

Code Administrators' Survey

Presentation of the outcomes of Future Thinking's survey

May 2017

ofgem

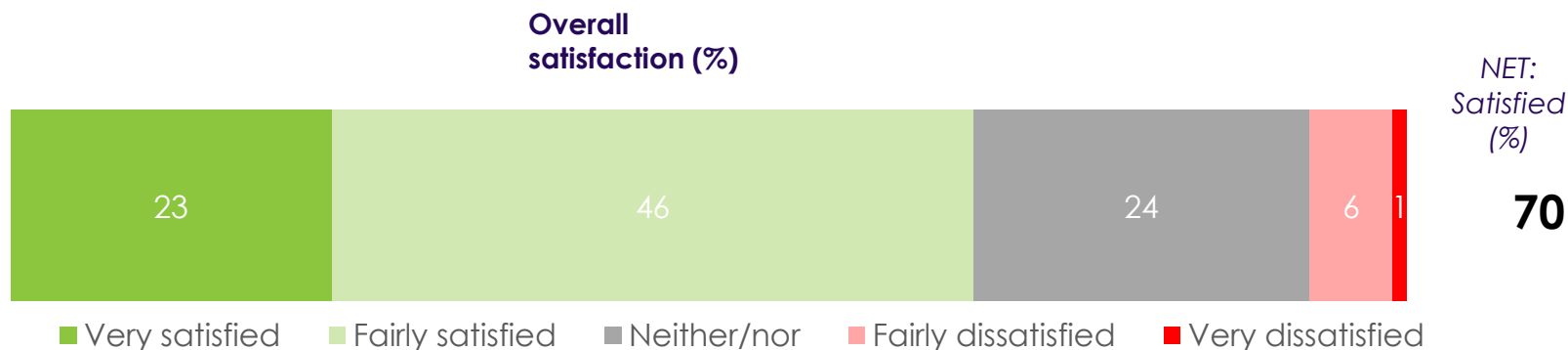
- Our CGR3 Final Proposals set out (amongst other areas):
 - Ofgem to commission an independent third party to undertake cross-code survey
- In September 2016 we appointed Future Thinking to undertake the survey
- On 20 March, Future Thinking presented its findings to a group of Code Administrators
- On 20 April, the report of Future Thinking's findings was published on the Ofgem website

Objectives of Survey

- To identify best practice in how the code administrators are carrying out their role
- To collect research data on the nature of the service, its efficacy and levels of satisfaction, as well as the nature of any particular issues
- Going forward:
 - For code administrators to share best practice and to consider areas for improvement, both individually and jointly
 - For Ofgem to consider the appropriate roles and responsibilities for the code managers, as the CMA's remedies are implemented

Overall satisfaction

Majority of organisations are satisfied with the service received from CAs, and among those not satisfied, the attitude is neutral rather than negative



By code

		BSC	CUSC	Dcode**	DCUS A*	Grid Code*	IGT UNC	MRA	SEC	SPAA	STC**	UNC
Net satisfied	%	82	47	77	83	59	62	70	71	73	45	77
Net dissatisfied	%	0	11	0	10	7	3	8	12	7	0	5

*small base size
**very small base size

interpret with caution

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 the code (373)

Conclusions

Organisations are generally positive in their assessment of the Code Administrators they deal with

