



RP7 - NIE Networks Price Control 2025-2031

Draft Determination Annex U Consumer Measures & Consumer Engagement November 2023



About the Utility Regulator

The Utility Regulator is the economic regulator for electricity, gas and water in Northern Ireland. We are the only multi-sectoral economic regulator in the UK covering both energy and water.

We are an independent non-ministerial government department and our main duty is to promote and protect the short- and long-term interests of consumers.

Our role is to make sure that the energy and water utility industries in Northern Ireland are regulated, and developed within ministerial policy, as set out in our statutory duties.

We are governed by a Board of Directors and are accountable to the Northern Ireland Assembly.

We are based at Queens House in Belfast. The Chief Executive and two Executive Directors lead teams in each of the main functional areas in the organisation: CEO Office; Price Controls, Networks and Energy Futures; and Markets and Consumer Protection.







Abstract

This Annex provide details on the UR consumer measures and engagement proposals for RP7. It examines NIE Network's Business Plan proposals for Consumer Measures and Consumer Engagement. Where no measures or targets have been set out by NIE Networks, the UR has proposed the collection and reporting of data for a number of Consumer Measures. This will be until the development of appropriate formal measures and subsequent targets during the course of RP7 through the Consumer Engagement Advisory Panel (CEAP).

Audience

Likely to be of interest to industry, consumer representative bodies, consumers, other regulatory bodies, government, and other statutory bodies.

Consumer impact

The focus on consumer engagement helps integrate the consumer voice into the day-to-day running and decisions of NIE Networks. Through the collection of data and reporting on Consumer Measures, a baseline and benchmark can be established to demonstrate the quality of consumer service for NI consumers against other network companies both in NI and GB. This should help integrate a best practice approach into how NIE Networks engage with and serve their customers.





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Executive Summary

This Annex provides detail on our proposals in respect of Consumer Measures and Consumer Engagement. It examines NIE Network's Business Plan proposals for Consumer Measures and Consumer Engagement. Where no measures or targets have been set out by NIE Networks, the UR has proposed the collection and reporting of data for a number of Consumer Measures. This will be until the development of appropriate formal measures and subsequent targets during the course of RP7 through the Consumer Engagement Advisory Panel (CEAP).

Consumer Engagement

NIE Networks undertook an extensive programme of engagement with consumers throughout the RP6 delivery period. This engagement was overseen by the Consumer Engagement Advisory Panel (CEAP). CEAP is a working group made up of representatives from NIE Networks, UR, DfE and CCNI which the UR chairs.

NIE Networks have stated that this consumer engagement programme has been used as a basis for the development of the RP7 Business Plan. It is the intention that this proactive form of consumer engagement will continue throughout the period of RP7.

As part of the Price Control process, we are developing updated Terms of Reference for CEAP. This will ensure that they are 'fit for purpose' in the context of RP7 so that CEAP can function in the right way and provide positive contribution during the price control delivery period.

Consumer Measures

A summary of the full set of proposed consumer measures along with an identified target (where relevant) is provided in Table 1. Detailed discussion of each of the measures is provided in Section 1. It is intended that NIE Networks will be incentivised to go beyond any identified measure through the Evaluative Performance Framework (EPF). The UR seeks to ensure that NIE Networks can be demonstrated to be Best in Class in terms of customer service quality. Further detail on the Evaluative Performance Framework can be found in Annex V.



Measure	Target	Source					
Supporting Vulnerable Customers							
UR Proposed Measures for data collection and reporting							
BS ISO 22458 on Consumer Vulnerability - the design and deliver of inclusive services.	Certification	UR Best Practice Framework					
Enhancing Customer Service							
NIEN Proposed Measures and Targets for Customer Contacts							
Enquiries: response within 2 days	90%	NIEN					
Enquiries: response within 5 days	100%	NIEN					
Complaints to be resolved Day +1 (24hrs)	80%	RIIO ED2					
Complaints to be resolved Day +31	95%	RIIO ED2					
All Calls answered	99%	NIEN					
% Calls answered within service level- 20 seconds	93%	NIEN					
UR Proposed Measures for data collection and reporting							
Net Promoter Score (NPS)		UR – NI Water Precedent					
First Point of Contact Resolution (FPOCR)		UR – NI Water Precedent					
Customer Satisfaction Surveys	8.2	RIIO ED2					
Communication Channels		RIIO ED2					
Enhancing Connections Service & Supporting Competition in Connections							
UR Proposed Measures for data collection a	and reporting						
Time to Connect & Time to Quote		RIIO ED2					
Customer Satisfaction Surveys		RIIO ED2					
Supporting Customers with Energy Transition							
UR Proposed Measures for data collection and reporting							
Customer Satisfaction Surveys UR							

