OFGEM CODE ADMINISTRATORS SURVEY

MEETING NAME	BSC Panel
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Purpose of paper	Information
Classification	Public
Summary	ELEXON is the top Code Administrator for the third year running. However, there has been a down turn in scores in all areas across all Codes.

1. Background

1.1 This is the third year in a row that Ofgem has surveyed industry participants for their views on all eleven Code Administrators. ELEXON has come top overall on all three occasions.

1.2 Future Thinking conducted the survey on behalf of Ofgem. In total, 376 interviews, either in person by telephone or online survey, were conducted. Interviewees gave their views on the two Codes they interact with the most. There were 37 interviews for the BSC, which is similar to other Codes, except the System Operator-Transmission Owner Code (STC) who only had 16 interviews due to their limited number of stakeholders.

2. Analysis of results

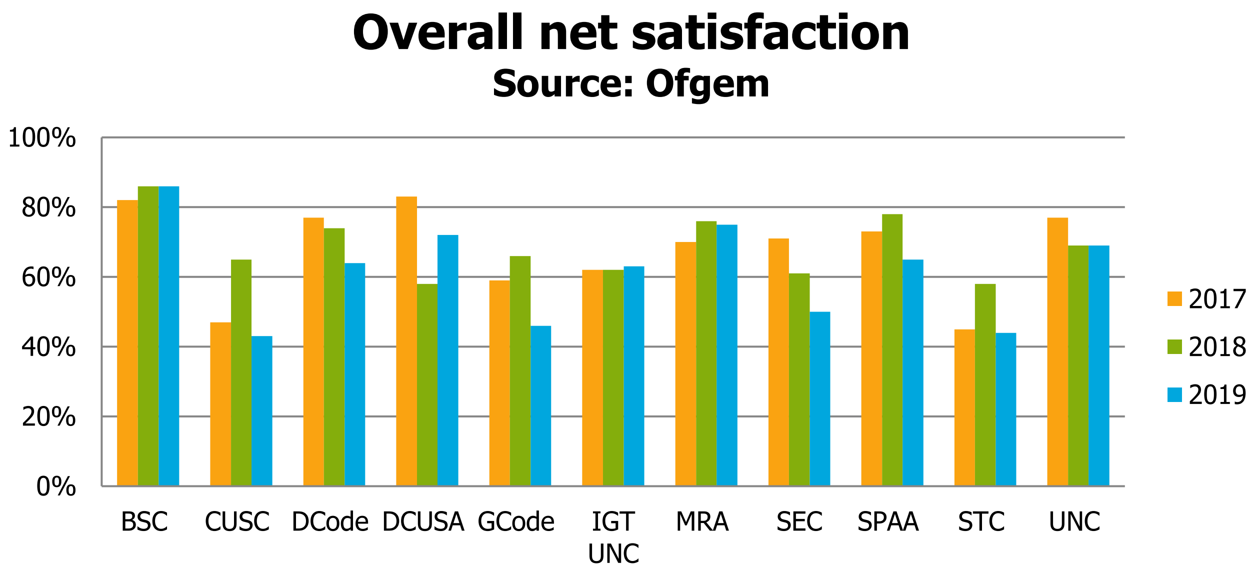
2.1 It is pleasing that our overall results are good and generally better than the other Codes. However, scores have dropped since 2018 and are, generally, more commensurate with the 2017 results. This could be interpreted in many ways, and is likely a combination of many factors. Some things to consider are:

- **Standards have dropped** – To accept this theory; we must accept that standards have dropped across all 11 Codes. ELEXON works hard to improve our service and anecdotal evidence from the Code Administrators' Code of Practice (CACoP) forum is that this is true for the other Codes too. Had results dropped for one or two Codes, this would likely be true but given that all 11 Codes have worked hard to improve their service (at least in their own view) this would seem unlikely.
- **The 2018 results were an anomaly** – After the 2017 results, all Codes made an effort to raise their game and the change in service offering was reflected in the 2018 results. Over the last year though, the improvement rates have dropped off because the service provided is settling to a new normal, albeit at a higher level than in 2107. Given that this year's results are only the third set of data, there is not enough evidence to support this theory.
- **The industry has changed** – Most of the interviewees are employees of large companies (roughly 60%). We are anecdotally aware that many large companies have reduced their regulatory staff. This means that the people required to interact with the Codes have little experience with them and/or are doing so alongside their existing roles. We are aware that small companies struggle to keep on top of the large amount of information coming from the Codes; it would appear that this is also becoming the case amongst larger companies. It could be hypothesised that the large companies are now experiencing the same problems as small companies and, given the amount of change occurring across the industry, people have less time to give to the Codes so the service they need from us is changing, which is reflected in the survey results.
- **Unconscious bias** – The Ofgem survey was conducted at the same time as the Energy Code Review consultation was opened. Given that the Energy Code Review is essentially telling industry that the

Codes are not fit for purpose, it has been theorised that this, on a sub-conscious level has led to interviewees 'down scoring' the Codes.

3. BSC specific results

3.1 Our overall satisfaction was 86% - the industry average is 63% and the nearest score was 72% (Distribution Connection and Use of System Agreement – DCUSA). we have achieved the highest score in this category for the last three years, which is why we consider ourselves to be top for three years in a row



3.2 We also score highest for the provision of support – 83% (65% industry average; MRA (Master Registration Agreement) scored 72%). This score dropped off notably for us from 2018 (97%) and is more commensurate with our 2017 (85%). This would tie-in with the changing nature of the industry as described above.

3.3 The score for 'Satisfaction with support received when requested' dropped in 2019 (86%) from 2018 (95%) The industry average was 72% and our score was the second highest (DCUSA -87% and MRA – 84%). While it is disappointing that our score has dropped so notably, it should be noted that the dissatisfaction score of 5% is the same as in 2018 and 2017. The main shift in this area is that in 2018 the neutral scores dropped away to zero and have returned, albeit to a lower level, in 2019 (8% in 2019 and 16% in 2017).

3.4 Three key drivers have the greatest impact on overall satisfaction. In each of these three areas, the BSC scored higher than the industry average (as shown in Brackets – BSC/average):

1. Provision of support from the Code Administrator when interacting with the Code (83%/65%)
2. Provision of support in helping to understand what Modifications mean for them (46%/40%)
3. Ease of interpretation of information (65%/52%)

3.5 The key drivers test the strength of correlation between ratings of core metrics against perceived level of satisfaction by which Future Thinking were able to derive which factors have the greatest impact on satisfaction – this is a subconscious measurement rather than a stated level of importance.

3.6 These have been the same three indicators for all three years, in the same order. However, the 'weighting' on the first has increased a lot this year compared to 2018[1] and as such, the 'weighting on the third has

[1] 2017 and 2018 weightings were similar for all three

reduced. The BSC came top overall for the first of the two key drivers and equal second on the third key driver. It is therefore very pleasing that, of the things industry members want most from their Code Administrators, ELEXON provides it better.

3.7 It should be noted that there were only 37 people interviewed for this survey so that one person's opinion accounts for 2.7% whereas our own customer survey normally receives over a 100 responses so is, arguably, more reflective of industry wide perceptions.

4. Next steps

4.1 There is room for improvement and the survey has given valuable feedback. The main theme is around how we communicate information, and particularly in a way that allows stakeholders to digest information very quickly and determine whether they want to investigate further.

4.2 We will look into the Ofgem results alongside our own survey results, due later this month. We intend to hold an internal workshop to assess how to move forward commensurate with our wider strategic aims.

5. Recommendations

5.1 We invite you to:

a) Note the content of this paper and the attachments

Attachments

Attachment A – Ofgem Code Administrators Survey 2019

Attachment B – Code Administrators Performance Survey – Balancing and Settlement Code

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