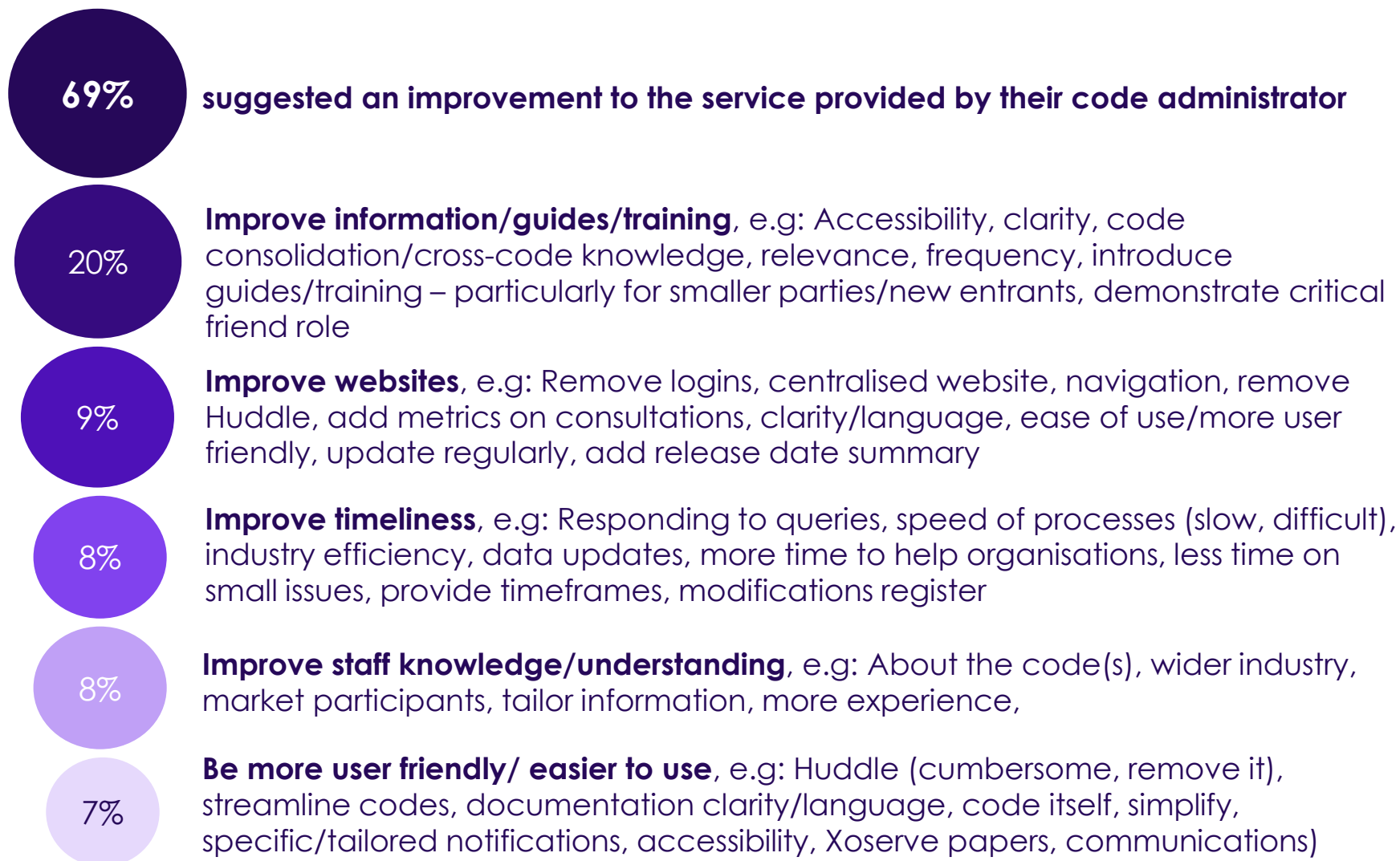
Improvements to service centre around support and information provision; and ways to consolidate this

There is evidence of higher standards of service associated with certain aspects of processes

There is a consistent correlation between perceptions of service and familiarity /capability of dealing with the codes

External factors can influence attitudes to dealing with the codes

Suggested improvements



Q29/Q29b. If you could make one improvement to the service provided by the code administrator in relation to the <code/codes> what would it be? Base: All responses for those involved with the code (373)

Recommendations



Develop a centrally focussed information and support network, e.g. simultaneous accession; modifications processes etc.



Provide greater support for smaller/new entry organisations



Streamline communications to ensure information can be easily prioritised for action



Examine external factors which can influence perceptions of the codes

- We would welcome your feedback on the survey, in particular, whether you have found the cross-code element helpful
- Code Administrators to review findings of the survey:
 - There appears to be a number of 'quick wins', some of these are already happening
 - Code administrators to consider individually how they may be able to implement recommendations
 - Code administrators to consider how as a group recommendations could be implemented
- Ofgem to take into account recommendations as it implements the CMA's recommendations

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Our priority is to protect and to make a positive difference for all energy consumers. We work to promote value for money, security of supply and sustainability for present and future generations. We do this through the supervision and development of markets, regulation and the delivery of government schemes.