 Table 1: Summary of proposed Customer Measures

1. Consumer Measures and Consumer Engagement

1.1 This section discusses the proposals for consumer measures and consumer engagement.

Consumer Measures – Background

- 1.2 In their Business Plan Submission, NIE Networks identified three key themes under which they would meet their customers' needs:
 - a) Protecting vulnerable customers;
 - b) Digitalisation; and
 - c) Enabling our customers to become more active in their energy usage.
- 1.3 The commitments NIE Networks have proposed in order to meet the needs of their customers are based around the above themes and include:
 - Supporting vulnerable customers;
 - Enhancing customer service;
 - Supporting customers with the energy transition;
 - Enhancing Connections services; and
 - Supporting competition in connections.
- 1.4 NIE Networks Business Plan Submission proposals for formal measures and targets which they would report on were limited, with one set of targets initially identified. NIE Networks proposed instead that appropriate measures and targets could be developed through the CEAP, during the RP7 price control period.
- 1.5 In this context, we are proposing that data is collected and reported on for a number of measures including some of those set out in Ofgem's RIIO ED2¹. This would be done through CEAP and also published. This will allow for a benchmark in NIE Networks performance to be established. It will also provide a reputational incentive when compared against GB counterparts, despite no formal target being set at this point.

¹ <u>RIIO-ED2 Final Determinations | Ofgem</u>

1.6 In parallel, through CEAP, appropriate measures and targets can be developed. These may be specific measures for NI or using those established in GB and set out in RIIO ED2 (if deemed appropriate). These are discussed further below, in line with the commitments for meeting customer needs set out in the NIE Networks Business Plan.

Vulnerable Customers

- 1.7 NIE Networks have set out a number of commitments in their Business Plan Submission in relation to vulnerable customers. This primarily includes the commitment to implement the recommendations of the UR's Best Practice Framework (BPF). There has been extensive work carried out in the development of the BPF, the implementation of which will include establishing and reporting on appropriate targets. One of the key areas relates to the British Standards/ISO accreditation on consumer vulnerability.
- 1.8 In the Best Practice Framework project, we are recommending that companies gain and maintain the international accreditation BS ISO 22458 which specifies requirements and gives guidance to organisations on how to provide an inclusive service at all stages of service delivery, helping them identify and support consumers in vulnerable situations.
- 1.9 We are therefore proposing that NIEN gains this accreditation as part of their work for consumers in vulnerable circumstances for RP7.
- 1.10 The Best Practice Framework will also require network and supply companies to promote the existence and method of signing up to energy and water customer care registers. The measures are set out below. In the first instance we will work with NIE Networks in the implementation and monitoring of these measures for their Medical Care Register, and also in the updated structure of the care registers thereafter during the RP7 price control period.

Best Practice Framework Proposed Measures on promotion of Customer Care Registers

Measure 3.3 - Inform all your domestic customers, at least annually, on the existence of customer care registers and how to be added to the customer care register, if eligible.

Measure 3.4 - Actively promote customer care registers (to encourage greater identification and sign up of eligible customers) to the wider public through a number of different communication channels such as, but not limited to, social media, websites, outreach events and advertisements. Engagement should occur with at least one consumer representative body in developing and/or delivering the promotion. Companies must be able to evidence promotional activity through at least 3 different communication

channels each year. This activity can be delivered in collaboration with other utility companies and/or consumer representative bodies.

