.	FES consultation – http://www2.nationalgrid.com/uk/ industry-information/future-of-energy/ future-energy-scenarios/
	role as a facilitator on a low carbon economy is vital, in particular connecting gas-fired power stations and additional storage to	3) We published our indicative costs for the first time in the Future Energy Scenarios document for 2013.	FES doc – https://www.nationalgrid.com/ NR/rdonlyres/2450AADD-FBA3- 49C1-8D63-7160A081C1F2/61591/ UKFES2013FINAL3.pdf
	the network. It is important that local stakeholder groups and communities should be included in engagement in new infrastructure projects. Furthermore, you told us we need to consider our visual impact on the environment.	4) We consulted with you on our draft Visual Impact Provision policy in July to September 2013 and incorporated your comments into the final document that was submitted to Ofgem in December. We have formed the Stakeholder Advisory Group as part of the Visual Impact Provision project.	Talking Networks webpage – http://www.talkingnetworkstx.com/visual- impact-provision.aspx Stakeholder Advisory Group – http://www2.nationalgrid.com/Media/ UK-Press-releases/2014/National-Grid- appoints-chair-of-independent-group-to- advise-on-fund-to-improve-visual-impact- of-existing-power-lines/



What we are delivering Based on your feedback (continued)



Output area	You said	We did	Useful links
Environment (continued)		5) Our external affairs teams have continued to engage with communities to assess the visual amenity impact of new connections. For example, we have extended our consultation for Hinkley Point; and, through the mid Wales programme, we proposed that a quarter of the route should go underground in response to a range of consultations.	Hinkley Point C – http://www2.nationalgrid.com/UK/In- your-area/Projects/Hinkley-Point-C/ Mid Wales connection – http://www2.nationalgrid.com/UK/In- your-area/Projects/Mid-Wales/
		6) We have continued to engage with you on the following initiatives that were identified at our Sustainability Summit in 2012: Sanctioning sustainable growth Build and embed a culture of sustainability Sustainable circular sourcing.	Our Contribution – http://www2.nationalgrid.com/ responsibility/Connecting-for-tomorrow/ Preserving-for-the-future/sustainability/ Sustainability Summit – http://www2.nationalgrid.com/ responsibility/Connecting-for-tomorrow/ Preserving-for-the-future/sustainability- summit/
Customer satisfaction	You told us that transparency and predictability of charges are of critical importance.	7) When you contact us, we continue to commit to responding within two working days following receipt of your query, with details of when you can expect a fuller response.	Contact us / Responding to your queries – http://www2.nationalgrid.com/UK/ Services/Transmission-customer- commitment/Whats-different/
	You told us that our website needs refreshing to make information more accessible. You want us to do more to engage with you and make our existing events and seminars more accessible.	8) We have now published plain English versions of charging information and are continuing to review key documents across our Transmission business. As part of this, we will aim to achieve the Plain English Campaign's Crystal Mark standard.	Charging information – http://www2.nationalgrid.com/UK/ Industry-information/System-charges/ Electricity-transmission-Charges/
		9) We refreshed our UK home page and other key customer and stakeholder pages in October 2013. We acknowledge our website requires further development to meet your needs and we continue to work on this. We continue to seek feedback to deliver a website that is both intuitive and informative.	National Grid website – http://www2.nationalgrid.com/uk/
		10) We have improved our outage booking process through providing better and clearer information.	Electricity Transmission outage information – http://www2.nationalgrid.com/UK/Industry-information/Electricity-transmission-system-operations/Electricity-Transmission-System-Outages/
		11) We have improved our engagement with industry participants on complex balancing services and published guidance documents.	Balancing services – http://www2.nationalgrid.com/uk/ services/balancing-services/



What we are delivering Based on your feedback (continued)



Output area	You said	We did	Useful links
Customer satisfaction (continued)		12) We have continued to keep you informed via the Joint European Standing Forum and recently presented the 10-year plan as part of this forum. The European Code Co-ordination Application Forum has been established to manage the implementation of codes.	European Network Codes – http://www2.nationalgrid.com/uk/ industry-information/electricity-codes/ european-network-code/
Connections		13) We continue to work with our customers and stakeholders to improve the connection process. Our new Programme Management of the Offer Process (PMOP) incorporates intervals at each stage of the process to engage with you and involve you in actions and timescales. This process helps us to get it right first time.	Contact us web page – http://www2.nationalgrid.com/uk/ services/electricity-connections/contact/
		14) We have changed our ways of working to make sure you are updated throughout the life of your project and committed to reconciling charges within the 12 month CUSC guideline.	Charging information – http://www2.nationalgrid.com/UK/ Industry-information/System-charges/ Electricity-transmission-Charges/