We work effectively with, but independently of, government, the energy industry and other stakeholders. We do so within a legal framework determined by the UK government and the European Union.

Code administrators performance survey

Distribution Code (DCode)

Energy Networks Association (ENA)

Introduction

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

The study evaluates 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.

This report looks specifically at the results for the Distribution Code (DCode) administered by the Energy Networks Association (ENA) and all verbatim comments were provided in respect of DCode and/or ENA, however, they may be more widely applicable.

Method

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

- 15 depth interviews to inform questionnaire design
- A core survey with 204 participants to measure experience and performance of code administrators (13 participants answering about the DCode)
- 22 follow-up depth interviews to get a more detailed understanding of drivers of satisfaction/dissatisfaction

Throughout the report, results are shown:

At a total level (aggregated results for all codes)

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

*If DCode results are significantly higher than the average, the total is shown in **green***

*If DCode results are significantly lower than the average, the total is shown in **red***

Where percentages do not sum to 100%, this could be due to rounding or the exclusion of 'Don't know' or 'Not applicable' responses

Quotes from respondents included in the report and 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

It is important that the structure and perceptions of the energy industry in which organisations operate are taken into account when interpreting survey results.

Organisations recognise that the energy market is going through a transitional phase and that the changes occurring may affect how they interact with codes. Highlighted changes include:

- Requirement for codes to be in line with European legislation

- Prevalence of new entrants into the market
- Attempts to streamline processes, such as the Code Administrators Code of Practice

Some feel that the market is getting more complex and there are occasions when Ofgem can add to the complications of processes associated with codes.

Codes are perceived as complex and typically very different, with some being more technical than others. Organisations highlight that increased cross-code coordination overall and simplifying operational aspects of codes would greatly assist them. For example, when changes to one code affect another, communications and associated processes should be in place for all the codes that are impacted. There is also a call for a cross-code accession process (to avoid having to provide the same information to each code administrator).

Some organisations believe that industry-wide interventions could be initiated centrally to help streamline processes.


These external factors can influence how organisations perceive the service provided by code administrators. Nonetheless, they are generally considered to be performing well.

Executive summary


- Over three-quarters are satisfied with the service provided to their organisation. When it comes to satisfaction with the provision of support, just under seven out of ten are satisfied.
- However, there are a few areas where ENA could improve their service:
 - Helping organisations with interpreting information
 - Keeping customers sufficiently informed of any changes or modifications to the code

Organisation profiling

ORGANISATION'S SIZE

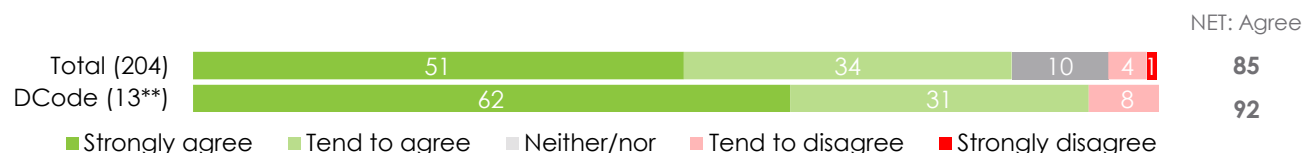
	No. of employees			
	0-49	50-249	250-999	1,000+
Total (204)	27%	17%	15%	38%
DCode (13**)	15%	23%	31%	31%