Enhancing Customer Service

Customer Contact Metrics

- 1.11 NIE Networks carry out internal monitoring and reporting on their performance of customer service. They collect metrics in a number of areas relating to customer contact performance. NIE Networks have proposed to improve their performance in several categories; maintain high performance in others and have also proposed the introduction of two new categories including:
 - Complaints to be resolved Day +1 (24hrs)
 - Complaints to be resolved Day +31
- 1.12 These are set out in Table 1.1 below.

Category	2020	2021	2022	RP7 Target
Enquiries: response within 2 days	95%	94%	93%	90%
Enquiries: response within 5 days	97%	97%	97%	100%
Complaints to be resolved Day +1 (24hrs) New Category				80%
Complaints to be resolved Day +31 New Category				95%
All Calls answered	99.10%	99.60%	99.30%	99%
% Calls answered within service level- 20 seconds	94%	93%	92%	93%

Table 1.1: Customer Contacts Metrics Latest Performance andProposed RP7 targets

1.13 These new categories are in line with those set out in RIIO ED2 as are the targets NIE Networks have suggested. We are proposing to accept the targets that NIE Networks have set out and that they formally report on these. Meeting these targets will be an indication of positive customer outcomes.

Net Promoter Score

- 1.14 The Net Promoter Score (NPS) is determined based on whether a customer will recommend the company or not if asked. NIE Networks collect data on NPS (connections and faults). This is done through monthly customer satisfaction surveys. NIE Networks currently use internal staff to carry out the surveys but plan to employ an external organisation in the future.
- 1.15 NIE Networks did not make proposals in their submission for formal targets to report on for NPS. In follow-up engagement with NIE Networks, they were of the view that with a move to an external provider for customer satisfaction surveys it will be difficult to set a target at this point. This is due to the data collection method will have changed. There are no GB DNO comparisons for NPS (there are no such targets in RIIO ED2) and therefore no benchmark. This is mainly because to be a 'Net Promoter' the customer should have a choice of company they use and with a network company this is not the case. However, in NI we do have precedent for using this measure with NI Water. It can be used to demonstrate a trajectory of improved performance (or ongoing good performance) and customer service/satisfaction. The NPS also has the potential to provide insight into how well NIE Networks are performing with their commitment to 'Enhancing Connection Services' (discussed later).
- 1.16 We are proposing that NIE Networks formally report the data on their performance for NPS. The performance will be discussed through CEAP and targets may be developed.

First Point of Contact Resolution

1.17 First Point of Contact Resolution (FPOCR) is where a customer contact query is resolved following the first interaction with the company. NIE Networks monitor their performance and collect the data for this. During discussion with NIE Networks as to whether targets for RP7 could be set for this measure, they were of the view that with the enquiry and complaint resolution targets it could negate the need to have a target for FPOCR. However, they did state that they would continue monitor this internally. Whilst the new targets 'bed in' we are of the view that there is merit in continuing to collect this data. Therefore, similar to other measures where no targets have been formally set, we propose that NIE Networks report on the data collected. There are no targets for this set out in RIIO ED2. However, we currently use this as a consumer measure with NI Water and have precedent in the NI context. This will be reported through CEAP and the potential to set targets will be discussed.

Customer Satisfaction Surveys

- 1.18 NIE Networks carry out monthly customer satisfaction surveys, which are conducted by their internal staff. In their Business Plan they propose to continue to carry out the surveys but, as previously stated, plan to move to using an external provider. NIE Networks did not proposed any targets for the survey scores received. In GB Ofgem RIIO ED2 has retained the incentive for customer satisfaction survey scores for DNOs. An independent third party carries out the survey and depending on the score the company achieves they may receive an incentive or a penalty. RIIO ED2 has set a target score to meet service standards for supply interruptions, connections, and general enquiries surveys of 8.2.
- 1.19 We therefore proposing that a target score of 8.2 is set for customer satisfaction survey and that NIE Networks report their performance against this target. This target can be discussed and reviewed over the course of the Price Control.