Continual business commitments



Output area	You said	What we have done/will continue to do	
Safety	You expect us to continue managing safety as we have been doing, complying with	15) Deliver our commitments to protect our staff, contractors and general public. We achieved 0.1 lost time injury frequency rate (IFR) and our relentless safety focus means we have reached world class standard in the UK.	
	the required standards. Focus on safety is a given and is very important to you, with the electricity industry seen as experts in this area.	16) Comply with safety legislation applicable to the operation of the electricity transmission network and deliver world-class safety performance.	
		17) Make sure our network is designed and constructed to be safe.	\checkmark
		18) Structure our investment programme to ensure the safety and integrity of the network.	
Reliability	Reliability is seen as a crucial aspect of our service with a high level of reliability expected, delivered in an affordable way for consumers.	19) Focus on our maintenance policy and approach to replacement of the assets in the poorest condition and with the greatest potential impact on safety, reliability and/or the environment, while maintaining the required level of network reliability. We achieved 99.99999% network reliability for 2013/14.	
Environment	We should take account of the impact on the environment of our day-to-day activities and make sure we meet our statutory environmental requirements.	20) Deliver our statutory environmental obligations.	√
		21) Minimise SF6 leakage and consider this issue as we make investment decisions. Our Electricity Transmission business has reduced SF6 leak rates to 1.2% in 2013/14 compared with 1.7% in the previous year.	√
Customer satisfaction	While our customer service has improved, there is still room for improvement.	22) Implement an action plan to address areas of concern that are raised through our customer and stakeholder surveys.	\checkmark
		23) Benchmark our customer strategy against other organisations to make sure we are delivering what you need. From this we have created Our Academy training to make sure we have the right skills, capabilities and behaviours across our organisation. We have also completed customer Journey Mapping to make sure you are at the heart of what we do and through aligning and improving our processes and deploying Performance Excellence we will be able to understand what our Customers and Stakeholders want.	
		24) Continue to make connections offers within three months of a connection application.	√



Commitments for 2014/15



Last year we made commitments based on what you said was important to you and including those which you rightly expect us to deliver, such as safety and reliability. We will continue to deliver our 2013/14 commitments and identify further ways of improving our business for you, with particular focus on the results of our Electricity Ten Year Statement (ETYS) and our customer and stakeholder satisfaction surveys. We would like your input on our new commitments and please refer to the consultation on page 7 to tell us your thoughts. These are our initial thoughts on our commitments for 2014/15 and the areas we feel will improve our services to you include:

- making stakeholder engagement an integral part of decision making
- we will tailor our engagement with you to suit your needs
- clearer definition of National Grid's role and responsibilities within the energy system
- we will make clear to you our role in the industry
- we will make sure we communicate in ways that suit you, e.g. social and digital media
- we will make sure our people have the skills and capability to support 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.





Talking Networks Website:

www.talkingnetworkstx.com

Email:

talkingnetworkstransmission@nationalgrid.com

Consultation How to respond



Consultation

The consultation gives you an opportunity to have your say and let us know what your thoughts are on our priorities for the coming year. If you have engaged with us so far, please tell us how we are doing, including the things we are doing well and areas in which we can improve. Your opinion makes a real difference.

- Q1 Do you feel we have listened to you?
- Q2 Did we act upon what you told us?
- Q3 Do you feel we are focusing on the right things?
- Q4 What else would you like us to focus on?
- Q5 How should we engage with you?
- Q6 Is there anything else you would like to tell us?

How to respond

Online: www.surveymonkey.com/s/NGTransmission2014 Email: talkingnetworkstransmission@nationalgrid.com

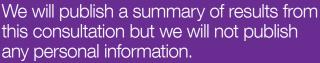
Post:

Dan Bartlett National Grid House Warwick Technology Park Gallows Hill, Warwick. CV34 6DA

For further information contact:

Dan Bartlett – m 07815 702755 Email – dan.bartlett@nationalgrid.com

Tell us about you



Please let us know if you would like your response kept confidential.

Name:

Company name (if applicable):

Phone number:

Email/postal address (as preferred):

Is there anything else we can do to help you take part in this or future consultations?



Next steps

We will collate and analyse your responses and publish the findings with our commitments for 2014/15 in June 2014.

We welcome your feedback and ideas at any point in the year, so please feel free to get in touch with us as any time.



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