ORGANISATION'S ENERGY MARKET EXPERIENCE

	0-5 years	6-9 years	10+ years
Total (204)	13%	10%	76%
DCode (13**)	15%	0%	85%

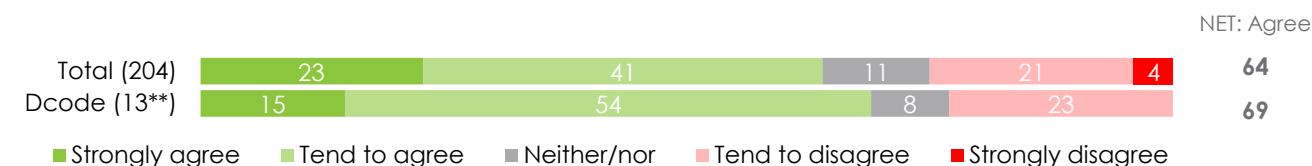
Across all codes, there are some broad differences between organisations of different sizes and their length of operation in the energy market. Individuals employed by small organisations (0-49 employees), or new entrants to the market (within the last 5 years) tend to express slightly lower levels of contentment throughout the survey across all codes. It is likely this is due to lack of resource and expertise, which are more frequently highlighted as issues by these groups. However, even those working for larger organisations say they sometimes face challenges when interacting with codes.

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 %)

"We need a dummy guide for new suppliers."

"We're classed as a small supplier and don't have the same as the big six. There is unequal resource and it's a barrier to entering the market."

Key findings

KPIS

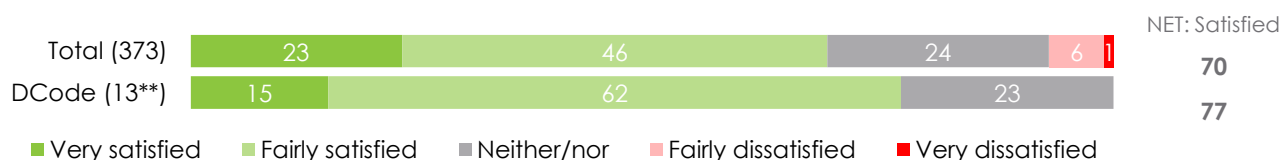
The survey collected three measures of satisfaction:

1. Overall satisfaction with the service provided to their organisation
2. Satisfaction with the provision of support
3. Satisfaction with support received when requested

Organisations rate ENA highly. Just over three-quarters (77%) are satisfied with the overall service, there is no dissatisfaction reported across any of the measures.

OVERALL SATISFACTION

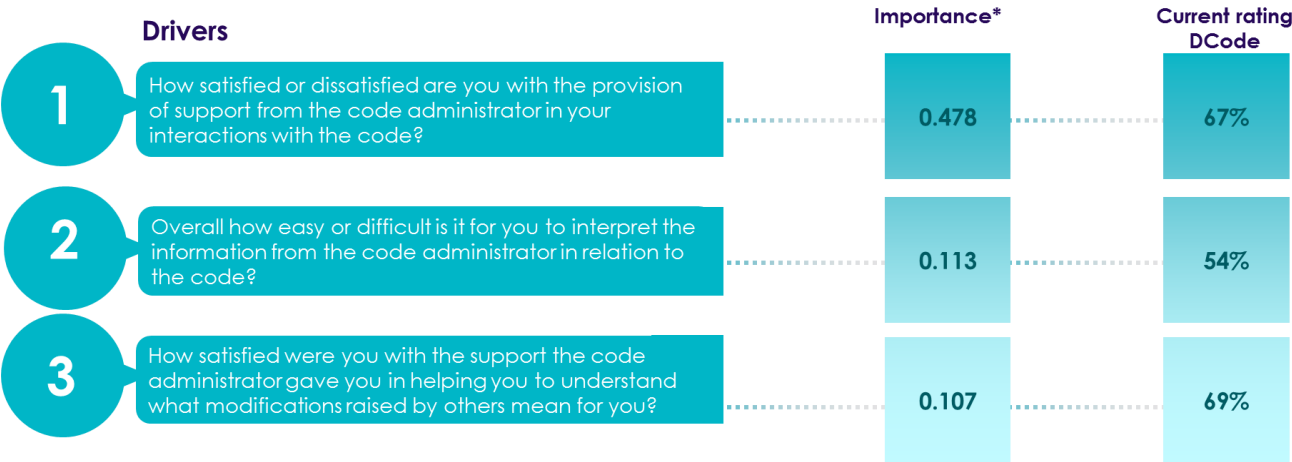
At an all code level, seven in ten say they are satisfied with the service provided by their code administrator. Just over three-quarters of organisations say they are satisfied with ENA's service regarding the DCode and none are dissatisfied.



