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Go from great to outstanding

Gas Distribution Benchmarking Initiative

An Untapped Opportunity

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Gas Distribution Benchmarking Initiative: An Untapped Opportunity

The gas distribution sector in Europe is facing multiple challenges, due to both short and long term industry wide challenges that have the potential to cause significant pain points for a mature sector of the downstream gas value chain. Some of these challenges include:

- Regulatory Pressure to Improve Efficiency by Cost Cutting
- Uncertainty in Gas Commodity Prices
- Digitalisation of Assets & Processes
- Decarbonisation of Operations to Net Zero
- Introduction of Hydrogen Networks
- Managing Ageing Assets
- Enhancing Asset Management & Engineering Practices
- Improving Quality of Service to Customers

In some cases, these burning issues are exacerbated by both regulatory & shareholder pressures that result in competing aspirations and expectations for the distribution system operator. It is at this time most companies will struggle to innovate as these challenges cannot be solved alone by a single DSO within the current market and require collaboration to help identify the most effective solutions.

Benchmarking to address industry issues

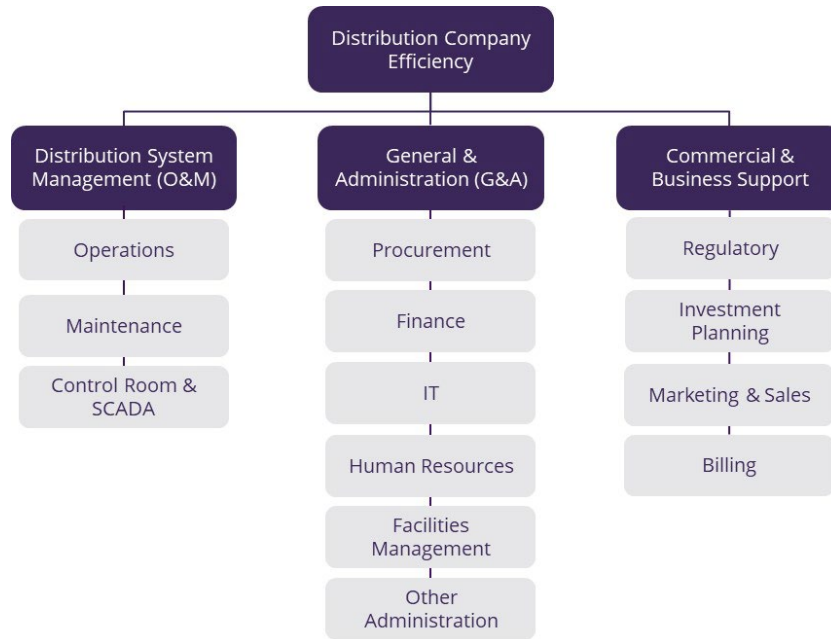
At Juran Benchmarking, our most successful initiatives have been created from the benchmarking and best practice sharing of companies within the same sector collaborating in a secure and trusted forum. The benchmarking of operational efficiency and effectiveness helps to establish the performance improvement potential of all participating companies. This is the objective of the Gas Distribution Benchmarking Initiative (GDBI).

Once the baseline benchmarks have been established, companies work collaboratively to exchange best practice and network to share knowledge among their subject matter experts. However, in order for this to be successful, a trusted facilitator is required to ensure the benchmarking remains focussed and fully compliant with competition law. This is where benchmarking with Juran Benchmarking can help.

The Gas Distribution Benchmarking Initiative (GDBI) operates under a strict confidentiality agreement that allows full and open knowledge sharing. Juran Benchmarking facilitates the process to ensure meaningful benchmarking and enable deep dives into industry topics, resulting in unparalleled insight into what the gas distribution operators are doing to address key challenges.

Example: Measuring Distribution System Operational Efficiency

Juran Benchmarking has developed a metrics model which describes the core activities of a Gas Distribution company that drive operational spending and staffing. By applying this model the operational efficiency of a DSO can be measured and then compared with industry peers.



The business performance areas of System Management (Operations & Maintenance), General & Administration and Commercial & Business Support form the key activities of a Gas DSO. These are then further broken down to functional levels to provide further insight into the key drivers of operational spending and staffing within the organisations.

Why is Benchmarking Critical for Gas Distribution Operators

When faced with the challenge of reducing costs and improving performance, in the absence of validated peer group data it can be very difficult for Operators to make the right decisions and know where to focus attention.

Through membership of the GDBI, DSOs will be able to:-

- Challenge regulatory targets using fully validated industry data
- Compare their performance to peers
- Determine efficiency and performance effectiveness
- Identify improvement areas and set appropriate targets
- Learn from collective know-how

The next steps you need to take

Juran Benchmarking are inviting Gas Distribution Operators across Europe to hear how being a member of the GDBI can help transform their business.

For more details on how to join, please contact:-

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