Communication Channels

- 1.20 In their Business Plan, NIE Networks have also proposed improving communication channels for their customers under enhancing customer service with several commitments such as: multi-channel communication for the call centre, self-serve platform, enhancement of the website and the information provided there.
- 1.21 NIE Networks did not propose any measures or targets in this area. We have explored with them what type of data that could be collected to provide information on performance. RIIO-ED2 has set out a number of areas where data could be collected under Communication Channels such as:
 - number of inbound communications that are received by the DNO's public contact channels, recorded by channel type;
 - number of visits to DNO's website;
 - number of unique visitors to DNO's website;
 - maximum concurrent visitors to DNO's website;
 - average and maximum load time for the DNO's website; and
 - percentage of website load times that exceed 5 seconds
- 1.22 We are proposing that NIE Networks collect and report on this data. We will also explore possible development of new measures and targets through

CEAP as these channels become more developed during the period of the Price Control.

Supporting Customers with the Energy Transition

- 1.23 In their Business Plan Submission NIE Networks have made a commitment to supporting customers with energy transition. They stated that they will ensure that the network is developed to facilitate 300,000 electric vehicles and 120,000 heat pumps by 2030. NIE Networks have also proposed that they will become a 'trusted expert' in helping customers to transition to a low carbon future. NIE Networks stated, in our follow up discussions with them, that this could include activities such as:
 - Developing the website to provide more information on how customers can become prosumers;
 - Providing public briefings and advice to support customers and communities regarding the energy transition;
 - Ensuring their website has simple and easy to understand information to make it easy for customers to connect LCTs, including EV chargers, heat pumps and renewables;
 - Holding connections surgeries to educate customers on the grid connection process for renewables, energy storage and LCTs;
 - Providing advice on making applications for small works, community energy schemes, generation and LCT applications; and
 - Sign-post customers to an independent body for impartial advice on nonconnections aspects of the energy transition
- 1.24 NIE Networks were of the view that they would be able to measure the volume of interactions above where they have supported customers.
- 1.25 In terms of establishing performance measures and targets around this we will discuss the possible inclusion of customers receiving advice in this context as part of the customer service satisfaction surveys. This is something that will be developed further through discussions with CEAP.

Enhancing Connection Services & Supporting Competition in Connections

1.26 NIE Networks have stated that one of their commitments is to enhance connection services and supporting competition in connections. This includes proposals such as developing digital platforms to offer self-serve options to customers; assisting customers with high level budget costs prior to application; and the network capacity map available the website. They are also committing to maintain their performance on 'Time to Quote' (TTQ) and

'Time to Connect' (TTC) metrics. RIIO ED2 has set out targets for both these areas.

1.27 We are proposing that NIE Networks continue to collect this data and report on it. This can help establish a benchmark for NIE Networks' performance and comparison with performance in GB. The customer satisfaction surveys and the NPS will also provide insight into performance in both these areas. As with other measures, they will be discussed at CEAP in terms of their appropriateness for NI and whether targets will be set over the course of RP7.

Consumer Engagement

- 1.28 NIE Networks undertook an extensive programme of engagement with consumers throughout the RP6 delivery period. This engagement was overseen by the Consumer Engagement Advisory Panel (CEAP). CEAP is a working group made up of representatives from NIE Networks, UR, DfE and CCNI which the UR chairs.
- 1.29 NIE Networks have stated that this has been used as a basis for the development of the RP7 Business Plan. It is the intention that this proactive form of consumer engagement will continue throughout the period of RP7.
- 1.30 We are developing new Terms of Reference (ToR) for CEAP as well as setting out overall principles for participants in the group. The aim of the updated ToRs will be to get the best value from the group and ensure that the consumer voice in heard. There will be ongoing engagement and research with consumers at appropriate junctures throughout RP7 and the timing, type, and content of this will be discussed at CEAP with findings reported back.
- 1.31 It is also envisaged that this engagement will provide actionable data. NIE Networks can use this data to continuously improve customer service and both prioritise and incorporate customer feedback into their ongoing work, as well as preparation for the next Price Control. CEAP will also play a role in relation to the Evaluation Performance Framework which is proposed for RP7. CEAP can provide valuable feedback for NIE Networks on their FWP in the area of 'Customer Service Quality' under the EPF.