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 %)

"I'm quite happy with it as it is."

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



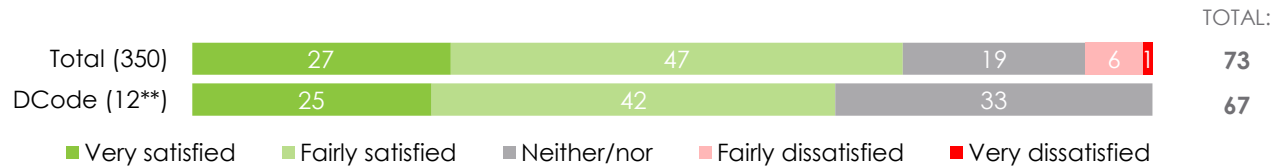
* The importance value will always have a value between -1 and +1, where, a large positive correlation means two ratings 'move together' and a negative correlation means the ratings move in the opposite direction. A correlation of 1 means an exact linear relationship (i.e. everyone gives the same rating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

SATISFACTION WITH PROVISION OF SUPPORT

Generally, organisations acknowledge the need for comprehensive detail from administrators. However additional support in interpreting this information is appreciated, particularly for small organisations or those new to the market.

Two thirds of ENA customers are satisfied with the provision of support and there are no reports of dissatisfaction.



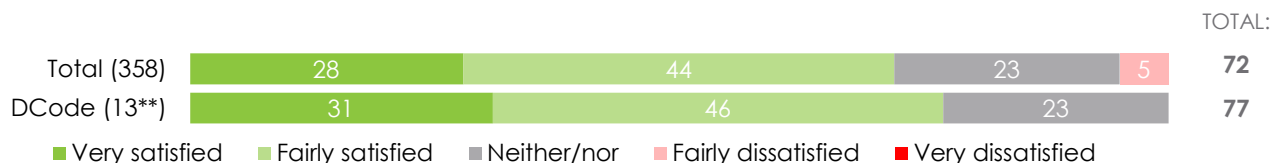
Q11a/Q11c. How satisfied or dissatisfied are you with the provision of support from the code administrator in your interactions with the <code>? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

“We need something summarising the impact of change.”

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.

SATISFACTION WITH SUPPORT RECEIVED WHEN REQUESTED

Over three-quarters of organisations are satisfied with the support they request from ENA. One DCode customer acknowledged that code administrators had a lot to contend with and time frames for implementing changes could be unrealistic.



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 %)

"For some codes, the code administrator acts as a critical friend - we would like that extended to all codes."

"Code administrators are up against it and deadlines can be tight."

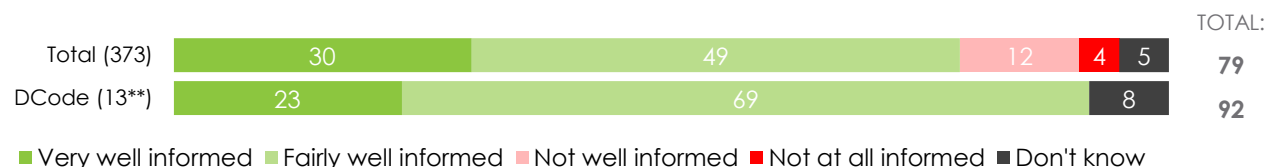
Perceptions of information provision

On average, organisations receive information about the DCode from ENA 1-2 times a month and for the vast majority (89%), this frequency is about right.

KEPT INFORMED ABOUT THE CODE

At an overall level, there is correlation between the experience and size of an organisation and perceptions of being informed about the codes. This demonstrates that resource and familiarity tend to produce a more comfortable position in which to deal with code processes.

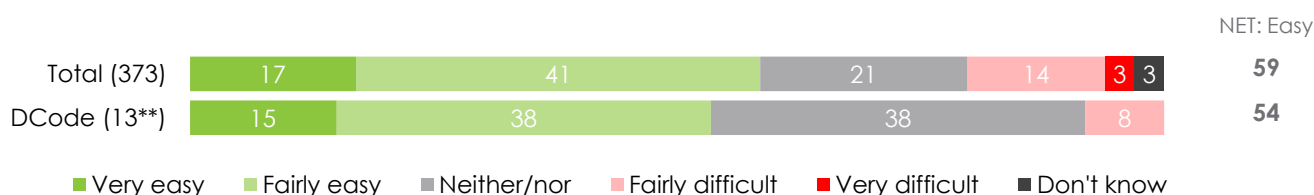
ENA scores highly in this area: nine in ten say they feel 'very' or 'fairly' well informed about the DCode.



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

At an overall level, those with more experience of industry codes find it easier to interpret related information. While organisations face some challenges with interpretation, they acknowledge that it may be difficult to simplify information due to the complexities of the code itself.



Over half of organisations say it's easy to interpret information about the DCode.

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 (number of respondents in brackets) (results in %)

Perceptions of direct services

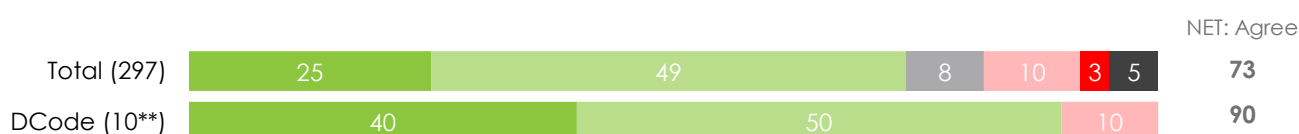
EMAIL

Generally, organisations prefer to receive information via email so they do not have to manually search through websites to keep track of developments. It helps them to stay on top of changes to the code and provides a ready-made audit trail they can reference.

Across all codes some emails are considered too content heavy and the volume of information can be hard to digest for those with limited resource. Organisations mention difficulties in identifying which emails require immediate action or contain information that is relevant to them. This can lead to important information being missed. There is appetite for a more tailored service, such as mailing lists that are specific to company type (such as generators or suppliers) or company size.

There are high levels of agreement that ENA's emails are easy to understand (90%) and all customers say that the emails received make it clear when action needs to be taken.

'The emails I receive are easy to understand'



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



■ Strongly agree ■ Tend to agree ■ Neither/nor ■ Tend to disagree ■ Strongly disagree ■ Don't know

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 (number of respondents in brackets) (results in %)

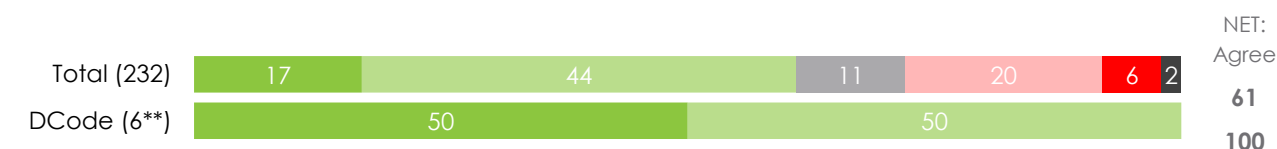
One organisation suggested greater cross working between DCode code administrators and others to ensure that any impact on other codes is also accounted for in communications.

WEBSITES

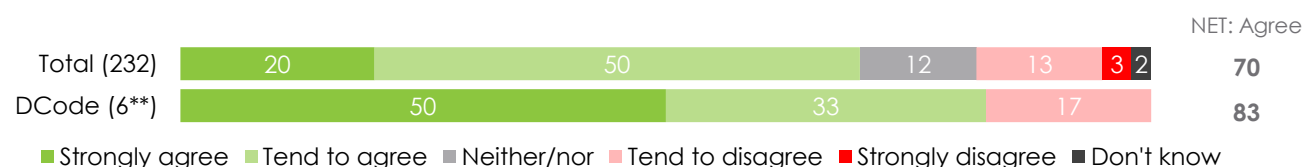
At an overall level, those accessing specific code websites more regularly find them easier to navigate, while those less familiar feel it can be difficult to find the information they are looking for. Code administrator websites are thought to vary in quality and some are not updated as frequently as others.

Of the small number of respondents who have used the ENA's website, perceptions are positive. All customers said they were able to easily find information on the website and the majority (five out of six) say the information on the website is easy to understand. By contrast, only three of the six organisations who have been to the ENA website said it kept them 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'



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 (number of respondents in brackets) (results in %)

The desire for cross code coordination among some DCode organisations also applies to websites.

"A single website or information point to find the status of current modifications would be good."

MEETINGS

Across all codes meetings and workshops are generally perceived as well run and useful. Introductory sessions are valuable for new entrants, chairs are generally impartial and effective, and organisations find it easy to contribute. Organisations indicate that code administrators try to encourage attendance from stakeholders.

However, organisations say it can be difficult to attend all meetings due to resource and financial constraints. Meetings are perceived as mainly London centric, which can be problematic for those not based in the Capital.

Teleconference facilities can be problematic due to audio problems (hearing and being heard), and confusion about who is talking.

At an overall level, 43% have attended a meeting or workshop in relation to the code they interact with. Of the 13 participants that were asked specifically about DCode, four (31%) had attended a meeting or workshop about the DCode in the last 12 months.

These four individuals were generally very positive about the different aspects of the meetings and workshops though the teleconference facilities could be improved.

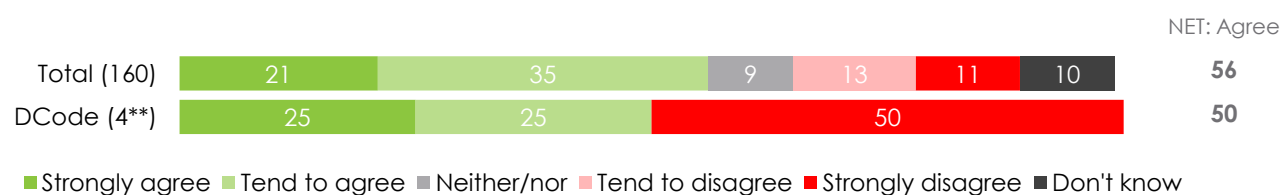
'It is easy for me to actively participate in the discussion'



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



'Teleconference facilities are fit for purpose'



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 (number of respondents in brackets) (results in %)

A range of suggestions to improve meetings were put forward by organisations interacting with the DCode.

“We would like the Code Administrator to align meeting dates across the codes.”

“Radio conference meetings need to use video call, which we use in our organisation.”

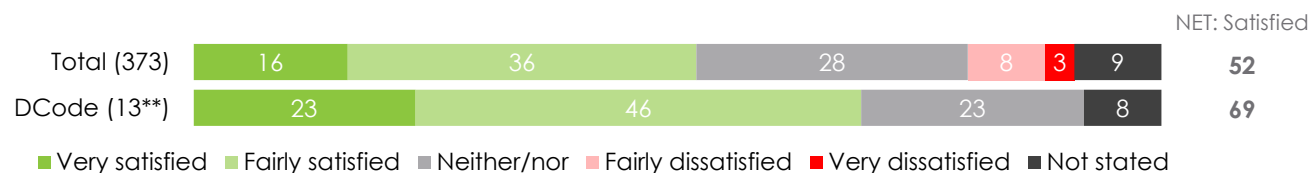
“Send out minutes to the meeting more promptly.”

RAISING MODIFICATIONS

Of the people interviewed, only one person (8%) said they had raised modifications in respect of the DCode within the last 12 months.

UNDERSTANDING MODIFICATIONS

Overall, half of organisations are satisfied with the support their code administrator provides to help to understand what modifications raised by others mean for them. Seven in ten DCode organisations are satisfied with the support ENA gives to help them understand modifications.



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 (number of respondents in brackets) (results in %)

ACCESSION PROCESS

Organisations do not accede to the DCode, and so no findings are presented here.

Conclusions

- ENA is performing well on most aspects of service provision.
- There is scope to improve the ease of interpreting information for organisation. Improving this aspect of service may increase overall satisfaction with the service ENA is providing in relation to the DCode.
- There are aspects of the website that are identified as in need of attention; particularly keeping customers informed of any changes or modifications to the code.